United States of America

Congressional Record

PROCEEDINGS AND DEBATES OF THE 105th CONGRES, SECOND SESSION

SENATE—*Tuesday, April 21, 1998*

The Senate met at 9:30 a.m. and was called to order by the President pro tempore [Mr. THURMOND].

The PRESIDENT pro tempore. Today our prayer will be offered by the guest Chaplain, Dr. Carl F. Schultz, Jr., First Church of Christ Congregational, Glastonbury, CT.

We are glad to have you with us.

PRAYER

The guest Chaplain, Dr. Carl F. Schultz, Jr., offered the following prayer:

Oh God, Scripture reminds us that those who wait upon You shall renew their strength; they shall walk and not faint. In the confidence of that glorious promise, we wait upon You in prayer with joy and thanksgiving.

O Creator God, we thank You for the gift of this new day. We thank You for the gift of life, full of potential and promise. We thank You for the beauty we see all about us these spring days, as nature comes alive at Your call.

O God of hope, help us to live sustained by Your hope. O God of love, empower us so that our deeds mirror Your love and compassion. O God of wisdom, may our decisions reflect Your truth.

Gracious God, bless each Senator this day, each staff member, each person who serves in this place. Guide, guard, protect, and nudge them to be open to Your spirit.

O God, pour Your power on Your people, that each of us might see ever more clearly what You require, that we might live justly, love mercy and kindness, and walk humbly with You and with one another, till at last justice rolls down like water and righteousness like an ever-flowing stream. Shalom. Amen.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The able acting majority leader is recognized.

SCHEDULE

Mr. SMITH of Oregon. Mr. President, on behalf of the majority leader, I wish to announce that today at 9:40 a.m. the Senate will resume consideration of S. 414, the ocean shipping reform bill. Under a previous unanimous consent agreement, there will be 20 minutes of debate remaining on the Gorton amendment No. 2287 which is pending to the shipping bill. At 10 a.m., the Senate will proceed to two stacked rollcall votes. The first vote will be on or in relation to the Gorton amendment, followed by a vote on the motion to table the Kennedy amendment No. 2289 to the Coverdell education bill.

Further, the Senate will stand in recess between the hours of 12:30 and 2:15 for the weekly party caucuses. When the Senate reconvenes at 2:15, under a previous unanimous consent agreement, there will be two stacked rollcall votes. The first vote will be on or in relation to the Glenn amendment No. 2017, followed by a vote on or in relation to the Mack-D'Amato amendment No. 2288. Following those votes, Senators should expect further votes throughout Tuesday's session as Members offer and debate their amendments to the Coverdell education bill.

I thank my colleagues for their attention. I thank the Chair.

Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

Mrs. HUTCHISON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. SMITH of Oregon). Without objection, it is so ordered.

Mrs. HUTCHISON. Mr. President, I ask unanimous consent to speak as if in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

SHIPPING REFORM

Mrs. HUTCHISON. Mr. President, I am going to take the 2 or 3 minutes we have before we begin the debate on the Gorton amendment just to familiarize my colleagues with the bill that is before us, the Ocean Shipping Reform Act of 1998, and give an overview of the bill.

This is something that I think has been a long time coming. What we are trying to do is open our ports and give our carriers and our shippers more of an opportunity to compete with foreign competitors where they have been at a disadvantage in the past because our markets were so open that they were transparent in their contracts to the extent that many shippers would go to foreign carriers in order to escape the requirement to have so much openness and on the other hand carriers would be able to compete at a disadvantage to our shippers because they knew everything about a contract and they could undercut that contract.

So it has not been a good situation. Particularly our ports that are near Canada or are near Mexico have felt a loss of business because of the competition from the foreign carriers. What we are trying to do is level the playing field for American shippers, American carriers, and try to help American ports get more of the business, which we think, of course, would create more jobs for our port cities.

So what we tried to do was balance the interests. We want transparency. We want openness. But we also want to allow the privacy of contracting to the extent that shippers and carriers can make contracts which they ought to be able to do privately, and as long as everything is open in competition it should be an open marketplace.

I would not say this is a perfect bill. Certainly nothing we ever pass is just the way we would pass it if we alone wrote it. But we are not alone. We have 100 Members. We have a Commerce Committee that debated this bill, that worked on it for a long time. In fact, we have been working on it for 2 years, and it has been a compromise bill. But I think everyone will be better off as a result of this effort.

I appreciate the support of the Commerce Committee. It has been a major achievement for the Commerce Committee. I appreciate the work of Senator LOTT, our majority leader, who is very interested in this matter. I appreciate the work of Senator GORTON and Senator BREAUX, both of whom have

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

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worked very diligently to try to hone the balance in this bill.

Senator GORTON has an amendment. There was one part of the bill that he felt needed changing. So he is going to debate that amendment. I think the bill should pass as it is because I think the balancing has been done.

So with that, I will yield the floor. I know we have a unanimous consent agreement that at 9:40 we will begin the debate on the Gorton amendment. And Senator BREAUX will be arguing on the other side for the committee.

Thank you, Mr. President.

OCEAN SHIPPING REFORM ACT OF 1997

The PRESIDING OFFICER. Under the previous order, the hour of 9:40 a.m. having arrived, the Senate will now resume consideration of S. 414, which the clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 414) to amend the Shipping Act of 1984 to encourage competition in international shipping and growth of United States imports and exports, and for other purposes.

The Senate resumed consideration of the bill.

Pending:

Hutchison amendment No. 1689, in the nature of a substitute.

Gorton amendment No. 2287 (to amendment No. 1689) to provide rules for the application of the act to intermediaries.

AMENDMENT NO. 2287

The PRESIDING OFFICER. There will now be 20 minutes of debate prior to the vote on or in relation to the Gorton amendment No. 2287.

Mr. GORTON addressed the Chair.

The PRESIDING OFFICER. The Senator from Washington.

PRIVILEGE OF THE FLOOR

Mr. GORTON. Mr. President, I ask unanimous consent to allow a Commerce Committee staffer, Jim Sartucci, the privilege of the floor during the remainder of the debate on this bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GORTON. I also ask unanimous consent that my own assistant, Jeanne Bumpus, be granted the privilege of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GORTON. Mr. President, the 1984 Shipping Act significantly brought openness and competition into the field of ocean shipping, a field dominated for decades by cartels, by fixed prices, by underhanded competition, and by, very frequently, the victimization of those who ship their goods by sea.

This 1998 set of amendments to the Shipping Act further opens up the process to competition and allows the business of ocean shipping to operate far more like most of the rest of the free market in the United States, with one exception. If you are a large shipper of goods by sea, sophisticated, a major customer, you deal directly with the ocean carrier, and those relationships with the ocean carrier are made much more flexible, much more subject to competition, by this bill.

If, on the other hand, you are a modest shipper, a small or medium-sized shipper, perhaps someone new to the business of exporting your goods from the United States of America, you don't, as a general practice, deal directly with the ocean carrier, you deal with a middleman, a consolidator, a freight forwarder. That small businessman in the various ports of the United States gathers together shipments to the same place from a number of different shippers and makes the arrangements with the ocean carrier.

As this bill was debated and reported from the Committee on Commerce, it treated both of these groups in an identical fashion. Each got the benefits of the bill; each got the benefits of competition.

Somewhere, however, between the Commerce Committee and the floor, the big boys got together behind closed doors, and a combination of the ocean carriers and the longshoremen's unions, working with a handful of Senators, determined that the small business people would not get these advantages, that they would continue to have to operate, under most circumstances, under the requirements of the 1984 act.

Under the 1984 act, they were treated identically. If this bill passes without my amendment, they will no longer be treated identically. The small shipper will be discriminated against. The small businessman who is a freight forwarder will be discriminated against. The big guys will get away with something.

It is curious, Mr. President, that neither the small shippers nor the freight forwarders were included in the negotiations that led to the revised bill, the substantive bill that is before us, as against the bill that came out of the Commerce Committee. The big boys got together, shafted the small business people on both sides, and now present this bill to you with the statement, "Take it or leave it; it's tough, but we've made a deal with the longshoremen's unions because they think that they may not get some of the business from these small businessmen, and you're just simply going to have to take it that way."

I don't think that is the way the laws ought to be made. I don't think that is the way we ought to deal as Senators. We make wonderful speeches at home, all of us, about the sanctity of small business, but here we are asked to discriminate against small business and in favor of big business.

If we adopt my amendment, we will simply put this bill back into the same condition in which it found itself when it was reported by the Commerce Committee—everyone treated equally, everyone the beneficiary of a freer market than we have at the present time—and we will have done our duty to all of our constituents and not just to those who are able to afford expensive lobbyists in Washington, DC.

The bill, in its present form, is unfair to small businesses. It discriminates against small businesses. The bill as reported from the Commerce Committee did not do so. We should restore provisions that the Commerce Committee saw fit to include in the bill.

Mr. BREAUX addressed the Chair.

The PRESIDING OFFICER. The Senator from Louisiana.

Mr. BREAUX. Thank you, Mr. President.

I would imagine that all Members of the Senate who are vitally interested in this legislation must be here this morning to follow these very complicated, very detailed arguments. This, indeed, is incredibly complicated. It just always continues to amaze me how complicated some of these international shipping agreements can become. It is part of the reason why it took 4 years to put together this legislation. This is not something that just came to the floor overnight but is the result of 4 years of painful negotiating and compromise among people who ship packages and cargo, people who carry packages and cargo internationally.

Mr. President, 96 percent of our cargoes carried internationally are on shipping vessels. It also has involved, to a large extent, the people who put together packages for people to ship in order to make it more efficient than it has been in the past.

Like all other compromises that normally are reached, everybody doesn't get everything they want. I think this legislation is an example of what a true compromise is. This legislation clearly is incredibly important because it further deregulates the shipping industry and makes it more competitive than it has been in the past.

But in reaching that compromise among all of the Senators who are involved, including Senator GORTON and Senator KAY BAILEY HUTCHISON, who has done such a terrific job as the chairman of our subcommittee, Senator LOTT's involvement, Senator INOUYE's involvement—everybody on the committee has been deeply involved on this very complicated issue, like I said, for 4 years.

Unfortunately, the amendment of the Senator from Washington is a killer amendment in the sense that if this amendment were to be adopted, the 4 years of hard work would go for naught. This bill would not be able to pass because the carefully crafted compromise would fall apart. As in most compromises, if you lose one part, you will lose the whole deal.

So it is very, very important for all of us who want to see a shipping act adopted and signed into law to recognize that it is necessary this morning to defeat the amendment of the Senator from Washington. I know it is well intended. I do not in any way question his motives in offering it, but I think that on the facts, there is a strong difference of opinion.

The non-vessel-operating common carriers, the so-called NVOCCs, are not actually in the business of carrying cargo at all. These organizations were formed in 1984 and recognized in 1984 in order to help very small shippers who would not ordinarily have enough cargo to fill an entire container, who would hire these NVOCCs to consolidate the cargo and put them in the container. But it is very, very clear that they are not a carrier, they don't own ships, they don't have the expense of having an entire shipping company at their disposal in building ships and operating ships and everything else.

Yet under the Gorton amendment, they would want to be treated just like a shipper would be treated and yet not have any of the expenses of a common carrier. That is wrong. That is why it was not done. It is wrong to say they are going to get special treatment and be treated just like an international shipping company with all of their expenses because in fact they are not so. Yet the Gorton amendment would basically accord these intermediary companies, who actually do not perform any transportation function itself, the same contractual rights that an ocean carrier enjoys, without any of the expense, without any of the liability, without any of the responsibility. That is simply not right, and it is not correct.

I submit that this is a hindrance to small business because the small NVOCCs could not do this. They do not have enough cargo to be able to provide these types of special deals. So the small NVOCCs would not be helped at all. What it would help basically is a large number of foreign NVOCCs, particularly from the European theater, who would be able to assimilate large enough amounts of cargo in order to participate under the Gorton amendment.

This would not help small intermediaries at all. They simply do not have the capacity to benefit from it. Small NVOCCs, by virtue of the modest cargoes that they handle, as I have said, would not be able to take advantage of the Gorton amendment. Only the big, huge megacompanies out of Europe and foreign companies who are our competition would be able to participate. America's small businesses, I think, do not deserve this type of treatment.

So I just conclude by saying, No. 1, it not fair to the small companies in America. It helps the larger ones basically in Europe; and that is not our responsibility. In addition to that, it is a killer amendment. The 4 years of hard work led by so many on this committee—including Senator GORTON, who has been, I think, very helpful in putting this package together; we differ on this one amendment—but the whole thing would go down the drain, and we would not have the moderate reform of the Shipping Act that I think is so important. I hope at the appropriate time those who are managing the legislation, Senator HUTCHISON and others, will make a motion to table the Gorton amendment. I intend to support that motion to table and hope that in fact it is tabled and we can go along and proceed to final passage in an expedited fashion.

Mr. President, we have been laboring long and hard over the past four years to reformulate, and further deregulate the ocean shipping industry. S. 414, the Ocean Shipping Reform Act, reflects an effort to compromise the sometimes dissimilar interests of the international ocean shipping industry, from the ocean carriers and shippers and shipping intermediaries to the interests of U.S. ports and port-related labor interests such as longshoremen and truckers. The effort to provide further deregulation has been difficult due to some of the unique characteristics of international liner shipping. Currently, every nation affords ocean liner shipping companies an exemption from the relevant antitrust or competition policies that regulate competition for domestic companies. Given the need to provide some regulatory oversight to protect against abuse of the grant of antitrust immunity, it has been difficult to balance the desire for further deregulation. However, I feel that we have reached a workable agreement which almost all parties can support.

It is safe to say that our ocean shipping industry affects all of us in the United States as currently 96% of our international trade is carried on board ships, but very few of us fully understand the ocean shipping industry. International ocean shipping is an over half a trillion dollar annual industry that is inextricably linked to our fortunes in international trade. It is a unique industry, in that international maritime trade is regulated by more than just the policies of the United States, in fact, it is regulated by every nation capable of accepting vessels that are navigated on the seven seas. It is a complex industry to understand because of the multinational nature of the trade, and its regulation is different from any of our domestic transportation industries such as trucking, rail, or aviation.

The ocean shipping industry provides the most open and pure form of trade in international transportation. For instance, trucks and railroads are only allowed to operate on a domestic basis, and foreign trucks and railroads are required to stop at border locations, with cargo for points further inland transported by U.S. firms. International aviation is subject to restrictions imposed as a result of bilateral trade agreements, that is, foreign airlines can only come into the United States if bilateral trade agreements provide access into the United States. However, international maritime trade is not restricted at all, and treaties of friendship, commerce, and navigation guarantee the right of vessels from anywhere in the world to deliver cargo to any point in the United States that is capable of accommodating the navigation of foreign vessels.

The Federal Maritime Commission ("FMC") is charged with regulating the international ocean shipping liner industry. The ocean shipping liner industry consists of those vessels that provide regularly scheduled services to U.S. ports from points abroad, in large part, the trade consists of containerized cargo that is capable of being moved on an international basis. The Federal Maritime Commission does not regulate the practices of ocean shipping vessels that are not on regularly scheduled services, such as vessels chartered to carry oil or chemicals, or bulk grain or coal carriers. One might ask why regulate the ocean liner industry, and not bulk shipping industry? The answer is that the ocean liner industry enjoys a worldwide exemption from the application of U.S. antitrust laws and foreign competition policies. Also, the ocean liner industry is required to provide a system of "common carriage," that is, our law requires carriers to provide service to any importer or exporter on a fair, and non-discriminatory basis.

The international ocean shipping liner industry is not a healthy industry, in general, it is riddled with trade distorting practices, chronic over-capacity, and fiercely competitive carriers. In fact, rates have plunged in the trans-pacific trade to the degree that importers and exporters are expressing concerns about the overall health of the shipping industry. The primary cause of liner shipping overcapacity is the presence of international policies designed to promote national-flag carriers and also to ensure strong shipbuilding capacity in the interest of national security. These policies include subsidies to purchase ships and to operate ships, tax advantages to lower costs, cargo reservation schemes, and national control of shipyards and shipping companies. This results in an industry which is not completely driven by economic objectives. For instance, one of the largest shipping companies in the world, China Overseas Shipping Company ("COSCO") is operated by the government of China, much in the way the U.S. government controls the Navy, however, the government of

China is not constrained by considerations that plague private sector companies.

Historically, ocean shipping liner companies attempted to combat "rate wars" that had developed because of the situation of over-capacity by establishing shipping conferences to coordinate the practices and pricing policies of liner shipping companies. The first shipping conference was established in 1875, but it was not until 1916 that the U.S. government reviewed the conference system. The Alexander Committee (named after the then-Chairman of the House Committee on Merchant Marine and Fisheries) recommended continuing the conference system in order to avoid ruinous "rate wars" and trade instability, but also determined that conference practices should be regulated to ensure that their practices did not adversely impact shippers. All other maritime nations allow shipping conferences to exist immune from the application of antitrust or competition laws, and presently no nation is considering changes to their shipping regulatory policies.

In the past, U.S. efforts to apply antitrust principles to the ocean shipping liner industry were met with great difficulty, since foreign governments objected to the application of U.S. antitrust laws to the business interests of their shipping companies, and to the exclusion of their own laws on competition policy. Many nations have enacted blocking statutes to expressly prevent the application of U.S. antitrust laws to the practices of their shipping companies. As a result of these blocking statutes, U.S. antitrust laws would only be able to reach U.S. companies and would destroy their ability to compete with foreign companies. With the difficulties in applying our antitrust laws, U.S. ocean shipping policy has endeavored to regulate ocean shipping practices to ensure both that the grant of antitrust immunity is not abused and that our regulatory structure does not contradict the regulatory practices of foreign nations.

The current regulatory statute that governs the practices of the ocean liner shipping industry, is the Shipping Act of 1984. The Shipping Act of 1984 was enacted in response to changing trends in the ocean shipping industry. The advent of intermodalism and containerization of cargo drastically changed the face of ocean shipping, and nearly all liner operations are now containerized. Prior to the Shipping Act of 1984, uncertainty existed as to whether intermodal agreements were within the scope of antitrust immunity granted to carriers. In addition, carrier agreements were subject to lengthy regulatory scrutiny under a public interest-type of standard. Dissatisfaction with the regulatory structure led to hearings and legislative review in the late 1970s and early 1980s. In the wake of passage of legislation deregulating the trucking and railroad industry, deregulation of the ocean shipping industry was accomplished with the enactment of the Shipping Act of 1984.

The Shipping Act of 1984 continues antitrust immunity for agreements unless the FMC seeks an injunction against any agreement it finds "is likely, by a reduction of competition, to produce an unreasonable reduction in transportation service or an unreasonable increase in transportation cost." The Act also clarifies that agreements can be filed covering intermodal movements, thus allowing ocean carriers to more fully coordinate ocean shipping services with shore-side services and surface transportation. One can easily measure the success of this provision, in examining the number of railroad double stack services, a rail service that was actually pioneered by U.S.-flag shipping companies, that have promulgated since the enactment of the Shipping Act of 1984.

The Shipping Act of 1984 attempts to harmonize the twin objectives of facilitating an efficient ocean transportation system while controlling the potential abuses and disadvantages inherent in the conference system. The Act maintains the requirement that all carriers publish tariffs and provide rates and services to all shippers without unjust discrimination, thus continuing the obligations of common carriage. In order to provide shippers with a means of limiting conference power, the Shipping Act of 1984 made three major changes: (1) it allowed shippers to utilize service contracts, but required the essential terms of the contract to be filed and allowed similarly situated shippers the right to enter similar contracts; (2) it allowed shippers the right to set up shippers associations, in order to allow collective cargo interests to negotiate service contracts; and (3) it mandated that all conference carriers had the right to act independently of the conference in pricing or service options upon ten days' notice to the conference.

Amendments to the Merchant Marine Act, 1920, and the passage of the Foreign Shipping Practices Act of 1988, strengthened the FMC's oversight of foreign shipping practices and the practices of foreign governments that adversely impact conditions facing U.S. carriers and shippers in foreign trade. The FMC effectively utilized its trade authorities last year to challenge restrictive port practices in Japan, and after a tense showdown, convinced the Japanese to alter their practices that restrict the opportunity of carriers to operate their own marine terminals. The changes that will be required to be implemented under this agreement will save consumers of imports and exporters trading to Japan, millions of dollars, and the FMC deserves praise for hanging tough in what was undeniably a tense situation.

Ten years later, after the enactment of the Shipping Act of 1984, we started anew on the process of providing a deregulated shipping environment to allow our shippers to become more competitive in international trade, and to provide more contractual flexibility to our ocean shipping companies. After four years of stops and starts, I think that we have reached a point where nearly all sectors of the maritime transportation community can get behind a common proposal for change. It has not been easy to balance the different interest involved in this legislation because of the competing differences of each of their needs, but I think that we have had each of the different sectors willing to give up a little of what they hoped to get in order to move the bill forward, and I would congratulate the private sector representatives for their willingness to compromise to move the process forward.

The Ocean Shipping Reform Act moves forward to provide further deregulation to the ocean shipping industry, while at the same time, balancing the need for a degree of oversight given the continued provision of immunity from antitrust laws. The bill will not alter the structure of the FMC. The FMC is a small independent agency with an annual appropriation of $15 million which oversees over one half a trillion dollars of trade. It is important to note, that the agency's status of independence allows it to effectively fulfill its trade opening related functions without interference from other sorts of considerations. We had considered the possibility of merging the functions of the Federal Maritime Commission and the Surface Transportation Board, but ultimately concluded that the combination of the two agencies did not save the taxpayer anything because the agencies would have no real overlap of responsibility.

One of the major problems in moving forward with legislative change in this area was the need to provide additional service contract flexibility and confidentiality, while balancing the need to continue oversight of contract practices to ensure against anti-competitive practices immunized from our antitrust laws. I think the contracting proposal embodied in S. 414 adequately balances these competing considerations. The bill transfers the requirements of providing service and price information to the private sector, and will allow the private sector to perform functions that had heretofore been provided by the government. The bill broadens the authority of the FMC to provide statutory exemptions, and reforms the licensing and bonding requirements for ocean shipping intermediaries.

I have been contacted by Senators LAUTENBERG and MOYNIHAN about their

concerns for the freight forwarding community, and their desire to set mandatory or reasonable compensation for forwarding services provided under a shipping contract. While we were unable to provide a legal requirement for forwarder compensation, I would urge the FMC to continue to be vigilant to ensure that forwarders and forwarding expertise is not jeopardized in this new and more deregulated environment. The forwarding community provides valuable expertise to the shipping community and I will continue to monitor the impacts of this legislation to ensure that it does not adversely impact forwarders. Additionally, we were able to provide less stringent report guidance about what sort of activity should be monitored by the FMC to ensure against unjust discrimination against shipping intermediaries at the request of Senator HARKIN, and I would like to thank him for his imput on this legislation.

Importantly, the bill does not change the structure of the Federal Maritime Commission. The FMC is a small agency with a annual budget of about 14 million dollars. When you subtract penalties and fines collected over the past seven years, the annual cost of agency operations is less than $7 million. All told, the agency is a bargain to the U.S. taxpayer as it oversees the shipping practices of over $500 billion in maritime trade. Added benefit to the U.S. public accrues when the FMC is able to break down trade barriers that cost importers and exporters millions in additional costs, such as what recently occurred when the FMC challenged restrictive Japanese port practices.

The FMC is an independent regulatory agency that is not accountable to the direction of the administration. Independency allows the FMC to maintain a more aggressive and objective posture when it comes to the consideration of eliminating foreign trade barriers. When we first assessed the issue of agency structure we considered appending the functions of the FMC to a new enlarged Surface Transportation Board ("STB"). However, the functions performed by the STB are quite different than the FMC functions that would remain after implementation of the deregulatory changes provided in S. 414 and the Congressional Budget Office did not estimate any savings through a merger approach. Additionally, the initial proposal to merge the functions of the FMC and the STB would have run afoul of the Appointments Clause of the Constitution. Ultimately, we decided to pursue solely the needed regulatory changes, and not needlessly alter the structure of the agency for no real purpose.

S. 414 also provides some additional protection to longshoremen who work at U.S. ports. The concerns expressed by U.S. ports and port-related labor interests revolved around reductions in the transparency afforded to shipping contracts, and the potential abuse that could occur as a result of carrier antitrust immune contract actions. In order to address the concerns of longshoremen who have contracts for longshore and stevedoring services, S. 414 sets up a mechanism to allow the longshoremen to request information relevant to the enforcement of collective bargaining agreements.

I would also like to thank Senators HUTCHISON, LOTT and GORTON for their efforts on this bill. Additionally, the following staffers spent many hours meeting with the affected members of the shipping public and listening to their concerns about our proposal and I would like to personally thank Jim Sartucci, Carl Bentzel, Clyde Hart, and Jim Drewry of the Commerce Committee staff, Carl Biersack of Senator LOTT's staff, Jeanne Bumpus of Senator GORTON's staff, Amy Henderson of Senator HUTCHISON's staff as well as my own staffers, Mark Ashby and Paul Deveau. It is my hope that our progress on ocean shipping will spill over to our efforts to implement the OECD Shipbuilding Trade Agreement, so we can move forward with another positive piece of legislation for the maritime industries.

I yield the floor.

Mr. GORTON addressed the Chair.

The PRESIDING OFFICER. The Senator from Washington.

Mr. GORTON. Mr. President, my friend from Louisiana makes a curious set of arguments. The single word he used most in his remarks was "compromise," that this provision is now the result of a compromise of 4 years' work. No; this provision is not the result of 4 years of work. This provision is the result of a discussion that took place after this bill was reported from the Commerce Committee, after all of the open public hearings and all the open discussion. And what kind of compromise was it? Well, it was a compromise between the big unions, the big carriers and maybe some of the big shippers. It isn't a compromise that involved its victims.

No representative of small shippers was in the room where this "compromise" was made. None of the small businessmen who were middlemen were in the room when this "compromise" was made. A curious compromise, I must say, when the victims were excluded from it, after having been a part of everything that went on for the 4 years of work on this bill up through and including its report from the Commerce Committee. No, this was not a compromise; this was a backroom deal, the worst kind of backroom deal.

The Senator from Louisiana says, "Carefully, carefully crafted." "Killer amendment." Strange. I don't see any dissent on the Commerce Committee, Republicans or Democrats, with the bill in its original form. How can it be a killer amendment?

Does the Senator from Louisiana mean that, if we pass this amendment, every Member of his party will then filibuster the bill? Simply because we have not done the will of the longshoremen's unions, they will give up competition and open shipping, lock, stock and barrel across the board? Well, if that is what he means—if that is what they mean, let them say so. It isn't going to kill the bill over here; and I do not think it will kill the bill over there.

What do outsiders say about it? Today's Journal of Commerce, the newspaper that deals with business, endorses this bill. It says:

> Today, the Senate is expected to approve a bill that boosts competition and makes it easier for shipping lines and their customers to operate.
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> In one respect, however, this bill actually limits competition by denying freight consolidators—middlemen—full opportunity under the new law.
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> Lately, however, middlemen have become an important export conduit and even a threat to the status quo. Not surprisingly, it was the major shipping lines and labor unions that teamed up to deny to consolidators private contracting privileges.

In other words, they have given themselves the ability to do business in a way they now want to deny to others in the same business. The only difference is the people who made this "compromise" are big and the ones who are victimized are small.

This amendment is consistent with the philosophy of the bill. It was included in the bill in every stage to this point. It is backed by everyone who deals with this issue objectively. It will not kill the bill, unless there are 41 Members here who will simply vote to kill the bill on behalf of one small set of labor unions who want a monopoly. And I do not think that will happen.

We should do the right thing and pass the amendment.

Mr. President, I ask unanimous consent to have the article in the Journal of Commerce, which is dated April 21, 1998; a statement in support by the Transportation Intermediaries Association, dated April 20, 1998; and a letter from the New York/New Jersey Foreign Freight Forwarders and Brokers Association, Inc., dated April 20, 1998, printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Journal of Commerce, April 21, 1998]

SHIP DEREGULATION PROMISE

After three years of tortured debate, a congressional bid to curb regulation of the ocean shipping business is at a critical stage. Today, the Senate is expected to approve a bill that boosts competition and makes it easier for shipping lines and their customers to operate.

In one respect, however, this bill actually limits competition by denying freight consolidators—middlemen—full opportunity under the new law. Even with this blight, the bill deserves support. But Senators should be aware of its tainted nature and the culprits who shaped it, and revisit it later to fix its shortcomings.

The shipping bill scheduled for debate today lets ocean carriers and their customers, for the first time, negotiate direct, confidential contracts—without influence from the cartels that define this business. Thus, parties in the maritime industry would enjoy the same contracting privileges as other buyers and sellers of transportation.

With one important exception.

The bill does not let ocean freight consolidators—companies that pool small export shipments, then buy space aboard ships—sign private contracts with their customers. Confidential contracting is important to carriers and shippers because it allows them to negotiate deals free from competitors' prying eyes. If consolidators—or non-vessel-operating common carriers—do not have the same right, they could have trouble keeping customers and striking good deals.

At the time of the 1984 Shipping Act, freight consolidators were not a major industry force. Lately, however, middlemen have become an important export conduit and even a threat to the status quo. Not surprisingly, it was the major shipping lines and labor unions that teamed up to deny to consolidators private contracting privileges.

The unions are predictably doing whatever they can to hurt non-union companies. Ocean carriers take a more subtle tack, arguing that companies that don't have ships shouldn't have the same privileges as those that do.

Ultimately the carriers' arguments are just as self-serving as the unions'. Low-overhead middlemen are an important part of many industries, brokering deals, arbitraging markets and holding down prices. This sometimes exerts price pressure on higher cost operators; in this case, shipping lines. The carriers hope to deny consolidators private contracting rights to curb a competitive threat. That is wrong.

To correct this problem, Sen. Slade Gorton, R-Wash., will offer an amendment today that extends private contracting to freight consolidators. It doesn't stand much of a chance, however. Why? Because supporters say the shipping bill is a delicate compromise that could blow apart if the careful balance between carriers, shippers, ports and labor is disturbed. Part of that balance is to hammer consolidators.

Distasteful as that is, the bill is still worth passing. The basic contracting freedoms it offers are simply too important to be delayed yet again. Fortunately, some consolidators may have a way around the bill's restrictions. Shippers' associations—groups of shippers who pool their business to get better rates—have full contracting rights under the bill, so consolidators working with them may be able to sidestep the bill's restrictions.

Even so, the House should shine as much light as possible on this issue when it considers the bill, perhaps later this year. The "delicate compromise" argument likely will prevail there as well, but the issue still needs debating.

If the bill becomes law, lawmakers should look for a chance next year to fix the consolidator provision, a strategy the bill's chief sponsor, Sen. Kay Bailey Hutchison, R-Texas, hinted at earlier this month. If deregulation is to yield real benefits, everyone must have the same right to compete, not just those who wield the biggest sticks.

SUPPORT GORTON AMENDMENT TO S. 414, THE OCEAN SHIPPING REFORM ACT OF 1998

The Transportation Intermediaries Association (TIA) urges you to support Senator Slade Gorton's amendment to the Ocean Shipping Reform Act of 1998. *Passage of the Gorton amendment April 21 is essential to permit the benefits of deregulation to flow to small business as well as large business.*

The Ocean Shipping Reform Act of 1998 requires NVOCCs (transportation intermediaries) to publish tariffs and does not permit them to deviate from those tariffs in confidential contracts. The bill does, however, permit the ocean carriers to deviate from tariffs by entering into confidential contracts. The Gorton amendment will permit both carriers and transportation intermediaries to offer confidential contracts to shippers.

This issue is important, because while large shippers can enter into direct negotiations with ocean carriers, small shippers usually deal with transportation intermediaries to arrange for their transportation. S. 414 as it is currently written will permit large shippers to know what their small competitors pay for ocean freight, while the small competitor will not know what the large shipper is paying. *The benefits of deregulation in S. 414, therefore, will flow only to big business!* Senator Gorton's amendment will permit all shippers to benefit from ocean carrier deregulation through the right to confidential contracting for ocean freight transportation.

Transportation intermediaries have the ability to enter into confidential contracts with their shipper customers and with motor carriers, railroads, and airlines. Forwarders based in other countries can enter into confidential contracts for ocean carriage anywhere in the world except to or from the U.S. *It is baffling why the Senate would treat U.S. ocean carriage differently than other modes of transportation and ocean carriage everywhere else in the world. It will be American small businesses that suffer because of this distinction.*

TIA is the leading organization of North American transportation intermediaries. TIA is the only organization representing transportation intermediaries of all disciplines. The members of TIA include: international forwarders, NVOCCs, property brokers, domestic freight forwarders, air forwarders, intermodal marketing companies, perishable commodity brokers, and logistics management companies. TIA also provides management services for the American International Freight Association (AIFA), a leading organization of NVOCCs. AIFA is the U.S. representative of FIATA, an international organization of more than 30,000 freight forwarders.

For further information, contact TIA's Government Affairs Manager Ed Mortimer at (703) 329-1895. *Show your support for small business. Vote "YES" for the Gorton amendment.*

NEW YORK/NEW JERSEY FOREIGN FREIGHT FORWARDERS AND BROKERS, ASSOCIATION, INC.,

April 20, 1998.

Hon. BOB GRAHAM,
U.S. Senator, Senate Office Building, Washington, DC.

Re: S. 414: The "Gorton Amendment"—Votes YES for Small Business and US Exports

DEAR SENATOR GRAHAM: On Tuesday morning S. 414 will come before the Senate and Senator Slade Gorton will offer an amendment on behalf of small exporters and shippers. Members of the New York/New Jersey Foreign Freight Forwarders & Brokers Association, Inc. encourage you to vote YES on the Gorton Amendment and help make the Ocean Shipping Reform Act true "reform" for small business and US exports.

S. 414 is about international trade. The Gorton Amendment is about whether the small guy is going to benefit from this legislation or suffer as a result of special interests. Voting YES on the Gorton Amendment will help to protect in the global commerce of the 21st Century the 70% of U.S. exports that small shippers produce. The Gorton Amendment helps ensure that the small shipper and business will be able to compete by enabling the freight consolidator (NVOCC), who works on behalf of smaller shippers, to sign confidential contracts with the shipper-client. Without the Gorton Amendment, large multi-national companies, that don't use NVOCCs, would be able to sign confidential contracts with the steamship companies—but since the NVOCCs would not be able to sign contracts with their shipper-clients, small business' transportation costs will NOT be confidential—unlike their larger competitors. This is not reform.

The ironic twist to this debate is that the Senate Commerce Committee initially recommended that NVOCCs be able to sign contacts with shippers—but longshore labor and some carriers used the legislative process to advance their dislike for consolidators—and small shippers. As it stands now, S. 414 would please labor, large shippers and carriers, and place the small shipper at a severe disadvantage and impede the entry of small business in the global marketplace. The question is simple: Do you support small business? The Gorton Amendment helps to right the wrong done to small shippers. We urge you to support small business and vote YES of on the Gorton Amendment.

Very truly yours,

LOUIS POLICASTRO,
Vice President, Export Committee.

Mr. BREAUX. Mr. President, I would just, as we move toward a vote on this measure, make one other comment, and that is that it is very clear that there is a great deal of support for the current bill that is on the floor. And there is pretty much across-the-board opposition to the amendment that Senator GORTON is offering. And it is across the board in the sense that it is opposed by all segments of the industry.

I want to have printed in the RECORD, and ask unanimous consent to do so, a letter addressed to myself in opposition to the Gorton amendment.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

SUPPORTERS OF S. 414.

Arlington, VA, March 11, 1998.

Re Opposition to Senator Gorton Amendment.

Hon. JOHN B. BREAUX,
U.S. Senate, Hart Senate Office Building, Washington, DC.

DEAR SENATOR BREAUX: We wish to convey to you our full support for the managers' floor amendment for S. 414, The Ocean Shipping Reform Act of 1998, without additional

amendments. It represents a carefully crafted compromise serving a broad cross section of the maritime industry including importers/exporters, ports, carriers, and labor.

We understand that Senator Slade Gorton plans to offer an amendment to S. 414 managers floor amendment that would alter current law and allow non-vessel operating common carriers (NVOCCs) to offer confidential service contracts directly to the proprietary owners of the cargo. Some interests have argued that the retention of current law would disadvantage smaller volume shippers who might utilize NVOCC's in order to obtain competitive rates with larger volume shippers.

However, the perceived benefits that smaller shippers might receive from the ability of NVOCCs to enter into service contracts with their customers is largely misunderstood. Under current law, NVOCCs are allowed to enter into service contracts with carriers and this can generate a significant cost savings that is passed onto shippers. This would not change under the latest version of S. 414. NVOCC's would however benefit from the provisions allowing confidentiality of certain terms in their contracts with carriers. Smaller volume shippers would also have the option to consolidate their cargoes by joining shippers associations who may then negotiate lower rates as larger volume shippers.

Therefore, we urge you to oppose the Gorton amendment. This amendment is unnecessary and would kill legislation which has been carefully constructed by the bill's sponsors to make U.S. ocean shipping law compatible with the rest of the transportation industry and which will benefit the U.S. economy.

Sincerely,

American Association of Port Authorities; APL, Limited; Council of European and Japanese Shipowners' Associations; Crowley Maritime Corporation; Internal Longshoremen's Association; International Longshoremen's & Warehousemen's Union; The Chamber of Shipping of America; The National Industrial Transportation League; Sea-Land Service, Inc.; Transportation Trades Department, AFL-CIO.

Mr. BREAUX. The letter basically says that:

We understand that Senator Slade Gorton plans to offer an amendment . . . that would alter current law and allow non-vessel operating common carriers (NVOCCs) to offer confidential service contracts directly to the proprietary owners of the cargo. Some interests have argued that the retention of current law would disadvantage smaller volume shippers who might utilize [the non-vessel operating common carriers] in order to obtain competitive rates with larger volume shippers.

They point out:

However, the perceived benefits that smaller shippers might receive from the ability of NVOCCs to enter into service contracts with their customers is largely misunderstood. Under current law, NVOCCs are allowed to enter into service contracts with carriers and this can generate a significant cost savings that is passed onto shippers. This would not change under the latest version of S. 414. NVOCCs would however benefit from the provisions allowing confidentiality of certain terms in their contracts with carriers. Smaller volume shippers would also have the option to consolidate their cargoes by joining shippers associations who may then negotiate lower rates as larger volume shippers.

The point is pretty clear that this group opposes the amendment of the Senator from Washington. I would like to list for the RECORD the ones who have signed this letter because it indeed is significant, and that is across-the-board opposition.

It is signed by the American Association of Port Authorities; by American President Lines, Limited; by the Council of European and Japanese Shipowners' Associations; by the Crowley Maritime Corporation, a major shipping company; the International Longshoremen's Association; by The Chamber of Shipping of America; by The National Industrial Transportation League; by Sea-Land Service, one of the largest carriers in the world; by the Transportation Trades Department of the AFL-CIO.

So whether you are talking about the workers who handle the cargo, or by the port authorities who have the cargo shipped through their ports, or by the ship carriers who are actually carrying the cargo, it is pretty unanimous agreement that this is not the right thing to do.

Let us support the compromise. Everything in that compromise is a positive step forward. It may not be as much as some would want, but it is far better than the current law. It allows some more decontrol, allows some more deregulation, more competition. And that is good. But it is simply unfair to say to people who have no responsibility for owning ships or the expense of running ships that they are going to allow them to have the same advantages as a shipping company does. It simply would break the balance in this industry, which I think is very important to preserve.

I think the bill is a good bill. It took 4 years to get us to this point. These compromises were not entered into behind the scenes, but were debated on a regular basis among all the active participants. This is a good bill. It should be passed. The Gorton amendment should be tabled.

The PRESIDING OFFICER. All time has expired. Under the previous order, the question is on the Gorton amendment.

Mrs. HUTCHISON addressed the Chair.

The PRESIDING OFFICER. The Senator from Texas.

Mrs. HUTCHISON. I move to table the amendment and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table the amendment of the Senator from Washington.

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Utah (Mr. BENNETT) is necessarily absent.

Mr. FORD. I announce that the Senator from Hawaii (Mr. INOUYE) and the Senator from New York (Mr. MOYNIHAN) are necessarily absent.

I further announce that, if present and voting, the Senator from New York (Mr. MOYNIHAN) would vote "aye."

The result was announced—yeas 72, nays 25, as follows:

[Rollcall Vote No. 85 Leg.]

YEAS—72

Abraham	Durbin	Levin
Akaka	Faircloth	Lieberman
Ashcroft	Feingold	Lott
Baucus	Feinstein	Lugar
Biden	Ford	Mack
Bingaman	Frist	Mikulski
Bond	Glenn	Moseley-Braun
Boxer	Graham	Murray
Breaux	Gregg	Reed
Bryan	Hagel	Reid
Bumpers	Harkin	Robb
Campbell	Hatch	Rockefeller
Chafee	Hollings	Roth
Cleland	Hutchison	Santorum
Cochran	Inhofe	Sarbanes
Collins	Johnson	Shelby
Conrad	Kempthorne	Snowe
Coverdell	Kennedy	Specter
Craig	Kerrey	Thompson
D'Amato	Kerry	Thurmond
Daschle	Kohl	Torricelli
DeWine	Landrieu	Warner
Dodd	Lautenberg	Wellstone
Dorgan	Leahy	Wyden

NAYS—25

Allard	Grams	Nickles
Brownback	Grassley	Roberts
Burns	Helms	Sessions
Byrd	Hutchinson	Smith (NH)
Coats	Jeffords	Smith (OR)
Domenici	Kyl	Stevens
Enzi	McCain	Thomas
Gorton	McConnell	
Gramm	Murkowski	

NOT VOTING—3

Bennett	Inouye	Moynihan

The motion to lay on the table the amendment (No. 2287) was agreed to.

Mrs. HUTCHISON. Mr. President, I move to reconsider the vote.

Mr. COVERDELL. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

CHANGE OF VOTE

Mr. ASHCROFT. On rollcall vote 85, I voted no. It was my intention to vote yea. Therefore, I ask unanimous consent I be permitted to have a change of my vote reflected in the RECORD. It in no way changes the outcome of the vote. I did not note it was a motion to table rather than the substance of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The foregoing tally has been changed to reflect the above order.)

Mr. HOLLINGS. Mr. President, I rise in support of the Hutchison, Lott, and Breaux amendment to S. 414. This amendment reflects a fair and reasoned compromise among the various interests affected by the bill. While I am no

great fan of deregulation, I do believe that it is necessary to balance the interests affected by the bill in order not to adversely impact or destroy any particular sector. I am particularly pleased that the amendment preserves the Federal Maritime Commission (FMC) as an independent agency to oversee our waterborne foreign commerce.

As introduced and reported out of Committee, S. 414 would have merged the FMC and Surface Transportation Board (STB) into a new entity to be known as the Intermodal Transportation Board (ITB), placed within the Department of Transportation (DOT). The Hutchison, Lott, and Breaux amendment alleviates several problems with this approach.

In the first place, there are no overlaps in jurisdiction or functions between the FMC and the STB that in any way hamper effective regulation. There are simply no significant synergies between the FMC's mandate to protect U.S. international ocean commerce and the STB's responsibilities with respect to domestic railroad mergers, rate regulation, and the like. Moreover, given the two vastly different constituencies and the two entirely different systems of regulation, there would have been a continuing struggle to determine priorities and to allocate scarce resources within a merged agency. Lastly, even though there might be some marginal savings in administrative expenses from such a merger, these would be offset by the more substantial costs of combining and relocating the two agencies. I understand that when the FMC was required by the General Services Administration to relocate in 1992, the moving costs to the government were $1 million.

The Congressional Budget Office (CBO) has determined that if the two agencies were merged, the "ongoing costs to carry out the new board's responsibilities would be about the same as those incurred by the FMC and the STB under current law." Clearly then, the combining of these two agencies could not be justified by any cost savings that would accrue to the government.

I would also note that during the ocean shipping reform process, the vast majority of the commenters have supported an independent, free-standing agency to oversee our waterborne foreign commerce. Those sentiments were initially expressed by the South Carolina State Ports Authority and have subsequently been endorsed by many others. This includes the three U.S. shipping companies who otherwise supported the bill but stated that "the Federal Maritime Commission has done a superb job," and "[o]ur strong preference would be to preserve the agency's structure as an independent agency." Others who joined in support of an independent FMC include: the International Longshoremen's and Warehousemen's Union; the Transportation Trades Department, AFL–CIO; the National Customs Brokers & Forwarders Association of America, Inc.; the NY/NJ Foreign Freight Forwarders and Brokers Association; the Council of European and Japanese National Shipowners' Association; and the American Association of Port Authorities, as well as many individual port authorities. Further, it is my understanding that the coalition supporting this amendment supports, in toto, the retention of the FMC in its present form. A change in the agency's structure could serve to fracture that fragile coalition of support for the amendment.

Another reason I support the amendment is that merging the FMC into the STB would have sent the wrong message to our trading partners—i.e., that the new agency would be constrained from taking direct and immediate action against unfair foreign shipping practices. The FMC has been able to effectively combat unfair trading practices of foreign governments largely because of its status as an independent agency. The agency has an international reputation for aggressively and swiftly addressing restrictive shipping practices without the threat of diplomatic interference or retaliation in other sectors. In fact, I would hope that some of our other trade agencies could learn a thing or two from the FMC. Both the Department of State and DOT regularly cite the FMC's independence to persuade foreign governments that maritime issues must be addressed directly and expeditiously. In fact, Admiral Herberger, former Administrator of the Maritime Administration (MarAd), testified before the House Appropriations Subcommittee that the FMC's independent status has been critical to MarAd's success in negotiations with foreign governments. Also, in his August 5, 1997, letter to the Japanese Ministry of Transport, Secretary of Transportation Rodney Slater cited the FMC's authority to impose sanctions while urging Japan to reform its port practices.

The agency's recent actions against Japanese port restrictions are a perfect example of its successful accomplishments. The agency took decisive action to address Japanese intransigence on easing restrictions which impede the operations of U.S. carriers. As an independent agency, the FMC did not have to overcome the hurdles or various pressures imposed by other Executive branch departments within the Administration that have competing interests. And this body, by a 100 to zero vote, in S. Res. 140, endorsed the action taken by the FMC to respond to the unfair practices of Japan.

Supporting this amendment and the FMC ensures that the agency's effectiveness will not be impeded, and sends the right message to our trading partners: that the U.S. Congress endorses an aggressive stance against foreign-imposed restrictions on open competition in shipping.

I would further note that by retaining the FMC as an independent agency, the amendment alleviates the concern of some that merging the FMC and STB into a new entity could violate the Appointments Clause of the Constitution, U.S. Const. Art. II, § 2, cl. 2, to the extent that STB members would be accruing new responsibilities unrelated to those for which they were appointed and confirmed, and could accordingly subject the new agency to challenges that it is not legally constituted.

The amendment offered by Senators HUTCHISON, LOTT, and BREAUX corrects a major and potentially disastrous flaw in S. 414. I support this amendment enthusiastically.

(At the request of Mr. DASCHLE the following statement was ordered to be printed in the RECORD.)

• Mr. INOUYE. Mr. President, I would like to join my colleagues in support of the Hutchison amendment to S. 414, the Ocean Shipping Reform Act of 1998. I believe that this amendment further improves upon the bill as reported out of the Commerce Committee and takes into account and alleviates many of the concerns raised by interested parties who may be affected by the bill. As is true with all compromises, you cannot please everybody. Nonetheless, I believe this amendment represents a workable solution to the regulation of our waterborne foreign commerce and should serve us well for many years to come. I would like to commend my Chairwoman, Senator HUTCHISON, for her effort in moving this bill forward, and also thank Senators BREAUX, LOTT, and GORTON for their invaluable imput into the process.

I am pleased to note that the bill preserves antitrust immunity for the conference system which has been an integral part of our ocean transportation regime since 1916. While it may be best for everyone if the antitrust laws were applicable on a global basis, it is unrealistic to believe that we could achieve a global recognition of the value and utility of the Sherman Act. However, the Shipping Acts of 1916 and 1984 balanced the inability to apply our antitirust laws to foreign corporations, with a realistic approach allowing us to operate in comity with international shipping regulatory practices, and the need to protect our citizens from potential abuses brought on by a lack of antitrust law enforcement.

This bill, however, makes several changes to the conference system to make it more "user-friendly" for its shipper customers. For example, the bill requires shipping conferences to allow their members to offer rates that

are different than those of the conference—so-called "independent action." As a result, individual conference carriers can offer their own service contracts unimpeded by conference action. I am further pleased that the notice requirement for all independent action has been reduced from 10 business days to five calendar days. This will ensure that independently negotiated rates or service contracts will quickly become effective. I also support the prohibition against conferences requiring their members to disclose service contract negotiations.

The bill as reported out of committee treated all service contracts equally. Subsequently, there were several attempts to develop a bifurcated treatment for service contracts, with one set of rules governing carrier agreement service contracts and another dealing with individual carrier contracts. I am pleased that the current amendment returns to a version more closely resembling that which was reported out of committee and, more importantly, treating all service contracts the same. While there was some merit to the bifurcated treatment approach, it may have been very difficult to have implemented in practice.

The amendment will require that all service contracts be filed confidentially with the Commission, that they contain certain essential terms, and that a limited number of those terms be published and made available to the general public. I believe that this compromise represents the best approach to service contracting. It allows carriers and shippers a certain degree of confidentiality with respect to the bargains they have struck, while at the same time informing the general public of the types of arrangements being made for certain commodities, for certain minimum volumes, in specific trade lanes. I also believe that the continued filing of the actual contracts with the Federal Maritime Commission ("FMC") will enable it to monitor them and take appropriate action if necessary. It will also help the U.S. port community in monitoring trade developments and reacting accordingly.

Like many of you, I am particularly pleased to see that the amendment maintains the FMC as an independent agency overseeing the ocean transportation industry. The Commission has time and again proven its worth in administering Congress' system of regulation and combating unfair foreign shipping practices, most recently in Japan. And the Senate unanimously backed the FMC in its action to address the unfair practices of Japan in passing S. Res. 140. The Commission has developed considerable expertise in implementing the Shipping Act of 1984. It will now be able to bring this expertise to bear on the new era of ocean shipping reform engendered by this bill.

Another aspect of this bill that is particularly commendable is the new provision dealing with the disclosure of certain terms of service contracts to labor organizations. A labor organization which is party to a collective bargaining agreement that includes an ocean common carrier now has a mechanism for obtaining information concerning movements of cargo within port areas and the assignment of certain work within those areas. It is my understanding that this type of information is especially relevant to labor organizations and this bill should ensure that they will have easy access to it. This information will enable them to make sure that the terms of their collective bargaining agreement are complied with.

This amendment, in my opinion, achieves a balance in S. 414 which provides the best possible compromise among the broad array of interests in shipping. It has not been easy to balance the many disseparate interests involved, but I think that we have reached an approach which accomodates many of these interests. It fosters one of the bill's primary goals of stimulating U.S. exports through a more efficient and market-reliant ocean transportation system. It provides for a more effective system of industry oversight, regulating where we need to and not regulating where we do not. And it keeps the FMC as an independent agency, unfettered by political or other influences as it performs its critical international trade functions. I support this amendment, and urge my colleagues to do the same.●

The PRESIDING OFFICER (Mr. ROBERTS). The clerk will read S. 414 for the third time.

The legislative clerk read as follows:

A bill (S. 414) to amend the Shipping Act of 1984 to encourage competition and international shipping and growth of United States imports and exports.

The PRESIDING OFFICER. Under the previous order, the bill is passed.

The bill (S. 414), as amended, was passed, as follows:

S. 414

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

SECTION 1. SHORT TITLE.

This Act may be cited as the "Ocean Shipping Reform Act of 1998".

SEC. 2. EFFECTIVE DATE.

Except as otherwise expressly provided in this Act, this Act and the amendments made by this Act take effect May 1, 1999.

TITLE I—AMENDMENTS TO THE SHIPPING ACT OF 1984

SEC. 101. PURPOSE.

Section 2 of the Shipping Act of 1984 (46 U.S.C. App. 1701) is amended by—

(1) striking "and" after the semicolon in paragraph (2);

(2) striking "needs." in paragraph (3) and inserting "needs; and";

(3) adding at the end thereof the following:

"(4) to promote the growth and development of United States exports through competitive and efficient ocean transportation and by placing a greater reliance on the marketplace.".

SEC. 102. DEFINITIONS.

Section 3 of the Shipping Act of 1984 (46 U.S.C. App. 1702) is amended by—

(1) striking "the government under whose registry the vessels of the carrier operate;" in paragraph (8) and inserting "a government;";

(2) striking paragraph (9) and inserting the following:

"(9) 'deferred rebate' means a return by a common carrier of any portion of freight money to a shipper as a consideration for that shipper giving all, or any portion, of its shipments to that or any other common carrier over a fixed period of time, the payment of which is deferred beyond the completion of service for which it is paid, and is made only if the shipper has agreed to make a further shipment or shipments with that or any other common carrier.";

(3) striking paragraph (10) and redesignating paragraphs (11) through (27) as paragraphs (10) through (26);

(4) striking "in an unfinished or semi-finished state that require special handling moving in lot sizes too large for a container," in paragraph (10), as redesignated;

(5) striking "paper board in rolls, and paper in rolls." in paragraph (10) as redesignated and inserting "paper and paper board in rolls or in pallet or skid-sized sheets.";

(6) striking "conference, other than a service contract or contract based upon time-volume rates," in paragraph (13) as redesignated and inserting "agreement";

(7) striking "conference." in paragraph (13) as redesignated and inserting "agreement and the contract provides for a deferred rebate arrangement.";

(8) by striking "carrier." in paragraph (14) as redesignated and inserting "carrier, or in connection with a common carrier and a water carrier subject to subchapter II of chapter 135 of title 49, United States Code.";

(9) striking paragraph (16) as redesignated and redesignating paragraphs (17) through (26) as redesignated as paragraphs (16) through (25), respectively;

(10) striking paragraph (17), as redesignated, and inserting the following:

"(17) 'ocean transportation intermediary' means an ocean freight forwarder or a non-vessel-operating common carrier. For purposes of this paragraph, the term—

"(A) 'ocean freight forwarder' means a person that—

"(i) in the United States, dispatches shipments from the United States via a common carrier and books or otherwise arranges space for those shipments on behalf of shippers; and

"(ii) processes the documentation or performs related activities incident to those shipments; and

"(B) 'non-vessel-operating common carrier' means a common carrier that does not operate the vessels by which the ocean transportation is provided, and is a shipper in its relationship with an ocean common carrier.";

(11) striking paragraph (19), as redesignated and inserting the following:

"(19) 'service contract' means a written contract, other than a bill of lading or a receipt, between one or more shippers and an individual ocean common carrier or an agreement between or among ocean common carriers in which the shipper or shippers makes a commitment to provide a certain volume or portion of cargo over a fixed time

period, and the ocean common carrier or the agreement commits to a certain rate or rate schedule and a defined service level, such as assured space, transit time, port rotation, or similar service features. The contract may also specify provisions in the event of nonperformance on the part of any party."; and

(12) striking paragraph (21), as redesignated, and inserting the following:

"(21) 'shipper' means—

"(A) a cargo owner;

"(B) the person for whose account the ocean transportation is provided;

"(C) the person to whom delivery is to be made;

"(D) a shippers' association; or

"(E) an ocean transportation intermediary, as defined in paragraph (17)(B) of this section, that accepts responsibility for payment of all charges applicable under the tariff or service contract.".

SEC. 103. AGREEMENTS WITHIN THE SCOPE OF THE ACT.

(a) OCEAN COMMON CARRIERS.—Section 4(a) of the Shipping Act of 1984 (46 U.S.C. App. 1703(a)) is amended by—

(1) striking "operators or non-vessel-operating common carriers;" in paragraph (5) and inserting "operators;";

(2) striking "and" in paragraph (6) and inserting "or"; and

(3) striking paragraph (7) and inserting the following:

"(7) discuss and agree on any matter related to service contracts.".

(b) MARINE TERMINAL OPERATORS.—Section 4(b) of that Act (46 U.S.C. App. 1703(b)) is amended by—

(1) striking "(to the extent the agreements involve ocean transportation in the foreign commerce of the United States)";

(2) striking "and" in paragraph (1) and inserting "or"; and

(3) striking "arrangements." in paragraph (2) and inserting "arrangements, to the extent that such agreements involve ocean transportation in the foreign commerce of the United States.".

SEC. 104. AGREEMENTS.

(a) IN GENERAL.—Section 5 of the Shipping Act of 1984 (46 U.S.C. App. 1704) is amended by—

(1) striking subsection (b)(8) and inserting the following:

"(8) provide that any member of the conference may take independent action on any rate or service item upon not more than 5 calendar days' notice to the conference and that, except for exempt commodities not published in the conference tariff, the conference will include the new rate or service item in its tariff for use by that member, effective no later than 5 calendar days after receipt of the notice, and by any other member that notifies the conference that it elects to adopt the independent rate or service item on or after its effective date, in lieu of the existing conference tariff provision for that rate or service item;

(2) redesignating subsections (c) through (e) as subsections (d) through (f); and

(3) inserting after subsection (b) the following:

"(c) OCEAN COMMON CARRIER AGREEMENTS.—An ocean common carrier agreement may not—

"(1) prohibit or restrict a member or members of the agreement from engaging in negotiations for service contracts with 1 or more shippers;

"(2) require a member or members of the agreement to disclose a negotiation on a service contract, or the terms and conditions of a service contract, other than those terms or conditions required to be published under section 8(c)(3) of this Act; or

"(3) adopt mandatory rules or requirements affecting the right of an agreement member or agreement members to negotiate and enter into service contracts.

An agreement may provide authority to adopt voluntary guidelines relating to the terms and procedures of an agreement member's or agreement members' service contracts if the guidelines explicitly state the right of members of the agreement not to follow the guidelines. These guidelines shall be confidentially submitted to the Commission.".

(b) APPLICATION.—

(1) Subsection (e) of section 5 of that Act, as redesignated, is amended by striking "this Act, the Shipping Act, 1916, and the Intercoastal Shipping Act, 1933, do" and inserting "this Act does"; and

(2) Subsection (f) of section 5 of that Act, as redesignated, is amended by—

(A) striking "and the Shipping Act, 1916, do" and inserting "does";

(B) striking "or the Shipping Act, 1916,"; and

(C) inserting "or are essential terms of a service contract" after "tariff".

SEC. 105. EXEMPTION FROM ANTITRUST LAWS.

Section 7 of the Shipping Act of 1984 (46 U.S.C. App. 1706) is amended by—

(1) inserting "or publication" in paragraph (2) of subsection (a) after "filing";

(2) striking "or" at the end of subsection (b)(2);

(3) striking "States." at the end of subsection (b)(3) and inserting "States; or"; and

(4) adding at the end of subsection (b) the following:

"(4) to any loyalty contract.".

SEC. 106. TARIFFS.

(a) IN GENERAL.—Section 8(a) of the Shipping Act of 1984 (46 U.S.C. App. 1707(a)) is amended by—

(1) inserting "new assembled motor vehicles," after "scrap," in paragraph (1);

(2) striking "file with the Commission, and" in paragraph (1);

(3) striking "inspection," in paragraph (1) and inserting "inspection in an automated tariff system,";

(4) striking "tariff filings" in paragraph (1) and inserting "tariffs";

(5) striking "freight forwarder" in paragraph (1)(C) and inserting "transportation intermediary, as defined in section 3(17)(A),";

(6) striking "and" at the end of paragraph (1)(D);

(7) striking "loyalty contract," in paragraph (1)(E);

(8) striking "agreement." in paragraph (1)(E) and inserting "agreement; and";

(9) adding at the end of paragraph (1) the following:

"(F) include copies of any loyalty contract, omitting the shipper's name."; and

(10) striking paragraph (2) and inserting the following:

"(2) Tariffs shall be made available electronically to any person, without time, quantity, or other limitation, through appropriate access from remote locations, and a reasonable charge may be assessed for such access. No charge may be assessed a Federal agency for such access.".

(b) SERVICE CONTRACTS.—Subsection (c) of that section is amended to read as follows:

"(c) SERVICE CONTRACTS.—

"(1) IN GENERAL.—An individual ocean common carrier or an agreement between or among ocean common carriers may enter into a service contract with one or more shippers subject to the requirements of this Act. The exclusive remedy for a breach of a contract entered into under this subsection shall be an action in an appropriate court, unless the parties otherwise agree. In no case may the contract dispute resolution forum be controlled by or in any way affiliated with a controlled carrier as defined in section 3(8) of this Act, or by the government which owns or controls the carrier.

"(2) FILING REQUIREMENTS.—Except for service contracts dealing with bulk cargo, forest products, recycled metal scrap, new assembled motor vehicles, waste paper, or paper waste, each contract entered into under this subsection by an individual ocean common carrier or an agreement shall be filed confidentially with the Commission. Each service contract shall include the following essential terms—

"(A) the origin and destination port ranges;

"(B) the origin and destination geographic areas in the case of through intermodal movements;

"(C) the commodity or commodities involved;

"(D) the minimum volume or portion;

"(E) the line-haul rate;

"(F) the duration;

"(G) service commitments; and

"(H) the liquidated damages for nonperformance, if any.

"(3) PUBLICATION OF CERTAIN TERMS.—When a service contract is filed confidentially with the Commission, a concise statement of the essential terms described in paragraphs 2 (A), (C), (D), and (F) shall be published and made available to the general public in tariff format.

"(4) DISCLOSURE OF CERTAIN TERMS.—

"(A) An ocean common carrier, which is a party to or is subject to the provisions of a collective bargaining agreement with a labor organization, shall, in response to a written request by such labor organization, state whether it is responsible for the following work at dock areas and within port areas in the United States with respect to cargo transportation under a service contract described in paragraph (1) of this subsection—

"(i) the movement of the shipper's cargo on a dock area or within the port area or to or from railroad cars on a dock area or within the port area;

"(ii) the assignment of intraport carriage of the shipper's cargo between areas on a dock or within the port area;

"(iii) the assignment of the carriage of the shipper's cargo between a container yard on a dock area or within the port area and a rail yard adjacent to such container yard; and

"(iv) the assignment of container freight station work and container maintenance and repair work performed at a dock area or within the port area.

"(B) The common carrier shall provide the information described in subparagraph (A) of this paragraph to the requesting labor organization within a reasonable period of time.

"(C) This paragraph requires the disclosure of information by an ocean common carrier only if there exists an applicable and otherwise lawful collective bargaining agreement which pertains to that carrier. No disclosure made by an ocean common carrier shall be deemed to be an admission or agreement that any work is covered by a collective bargaining agreement. Any dispute regarding whether any work is covered by a collective bargaining agreement and the responsibility of the ocean common carrier under such agreement shall be resolved solely in accordance with the dispute resolution procedures

contained in the collective bargaining agreement and the National Labor Relations Act, and without reference to this paragraph.

"(D) Nothing in this paragraph shall have any effect on the lawfulness or unlawfulness under this Act, the National Labor Relations Act, the Taft-Hartley Act, the Federal Trade Commission Act, the antitrust laws, or any other Federal or State law, or any revisions or amendments thereto, of any collective bargaining agreement or element thereof, including any element that constitutes an essential term of a service contract under this subsection.

"(E) For purposes of this paragraph the terms 'dock area' and 'within the port area' shall have the same meaning and scope as in the applicable collective bargaining agreement between the requesting labor organization and the carrier.".

(c) RATES.—Subsection (d) of that section is amended by—

(1) striking the subsection caption and inserting "(d) TARIFF RATES.—";

(2) striking "30 days after filing with the Commission." in the first sentence and inserting "30 calendar days after publication.";

(3) inserting "calendar" after "30" in the next sentence; and

(4) striking "publication and filing with the Commission." in the last sentence and inserting "publication.".

(d) REFUNDS.—Subsection (e) of that section is amended by—

(1) striking "tariff of a clerical or administrative nature or an error due to inadvertence" in paragraph (1) and inserting a comma; and

(2) striking "file a new tariff," in paragraph (1) and inserting "publish a new tariff, or an error in quoting a tariff,";

(3) striking "refund, filed a new tariff with the Commission" in paragraph (2) and inserting "refund for an error in a tariff or a failure to publish a tariff, published a new tariff";

(4) inserting "and" at the end of paragraph (2); and

(5) striking paragraph (3) and redesignating paragraph (4) as paragraph (3).

(e) MARINE TERMINAL OPERATOR SCHEDULES.—Subsection (f) of that section is amended to read as follows:

"(f) MARINE TERMINAL OPERATOR SCHEDULES.—A marine terminal operator may make available to the public, subject to section 10(d) of this Act, a schedule of rates, regulations, and practices pertaining to receiving, delivering, handling, or storing property at its marine terminal. Any such schedule made available to the public shall be enforceable by an appropriate court as an implied contract without proof of actual knowledge of its provisions.".

(f) AUTOMATED TARIFF SYSTEM REQUIREMENTS; FORM.—Section 8 of that Act is amended by adding at the end the following:

"(g) REGULATIONS.—The Commission shall by regulation prescribe the requirements for the accessibility and accuracy of automated tariff systems established under this section. The Commission may, after periodic review, prohibit the use of any automated tariff system that fails to meet the requirements established under this section. The Commission may not require a common carrier to provide a remote terminal for access under subsection (a)(2). The Commission shall by regulation prescribe the form and manner in which marine terminal operator schedules authorized by this section shall be published.".

SEC. 107. AUTOMATED TARIFF FILING AND INFORMATION SYSTEM.

Section 502 of the High Seas Driftnet Fisheries Enforcement Act (46 U.S.C. App. 1707a) is repealed.

SEC. 108. CONTROLLED CARRIERS.

Section 9 of the Shipping Act of 1984 (46 U.S.C. App. 1708) is amended by—

(1) striking "service contracts filed with the Commission" in the first sentence of subsection (a) and inserting "service contracts, or charge or assess rates,";

(2) striking "or maintain" in the first sentence of subsection (a) and inserting "maintain, or enforce";

(3) striking "disapprove" in the third sentence of subsection (a) and inserting "prohibit the publication or use of"; and

(4) striking "filed by a controlled carrier that have been rejected, suspended, or disapproved by the Commission" in the last sentence of subsection (a) and inserting "that have been suspended or prohibited by the Commission";

(5) striking "may take into account appropriate factors including, but not limited to, whether—" in subsection (b) and inserting "shall take into account whether the rates or charges which have been published or assessed or which would result from the pertinent classifications, rules, or regulations are below a level which is fully compensatory to the controlled carrier based upon that carrier's actual costs or upon its constructive costs. For purposes of the preceding sentence, the term 'constructive costs' means the costs of another carrier, other than a controlled carrier, operating similar vessels and equipment in the same or a similar trade. The Commission may also take into account other appropriate factors, including but not limited to, whether—";

(6) striking paragraph (1) of subsection (b) and redesignating paragraphs (2), (3), and (4) as paragraphs (1), (2), and (3), respectively;

(7) striking "filed" in paragraph (1) as redesignated and inserting "published or assessed";

(8) striking "filing with the Commission." in subsection (c) and inserting "publication.";

(9) striking "DISAPPROVAL OF RATES.—" in subsection (d) and inserting "PROHIBITION OF RATES.—Within 120 days after the receipt of information requested by the Commission under this section, the Commission shall determine whether the rates, charges, classifications, rules, or regulations of a controlled carrier may be unjust and unreasonable.";

(10) striking "filed" in subsection (d) and inserting "published or assessed";

(11) striking "may issue" in subsection (d) and inserting "shall issue";

(12) striking "disapproved." in subsection (d) and inserting "prohibited.";

(13) striking "60" in subsection (d) and inserting "30";

(14) inserting "controlled" after "affected" in subsection (d);

(15) striking "file" in subsection (d) and inserting "publish";

(16) striking "disapproval" in subsection (e) and inserting "prohibition";

(17) inserting "or" after the semicolon in subsection (f)(1);

(18) striking paragraphs (2), (3), and (4) of subsection (f); and

(19) redesignating paragraph (5) of subsection (f) as paragraph (2).

SEC. 109. PROHIBITED ACTS.

(a) Section 10(b) of the Shipping Act of 1984 (46 U.S.C. App. 1709(b)) is amended by—

(1) striking paragraphs (1) through (3);

(2) redesignating paragraph (4) as paragraph (1);

(3) inserting after paragraph (1), as redesignated, the following:

"(2) provide service in the liner trade that—

"(A) is not in accordance with the rates, charges, classifications, rules, and practices contained in a tariff published or a service contract entered into under section 8 of this Act unless excepted or exempted under section 8(a)(1) or 16 of this Act; or

"(B) is under a tariff or service contract which has been suspended or prohibited by the Commission under section 9 of this Act or the Foreign Shipping Practices Act of 1988 (46 U.S.C. App. 1710a);";

(4) redesignating paragraphs (5) and (6) as paragraphs (3) and (4), respectively;

(5) striking "except for service contracts," in paragraph (4), as redesignated, and inserting "for service pursuant to a tariff,";

(6) striking "rates;" in paragraph (4)(A), as redesignated, and inserting "rates or charges;";

(7) inserting after paragraph (4), as redesignated, the following:

"(5) for service pursuant to a service contract, engage in any unfair or unjustly discriminatory practice in the matter of rates or charges with respect to any port;";

(8) redesignating paragraphs (7) and (8) as paragraphs (6) and (7), respectively;

(9) striking paragraph (6) as redesignated and inserting the following:

"(6) use a vessel or vessels in a particular trade for the purpose of excluding, preventing, or reducing competition by driving another ocean common carrier out of that trade;";

(10) striking paragraphs (9) through (13) and inserting the following:

"(8) for service pursuant to a tariff, give any undue or unreasonable preference or advantage or impose any undue or unreasonable prejudice or disadvantage;

"(9) for service pursuant to a service contract, give any undue or unreasonable preference or advantage or impose any undue or unreasonable prejudice or disadvantage with respect to any port;

"(10) unreasonably refuse to deal or negotiate;";

(11) redesignating paragraphs (14), (15), and (16) as paragraphs (11), (12), and (13), respectively;

(12) striking "a non-vessel-operating common carrier" in paragraphs (11) and (12) as redesignated and inserting "an ocean transportation intermediary";

(13) striking "sections 8 and 23" in paragraphs (11) and (12) as redesignated and inserting "sections 8 and 19";

(14) striking "or in which an ocean transportation intermediary is listed as an affiliate" in paragraph (12), as redesignated;

(15) striking "Act;" in paragraph (12), as redesignated, and inserting "Act, or with an affiliate of such ocean transportation intermediary;"

(16) striking "paragraph (16)" in the matter appearing after paragraph (13), as redesignated, and inserting "paragraph (13)"; and

(17) inserting "the Commission," after "United States," in such matter.

(b) Section 10(c) of the Shipping Act of 1984 (46 U.S.C. App. 1709(c)) is amended by—

(1) striking "non-ocean carriers" in paragraph (4) and inserting "non-ocean carriers, unless such negotiations and any resulting agreements are not in violation of the antitrust laws and are consistent with the purposes of this Act";

(2) striking "freight forwarder" in paragraph (5) and inserting "transportation

intermediary, as defined by section 3(17)(A) of this Act,";

(3) striking "or" at the end of paragraph (5);

(4) striking "contract." in paragraph (6) and inserting "contract;"; and

(5) adding at the end the following:

"(7) for service pursuant to a service contract, engage in any unjustly discriminatory practice in the matter of rates or charges with respect to any locality, port, or persons due to those persons' status as shippers' associations or ocean transportation intermediaries; or

"(8) for service pursuant to a service contract, give any undue or unreasonable preference or advantage or impose any undue or unreasonable prejudice or disadvantage with respect to any locality, port, or persons due to those persons' status as shippers' associations or ocean transportation intermediaries;".

(c) Section 10(d) of the Shipping Act of 1984 (46 U.S.C. App. 1709(d)) is amended by—

(1) striking "freight forwarders," and inserting "transportation intermediaries,";

(2) striking "freight forwarder," in paragraph (1) and inserting "transportation intermediary,";

(3) striking "subsection (b)(11), (12), and (16)" and inserting "subsections (b)(10) and (13)"; and

(4) adding at the end thereof the following:

"(4) No marine terminal operator may give any undue or unreasonable preference or advantage or impose any undue or unreasonable prejudice or disadvantage with respect to any person.

"(5) The prohibition in subsection (b)(13) of this section applies to ocean transportation intermediaries, as defined by section 3(17)(A) of this Act.".

SEC. 110. COMPLAINTS, INVESTIGATIONS, REPORTS, AND REPARATIONS.

Section 11(g) of the Shipping Act of 1984 (46 U.S.C. App. 1710(g)) is amended by—

(1) striking "section 10(b)(5) or (7)" and inserting "section 10(b)(3) or (6)"; and

(2) striking "section 10(b)(6)(A) or (B)" and inserting "section 10(b)(4)(A) or (B).".

SEC. 111. FOREIGN SHIPPING PRACTICES ACT OF 1988.

Section 10002 of the Foreign Shipping Practices Act of 1988 (46 U.S.C. App. 1710a) is amended by—

(1) striking "'non-vessel-operating common carrier'," in subsection (a)(1) and inserting "'ocean transportation intermediary',";

(2) striking "forwarding and" in subsection (a)(4);

(3) striking "non-vessel-operating common carrier" in subsection (a)(4) and inserting "ocean transportation intermediary services and";

(4) striking "freight forwarder," in subsections (c)(1) and (d)(1) and inserting "transportation intermediary,";

(5) striking "filed with the Commission," in subsection (e)(1)(B) and inserting "and service contracts,";

(6) inserting "and service contracts" after "tariffs" the second place it appears in subsection (e)(1)(B); and

(7) striking "(b)(5)" each place it appears in subsection (h) and inserting "(b)(6)".

SEC. 112. PENALTIES.

(a) Section 13(a) of the Shipping Act of 1984 (46 U.S.C. App. 1712(a)) is amended by adding at the end thereof the following: "The amount of any penalty imposed upon a common carrier under this subsection shall constitute a lien upon the vessels operated by that common carrier and any such vessel may be libeled therefore in the district court of the United States for the district in which it may be found.".

(b) Section 13(b) of the Shipping Act of 1984 (46 U.S.C. App. 1712(b)) is amended by—

(1) striking "section 10(b)(1), (2), (3), (4), or (8)" in paragraph (1) and inserting "section 10(b)(1), (2), or (7)";

(2) by redesignating paragraphs (4), (5), and (6) as paragraphs (5), (6), and (7), respectively;

(3) inserting before paragraph (5), as redesignated, the following:

"(4) If the Commission finds, after notice and an opportunity for a hearing, that a common carrier has failed to supply information ordered to be produced or compelled by subpoena under section 12 of this Act, the Commission may request that the Secretary of the Treasury refuse or revoke any clearance required for a vessel operated by that common carrier. Upon request by the Commission, the Secretary of the Treasury shall, with respect to the vessel concerned, refuse or revoke any clearance required by section 4197 of the Revised Statutes of the United States (46 U.S.C. App. 91).''; and

(4) striking "paragraphs (1), (2), and (3)" in paragraph (6), as redesignated, and inserting "paragraphs (1), (2), (3), and (4)".

(c) Section 13(f)(1) of the Shipping Act of 1984 (46 U.S.C. App. 1712(f)(1)) is amended by—

(1) striking "or (b)(4)" and inserting "or (b)(2)";

(2) striking "(b)(1), (4)" and inserting "(b)(1), (2)"; and

(3) adding at the end thereof the following "Neither the Commission nor any court shall order any person to pay the difference between the amount billed and agreed upon in writing with a common carrier or its agent and the amount set fourth in any tariff or service contract by that common carrier for the transportation service provided.".

SEC. 113. REPORTS AND CERTIFICATES.

Section 15 of the Shipping Act of 1984 (46 U.S.C. App. 1714) is amended by—

(1) striking "and certificates" in the section heading;

(2) striking "(a) REPORTS.—" in the subsection heading for subsection (a); and

(3) striking subsection (b).

SEC. 114. EXEMPTIONS.

Section 16 of the Shipping Act of 1984 (46 U.S.C. App. 1715) is amended by striking "substantially impair effective regulation by the Commission, be unjustly discriminatory, result in a substantial reduction in competition, or be detrimental to commerce." and inserting "result in substantial reduction in competition or be detrimental to commerce.".

SEC. 115. AGENCY REPORTS AND ADVISORY COMMISSION.

Section 18 of the Shipping Act of 1984 (46 U.S.C. App. 1717) is repealed.

SEC. 116. OCEAN FREIGHT FORWARDERS.

Section 19 of the Shipping Act of 1984 (46 U.S.C. App. 1718) is amended by—

(1) striking "freight forwarders" in the section caption and inserting "transportation intermediaries";

(2) striking subsection (a) and inserting the following:

"(a) LICENSE.—No person in the United States may act as an ocean transportation intermediary unless that person holds a license issued by the Commission. The Commission shall issue an intermediary's license to any person that the Commission determines to be qualified by experience and character to act as an ocean transportation intermediary.";

(3) redesignating subsections (b), (c), and (d) as subsections (c), (d), and (e), respectively;

(4) inserting after subsection (a) the following:

"(b) FINANCIAL RESPONSIBILITY.—

"(1) No person may act as an ocean transportation intermediary unless that person furnishes a bond, proof of insurance, or other surety in a form and amount determined by the Commission to insure financial responsibility that is issued by a surety company found acceptable by the Secretary of the Treasury.

"(2) A bond, insurance, or other surety obtained pursuant to this section—

"(A) shall be available to pay any order for reparation issued pursuant to section 11 or 14 of this Act, or any penalty assessed pursuant to section 13 of this Act;

"(B) may be available to pay any claim against an ocean transportation intermediary arising from its transportation-related activities described in section 3(17) of this Act with the consent of the insured ocean transportation intermediary and subject to review by the surety company, or when the claim is deemed valid by the surety company after the ocean transportation intermediary has failed to respond to adequate notice to address the validity of the claim; and

"(C) shall be available to pay any judgment for damages against an ocean transportation intermediary arising from its transportation-related activities under section 3(17) of this Act, provided the claimant has first attempted to resolve the claim pursuant to subparagraph (B) of this paragraph and the claim has not been resolved within a reasonable period of time.

"(3) The Commission shall prescribe regulations for the purpose of protecting the interests of claimants, ocean transportation intermediaries, and surety companies with respect to the process of pursuing claims against ocean transportation intermediary bonds, insurance, or sureties through court judgments. The regulations shall provide that a judgment for monetary damages may not be enforced except to the extent that the damages claimed arise from the transportation-related activities of the insured ocean transportation intermediary, as defined by the Commission.

"(4) An ocean transportation intermediary not domiciled in the United States shall designate a resident agent in the United States for receipt of service of judicial and administrative process, including subpoenas.";

(5) striking, each place such term appears—

(A) "freight forwarder" and inserting "transportation intermediary";

(B) "a forwarder's" and inserting "an intermediary's";

(C) "forwarder" and inserting "intermediary"; and

(D) "forwarding" and inserting "intermediary";

(6) striking "a bond in accordance with subsection (a)(2)." in subsection (c), as redesignated, and inserting "a bond, proof of insurance, or other surety in accordance with subsection (b)(1).";

(7) striking "FORWARDERS.—" in the caption of subsection (e), as redesignated, and inserting "INTERMEDIARIES.—";

(8) striking "intermediary" the first place it appears in subsection (e)(1), as redesignated and as amended by paragraph (5)(A), and inserting "intermediary, as defined in section 3(17)(A) of this Act,";

(9) striking "license" in paragraph (1) of subsection (e), as redesignated, and inserting "license, if required by subsection (a),";

(10) striking paragraph (3) of subsection (e), as redesignated, and redesignating paragraph (4) as paragraph (3); and

(11) adding at the end of subsection (e), as redesignated, the following:

"(4) No conference or group of 2 or more ocean common carriers in the foreign commerce of the United States that is authorized to agree upon the level of compensation paid to an ocean transportation intermediary, as defined in section 3(17)(A) of this Act, may—

"(A) deny to any member of the conference or group the right, upon notice of not more than 5 calendar days, to take independent action on any level of compensation paid to an ocean transportation intermediary, as so defined; or

"(B) agree to limit the payment of compensation to an ocean transportation intermediary, as so defined, to less than 1.25 percent of the aggregate of all rates and charges which are applicable under a tariff and which are assessed against the cargo on which the intermediary services are provided.".

SEC. 117. CONTRACTS, AGREEMENTS, AND LICENSES UNDER PRIOR SHIPPING LEGISLATION.

Section 20 of the Shipping Act of 1984 (46 U.S.C. App. 1719) is amended by—

(1) striking subsection (d) and inserting the following:

"(d) EFFECTS ON CERTAIN AGREEMENTS AND CONTRACTS.—All agreements, contracts, modifications, licenses, and exemptions previously issued, approved, or effective under the Shipping Act, 1916, or the Shipping Act of 1984, shall continue in force and effect as if issued or effective under this Act, as amended by the Ocean Shipping Reform Act of 1998, and all new agreements, contracts, and modifications to existing, pending, or new contracts or agreements shall be considered under this Act, as amended by the Ocean Shipping Reform Act of 1998.";

(2) inserting the following at the end of subsection (e):

"(3) The Ocean Shipping Reform Act of 1998 shall not affect any suit—

"(A) filed before the effective date of that Act; or

"(B) with respect to claims arising out of conduct engaged in before the effective date of that Act filed within 1 year after the effective date of that Act.

"(4) Regulations issued by the Federal Maritime Commission shall remain in force and effect where not inconsistent with this Act, as amended by the Ocean Shipping Reform Act of 1998.".

SEC. 118. SURETY FOR NON-VESSEL-OPERATING COMMON CARRIERS.

Section 23 of the Shipping Act of 1984 (46 U.S.C. App. 1721) is repealed.

TITLE II—AUTHORIZATION OF APPROPRIATIONS FOR THE FEDERAL MARITIME COMMISSION

SEC. 201. AUTHORIZATION OF APPROPRIATIONS FOR FISCAL YEAR 1998.

There are authorized to be appropriated to the Federal Maritime Commission, $15,000,000 for fiscal year 1998.

SEC. 202. FEDERAL MARITIME COMMISSION ORGANIZATION.

Section 102(d) of Reorganization Plan No. 7 of 1961 (75 Stat. 840) is amended to read as follows:

"(d) A vacancy or vacancies in the membership of Commission shall not impair the power of the Commission to execute its functions. The affirmative vote of a majority of the members serving on the Commission is required to dispose of any matter before the Commission.".

SEC. 203. REGULATIONS.

Not later than March 1, 1999, the Federal Maritime Commission shall prescribe final regulations to implement the changes made by this Act.

TITLE III—AMENDMENTS TO OTHER SHIPPING AND MARITIME LAWS

SEC. 301. AMENDMENTS TO SECTION 19 OF THE MERCHANT MARINE ACT, 1920.

(a) IN GENERAL.—Section 19 of the Merchant Marine Act, 1920 (46 U.S.C. App. 876) is amended by—

(1) striking "forwarding and" in subsection (1)(b);

(2) striking "non-vessel-operating common carrier operations," in subsection (1)(b) and inserting "ocean transportation intermediary services and operations,";

(3) striking "methods or practices" and inserting "methods, pricing practices, or other practices" in subsection (1)(b);

(4) striking "tariffs of a common carrier" in subsection 7(d) and inserting "tariffs and service contracts of a common carrier";

(5) striking "use the tariffs of conferences" in subsections (7)(d) and (9)(b) and inserting "use tariffs of conferences and service contracts of agreements";

(6) striking "tariffs filed with the Commission" in subsection (9)(b) and inserting "tariffs and service contracts";

(7) striking "freight forwarder," each place it appears and inserting "transportation intermediary,"; and

(8) striking "tariff" each place it appears in subsection (11) and inserting "tariff or service contract".

(b) STYLISTIC CONFORMITY.—Section 19 of the Merchant Marine Act, 1920 (46 U.S.C. App. 876), as amended by subsection (a), is further amended by—

(1) redesignating subdivisions (1) through (12) as subsections (a) through (l), respectively;

(2) redesignating subdivisions (a), (b), and (c) of subsection (a), as redesignated, as paragraphs (1), (2), and (3);

(3) redesignating subdivisions (a) through (d) of subsection (f), as redesignated, as paragraphs (1) through (4), respectively;

(4) redesignating subdivisions (a) through (e) of subsection (g), as redesignated, as paragraphs (1) through (5), respectively;

(5) redesignating clauses (i) and (ii) of subsection (g)(4), as redesignated, as subparagraphs (A) and (B), respectively;

(6) redesignating subdivisions (a) through (e) of subsection (i), as redesignated, as paragraphs (1) through (5), respectively;

(7) redesignating subdivisions (a) and (b) of subsection (j), as redesignated, as paragraphs (1) and (2), respectively;

(8) striking "subdivision (c) of paragraph (1)" in subsection (c), as redesignated, and inserting "subsection (a)(3)";

(9) striking "paragraph (2)" in subsection (c), as redesignated, and inserting "subsection (b)";

(10) striking "paragraph (1)(b)" each place it appears and inserting "subsection (a)(2)";

(11) striking "subdivision (b)," in subsection (g)(4), as redesignated, and inserting "paragraph (2),";

(12) striking "paragraph (9)(d)" in subsection (j)(1), as redesignated, and inserting "subsection (i)(4)"; and

(13) striking "paragraph (7)(d) or (9)(b)" in subsection (k), as redesignated, and inserting "subsection (g)(4) or (i)(2)".

SEC. 302. TECHNICAL CORRECTIONS.

(a) PUBLIC LAW 89–777.—Sections 2 and 3 of the Act of November 6, 1966 (46 U.S.C. App. 817d and 817e) are amended by striking "they in their discretion" each place it appears and inserting "it in its discretion".

(b) TARIFF ACT OF 1930.—Section 641(i) of the Tariff Act of 1930 (19 U.S.C. 1641) is repealed.

TITLE IV—MERCHANT MARINER BENEFITS

SEC. 401. MERCHANT MARINER BENEFITS.

(a) BENEFITS.—Part G of subtitle II, title 46, United States Code, is amended by adding at the end the following new chapter:

"CHAPTER 112—MERCHANT MARINER BENEFITS

"Sec.
"11201. Qualified service.
"11202. Documentation of qualified service.
"11203. Eligibility for certain veterans' benefits.
"11204. Processing fees.

"§ 11201. Qualified service

"For purposes of this chapter, a person engaged in qualified service if, between August 16, 1945, and December 31, 1946, the person—

"(1) was a member of the United States merchant marine (including the Army Transport Service and the Naval Transportation Service) serving as a crewmember of a vessel that was—

"(A) operated by the War Shipping Administration or the Office of Defense Transportation (or an agent of the Administration or Office);

"(B) operated in waters other than inland waters, the Great Lakes, other lakes, bays, and harbors of the United States;

"(C) under contract or charter to, or property of, the Government of the United States; and

"(D) serving the Armed Forces; and

"(2) while so serving, was licensed or otherwise documented for service as a crewmember of such a vessel by an officer or employee of the United States authorized to license or document the person for such service.

"§ 11202. Documentation of qualified service

"(a) RECORD OF SERVICE.—The Secretary, or in the case of personnel of the Army Transport Service or the Naval Transport Service, the Secretary of Defense, shall, upon application—

"(1) issue a certificate of honorable discharge to a person who, as determined by the respective Secretary, engaged in qualified service of a nature and duration that warrants issuance of the certificate; and

"(2) correct, or request the appropriate official of the Federal Government to correct, the service records of the person to the extent necessary to reflect the qualified service and the issuance of the certificate of honorable discharge.

"(b) TIMING OF DOCUMENTATION.—The respective Secretary shall take action on an application under subsection (a) not later than one year after the respective Secretary receives the application.

"(c) STANDARDS RELATING TO SERVICE.—In making a determination under subsection (a)(1), the respective Secretary shall apply the same standards relating to the nature and duration of service that apply to the issuance of honorable discharges under section 401(a)(1)(B) of the GI Bill Improvement Act of 1977 (38 U.S.C. 106 note).

"(d) CORRECTION OF RECORDS.—An official of the Federal Government who is requested to correct service records under subsection (a)(2) shall do so.

"§ 11203. Eligibility for certain veterans' benefits

"(a) ELIGIBILITY.—

"(1) IN GENERAL.—The qualified service of an individual referred to in paragraph (2) is deemed to be active duty in the Armed Forces during a period of war for purposes of eligibility for benefits under chapters 23 and 24 of title 38.

"(2) COVERED INDIVIDUALS.—Paragraph (1) applies to an individual who—

"(A) receives an honorable discharge certificate under section 11202 of this title; and

"(B) is not eligible under any other provision of law for benefits under laws administered by the Secretary of Veterans Affairs.

"(b) REIMBURSEMENT FOR BENEFITS PROVIDED.—The Secretary shall reimburse the Secretary of Veterans Affairs for the value of benefits that the Secretary of Veterans Affairs provides for an individual by reason of eligibility under this section.

"(c) PROSPECTIVE APPLICABILITY.—An individual is not entitled to receive, and may not receive, benefits under this chapter for any period before the date of enactment of this chapter.

"§ 11204. Processing fees

"(a) COLLECTION OF FEES.—The Secretary, or in the case of personnel of the Army Transport Service or the Naval Transport Service, the Secretary of Defense, shall collect a fee of $30 from each applicant for processing an application submitted under section 11202(a) of this title.

"(b) TREATMENT OF FEES COLLECTED.—Amounts received by the respective Secretary under this section shall be deposited in the general fund of the Treasury as offsetting receipts of the department in which the Coast Guard is operating and ascribed to Coast Guard activities, or in the case of fees collected for processing discharges from the Army Transport Service or the Naval Transport Service, deposited in the general fund of the Treasury as offsetting receipts of the Department of Defense, and shall be available subject to appropriation for the administrative costs for processing such applications.".

(b) CLERICAL AMENDMENT.—The table of chapters at the beginning of subtitle II of title 46, United States Code, is amended by inserting after the item relating to chapter 111 the following:

"112. Merchant mariner benefits.....11201".

TITLE V—CERTAIN LOAN GUARANTEES AND COMMITMENTS

SEC. 501. CERTAIN LOAN GUARANTEES AND COMMITMENTS.

(a) The Secretary of Transportation may not issue a guarantee or commitment to guarantee a loan for the construction, reconstruction, or reconditioning of a liner vessel under the authority of title XI of the Merchant Marine Act, 1936 (46 U.S.C. App. 1271 et seq.) after the date of enactment of this Act unless the Chairman of the Federal Maritime Commission certifies that the operator of such vessel—

(1) has not been found by the Commission to have violated section 19 of the Merchant Marine Act, 1920 (46 U.S.C. App. 876), or the Foreign Shipping Practices Act of 1988 (46 U.S.C. App. 1701a), within the previous 5 years; and

(2) has not been found by the Commission to have committed a violation of the Shipping Act of 1984 (46 U.S.C. App. 1701 et seq.), which involves unjust or unfair discriminatory treatment or undue or unreasonable prejudice or disadvantage with respect to a United States shipper, ocean transportation intermediary, ocean common carrier, or port within the previous 5 years.

(b) The Secretary of Commerce may not issue a guarantee or a commitment to guarantee a loan for the construction, reconstruction, or reconditioning of a fishing vessel under the authority of title XI of the Merchant Marine Act, 1936 (46 U.S.C. App. 1271 et seq.) if the fishing vessel operator has been—

(1) held liable or liable in rem for a civil penalty pursuant to section 308 of the Magnuson-Stevens Fishery Conservation and Management Act (16 U.S.C. 1858) and not paid the penalty;

(2) found guilty of an offense pursuant to section 309 of the Magnuson-Stevens Fishery Conservation and Management Act (16 U.S.C. 1859) and not paid the assessed fine or served the assessed sentence;

(3) held liable for a civil or criminal penalty pursuant to section 105 of the Marine Mammal Protection Act of 1972 (16 U.S.C. 1375) and not paid the assessed fine or served the assessed sentence; or

(4) held liable for a civil penalty by the Coast Guard pursuant to title 33 or 46, United States Code, and not paid the assessed fine.

Mr. LOTT. Mr. President, today is a great day for America's maritime community; for those who sailed the high seas during the final days of World War II; for those who sail the seas today in the international container industry; and for those who will go to sea in the future.

Mr. President, I hope my colleagues will permit me to take a long view of the maritime issues being addressed by the Senate during the 105th Congress.

I am a product of the maritime industry. I grew up in a maritime community where my father built ships. The maritime world was the source of my first job as a lawyer. I still live in Pascagoula, Mississippi where the proud maritime tradition continues with Navy contracts to build DDG-51 Destroyers.

As I grew up on Mississippi's coast, an important lesson was learned. Our nation was founded as a maritime nation and remains one today. We are a nation that must continue to invest in this vital industry.

As you know, this is the International Year of the Ocean and tomorrow is Earth Day. As we celebrate the 28th Earth Day, we recognize the importance of the world's 4 oceans and 54 seas. Oceans cover more than 75% of our globe. Oceans provide us all with vast sources of food, medicine, and minerals. They provide a means for recreation, transportation, and commerce. Teaming with life and resources, oceans are where America's merchant maritime industry must be present. Oceans are where our government must make a conscious decision to maintain America's presence.

Many of our colleagues understand the importance of a strong, healthy maritime industry. This including ports, vessel owners, vessel operators, shipbuilders and the workers to run the ports, sail the high seas or build the latest ship. In a world of increasing international trade by sea, a strong maritime industry is essential to our national security and our economic strength. This is a simple but true equation.

To provide a context for today's action, I want to reflect on our work in the 104th Congress changed our maritime public policy. In the last Congress, the Maritime Security Act of 1996 was enacted into public law. It received overwhelming and bipartisan support. It was the first maritime policy change in over a decade. It was a profound change and has successfully reformed how our maritime industry supports our nation's defense.

This program now effectively ensures that efficient commercial ocean transportation services are available to the Department of Defense for national security purposes. The use of modern U.S.-flag commercial vessels saves DOD hundreds of millions of dollars that would otherwise be required to procure additional sealift capacity. As we enter the appropriation cycle, I hope my colleagues will support full funding of the Maritime Security Program.

Today, the Senate completed action on S. 414, the Ocean Shipping Reform Act of 1998.

This bill will increase competition in the ocean liner shipping industry and help U.S. exporters compete in the world's market. S. 414 was a bipartisan compromise. It was supported by all segments of the industry. Even U.S. businesses that use ocean liner services supported this legislative approach. The bill is a true compromise where the many diverse and competing interests benefited equally.

My good friend, Senator SLADE GORTON, wanted to get a little bit more for one of these segments, but in so doing jeopardized the Senate's ability to pass this important legislation during this Congress by taking the delicate compromise out of balance. This is why the amendment was defeated.

Just for the record, non-vessel-operating common carriers are not real common carriers. However, they can successfully compete with vessel operators. Also small shippers will continue to have equal access to the transportation systems.

Mr. President, S. 414, the Ocean Shipping Reform Act of 1998 is a major step forward in the 105th Congress' maritime reform agenda.

This year's maritime bill focuses on one part of the commercial segment while last year's bill dealt with the defense segment.

As with the maritime bill in the last Congress, competition is its hallmark. It will permit competition for the ocean liner shipping industry. This means that U.S. exporters will also enhance their competitiveness in the world's market. The majority of international trade is carried on ships and

that is why S. 414 is so important. The United States will now have an ocean liner shipping system that enables America to compete with other countries on a level playing field.

S. 414 is that level playing field.

This effort started back in the 104th Congress. It has taken the Senate a long time to develop a workable solution because the shipping industry includes so many different competing segments. Balancing their interests has been difficult and everyone made compromises.

S. 414 is solidly backed by U.S. shippers; U.S. and foreign ocean carriers; U.S. ports; and U.S. labor. Achieving such strong support from such a diverse group demonstrates that the entire maritime industry wants and needs this meaningful reform.

I call upon the House of Representatives to complete the legislative process and promptly adopt S. 414 this year. The nation's consumers, businesses, and maritime industry deserve to reap the benefits of a reformed ocean liner shipping system.

This bill is fair. This bill is needed.

S. 414 also contains a provision concerning World War II merchant mariner burial benefits, which was introduced separately as S. 61.

Mr. President, today the Senate also celebrates the passage of S. 61 another very important piece of maritime legislation which recognizes the sacrifices made by a group of merchant mariners.

This provision clarifies, once and for all, that those American merchant mariners who served our country in World War II between August 16, 1945 and December 31, 1946 are in fact eligible for veteran's funeral and burial benefits. Just like all other World War II merchant mariners.

This legislation, originally introduced last year as the Merchant Marine Fairness Act, has 71 cosponsors. I want to thank each cosponsor for their bipartisan support for mariners who ask to be recognized upon their deaths for service to our nation.

Mr. President, the overwhelming majority of World War II merchant mariners have already been awarded veteran status. However, through this 16-month extension, the Senate recognizes in a limited, yet meaningful, fashion those who stood, in harm's way, through the war's final day when on December 31, 1946 President Truman officially declared an end to hostilities.

Although Japan officially surrendered in August of 1945, the job was not complete for our nation's merchant mariners. In fact, more dangerous work awaited them, and their allies.

Harbors in Japan, Germany, Italy, France, and other parts of the world's maritime trade lanes were still filled with mines. This created many hazards as merchant mariners transported Allied troops home, or transported them to occupational duties. Axis stragglers also needed to be transported. When the men of the U.S. merchant marine were called to serve, they were ready and willing. Their duties were vital to consolidating the battlefield victory that our combat forces had just won.

Let me be clear. The services performed by these merchant mariners were extremely dangerous. Twenty-two U.S.-government-owned vessels—carrying military cargoes—were damaged or sunk by mines after V–J Day. At least four U.S. merchant mariners were killed and 28 injured aboard these vessels. Those American merchant mariners who served during this time did so with pride, professionalism and a dedication to their country. They deserve this simple, proper recognition.

I hope the House of Representatives will act swiftly on this legislation, too. Bills similar to S. 61 have passed in the House of Representatives three times in recent years. Already, H.R. 1126, the companion bill to S. 61, has more than 150 cosponsors.

Mr. President, our nation values the sacrifices of our veterans and so should Congress. The service's of these merchant mariners to America deserves recognition for a job well done.

The passage of the Merchant Mariner's Fairness Act confers the title of veteran to a small group of elderly, surviving mariners—an acknowledgment they richly deserve.

Mr. President, I remember one of these extraordinary mariners telling me why it was so important to receive this official recognition and why this delay has been so frustrating.

What that merchant mariner said, quite simply, was that he wants to tell his grandchildren that he too is a World War II veteran.

Mr. President, this particular merchant mariner and many other merchant mariners deserve our nation's profound gratitude for their WWII service.

Mr. President, there is yet another important maritime bill that the Senate must enact this year. S. 1216.

This legislation will ratify and implement the OECD Shipbuilding Agreement. It will eliminate foreign shipbuilding subsidies and provide a level playing field for our shipbuilding industry.

S. 1216 was approved by both the Finance Committee and the Commerce, Science, and Transportation Committee. It is ready to move to the Senate floor. The amendments added through separate committee actions address head on and completely the concerns identified by segments of the maritime community.

I am disappointed that a few maritime associations continue to oppose this bill despite its many changes. I am disturbed by their unfortunate misrepresentations.

Let me set the record straight on this bill. S. 1216 and the OECD Agreement do not threaten the Jones Act or the construction of Jones Act vessels. Period.

S. 1216 clearly excludes America's defense requirements and maritime features while ensuring that no country may illegally subsidize its commercial shipbuilding industry.

S. 1216 first equaled, then exceeded, the amendment offered by Representative BATEMAN in the 104th Congress to extend the current Title XI program's terms and conditions. The Senate bill provides an additional year. However, these associations moved the goalposts by demanding even more exemptions.

S. 1216 implements OECD. It does not speak to every individual argument that came up during its negotiations. That is water under the bridge. Rather, the bill recognizes that the United States cannot out-subsidize other countries' shipbuilding industries and should not try. It forces these other countries to give up their subsidies.

On a different legislative tract, but a related issue, the Senate showed that it will take steps to address shipyard subsidies. Through the International Monetary Fund bill, the Senate ensured that South Korean shipyards are not entitled to a bail out from American taxpayers.

S. 1216 is about ratifying this international agreement this year; however, it is clear these associations' aim is to scuttle OECD. I believe they want to shift funds from shipyards where only commercial vessels are built to those yards where naval vessel construction occurs because the level of military construction is decreasing. This is folly because America needs both types of shipyards for a healthy maritime community.

The U.S. must preserve its commercial shipbuilding base and that means ratifying the OECD agreement. That means adopting the implementing language in S. 1216 this year.

One last point—the Jones Act and other related cabotage related legislation. There is no secret that I am an ardent supporter of the Jones Act. I acknowledge that there are some members of Congress who do not see the wisdom of protecting our domestic water-borne maritime trade—just like every other coastal nation. I take it as my challenge to spread the wisdom and value of the Jones Act to my colleagues. I also realize that the current system is not meeting the needs of every domestic shipper and that is why I encourage the Jones Act maritime industry and the Administration to work closely with these shippers to solve their transportation needs. Still, I remain a firm believer that these needs can be served by U.S.-built, U.S.-owned, U.S.-flagged, and U.S.-crewed ships.

In summary, Mr. President, the Senate has made much progress in our maritime public policy agenda this

year, and I hope there will be more before the 105th Congress adjourns. Maritime issues are bipartisan and important to our economy and our national security.

Mr. President, thank you. I want to also thank all mariners who go to sea to face the elements and work. I also want to thank all who work on shore, at the dock and in the shipyard, to enable our nation's maritime transportation system to go to sea safely and profitably. It is a fitting tribute to pass the Ocean Shipping Act of 1998 during the International Year of the Ocean.

Mrs. HUTCHISON. Mr. President, I want to congratulate the Senate on its adoption of S. 414, the Ocean Shipping Reform Act of 1998. We have worked long and hard to achieve the consensus necessary to move this bill forward. The revisions that S. 414 would make to the Shipping Act of 1984 will help U.S. shippers, ports, and containership operators succeed in an increasingly competitive world of international trade.

I want to thank all Senators who worked on this bill for their key contributions, especially Senator LOTT, our distinguished Majority Leader; Senator MCCAIN, Chairman of the Commerce Committee; and Senators GORTON and BREAUX who ensured that all affected groups' concerns were thoroughly considered and addressed. I ask the leadership of the House to quickly adopt S. 414 without amendment so that the participants in the ocean liner shipping industry can turn their efforts toward reaping the benefits of these changes.

Mr. President, for the record, I now want to explain some of the key provisions of S. 414.

The most significant benefit of S. 414 is that it will provide shippers and common carriers with greater choice and flexibility in entering into contractual relationships for ocean transportation and intermodal services. It accomplishes this through seven specific changes to the Shipping Act of 1984. It allows multiple shippers to be parties to the same service contract. It allows service contracts to specify either a percentage or quantity of the shipper's cargo subject to the service contract. It prohibits multiple-ocean common carrier cartels from restricting cartel members from contracting with shippers of their choice independent of the cartel. It allows service contract origin and destination geographic areas, rates, service commitments, and liquidated damages to remain confidential. It eliminates the requirement that similarly situated shippers be given the same service contract rates and service conditions. It eliminates the current restrictions on individual common carriers engaging in discriminatory, preferential, or advantageous treatment of shippers and ocean transportation intermediaries in service contracts (while retaining those restrictions for groups of common carriers and strengthening prohibitions against refusals to deal or negotiate by individual common carriers). It allows groups of ocean common carriers to jointly negotiate inland transportation rates, subject to the antitrust laws and consistent with the purposes of the 1984 Act.

The Commerce Committee report on S. 414 dated July 31, 1997, includes in pages 12 through 17 a new legislative history for section 6(g) of the 1984 Act. Although a substitute amendment to the Commerce Committee reported version of S. 414 has been adopted by the Senate, the legislative history for section 6(g) and other sections of the 1984 Act affected by S. 414 contained in the Committee report remains intact, to the extent that the Committee reported provisions of S. 414 are not substantively amended by the substitute amendment, or the Committee report legislative history is not superseded by the below comments.

It is anticipated that members of ocean common carrier agreements will enter into individual service contracts with shippers and that, consistent with section 8(c) of the 1984 Act, as amended by S. 414, some of the terms and conditions of those service contracts will not, by agreement of the contracting parties, be publicly available.

Section 5(c) of the 1984 Act, as amended by S. 414, states that an agreement of ocean common carriers may not require its members to disclose any service contract negotiations they may have with shippers or the terms and conditions of any service contracts which they may enter into for the transportation of cargo. It is important to note that, while section 5(b) of the 1984 Act applies only to conference agreements, new section 5(c) would apply to all agreements among ocean common carriers, including conference agreements.

Any agreement requirement that members disclose confidential contract information would violate section 5(c) and subject agreement members to penalties under the 1984 Act, as amended by S. 414. In the event a member divulged confidential contract information, that member would likely be in breach of its contract with the shipper and could be held liable by the shipper under the contract. However, in the absence of any agreement requirement that disclosure be made, neither that carrier nor any other agreement member would be subject to penalties under the 1984 Act, as amended by S. 414. Section 8(c)(1) of the 1984 Act, as amended by S. 414, provides that the exclusive remedy for a breach of a service contract shall be an action in an appropriate court, unless the parties otherwise agree.

Section 8(c)(2) of the 1984 Act, as amended by S. 414, would continue to require that all service contracts be filed with the Federal Maritime Commission. The purpose of this requirement is to assist the FMC in the enforcement of applicable provisions of United States shipping laws. However, other Federal agencies have expressed concerns over how they are to ensure ocean carrier compliance with United States cargo preference law requirements concerning shipping rates in an era of service contract rate confidentiality. The FMC is encouraged to work with affected Federal agencies to address this concern.

S. 414 would add a new section 8(c)(4) to the 1984 Act that would allow a labor union with a collective bargaining agreement with an ocean common carrier to request information from the carrier with respect to cargo transported under a service contract entered into by that carrier to assist the union in enforcing its collective bargaining agreement and would require the carrier to provide that information. Section 8(c)(4) envisions the release of information not necessarily contained in the service contract. While the cargo transportation in question has to be made pursuant to a service contract, the carrier's response to an information request authorized by section 8(c)(4) may require the use of documents other than the service contract.

The purpose of section 8(c)(4) is to provide the requesting labor union with information concerning certain land transportation services and other services for which an ocean common carrier subject to a collective bargaining agreement with that labor union may be responsible pursuant to a service contract. The specific language of section 8(c)(4)(A) describing the work covered by that disclosure requirement is intended to ensure that the ocean common carrier is not able to avoid compliance with the disclosure requirement by narrowly interpreting the statutory language of the work covered by the disclosure requirement. Section 8(c)(4), however, has no other purpose but to require disclosure of specified information and is not intended to serve any other purpose.

The Senate understands that disputes have arisen, or may arise, concerning the assignment of certain off-dock and inter-dock transportation services at U.S. ports. We want to make it perfectly clear that nothing in this provision is intended to resolve or influence the outcome of any such dispute in any manner. The descriptions of work contained in section 8(c)(4)(A) should not be misinterpreted by a court or agency to imply a Congressional endorsement of any position in any such dispute. These issues are to be considered and determined by the appropriate agencies and courts taking into consideration existing provisions of the National Labor Relations Act, the Taft-Hartley Act, the Federal

Trade Commission Act, other provisions of the Shipping Act of 1984, as amended by S. 414, and other federal and state laws. Nothing in these disclosure provisions should affect or influence the outcome of the decisions of those courts or agencies, one way or the other.

The substitute amendment to S. 414 contains several significant changes with respect to the anti-discrimination provisions contained in sections 10(b) and 10(c) of the Commerce Committee reported version of S. 414 affecting shippers' associations and ocean transportation intermediaries that need to be clarified. These revisions by the substitute amendment remove limitations placed on these sections in the Committee reported bill with respect to shippers' associations and ocean transportation intermediaries and thus supersede the Committee's Report of July 31, 1997 at pages 28 and 29.

S. 414 is intended to promote a more competitive ocean transportation marketplace. In such a marketplace, it is anticipated that small to medium-sized shippers will increasingly rely upon non-profit shippers' associations and other forms of transportation intermediaries in order to obtain access to competitive economies of scale enjoyed by the largest shippers. Recognizing the important role that the small shipper plays in the competitiveness of the United States in the global economy, S. 414 contains several strong provisions to ensure that shippers who seek to combine their cargo with other shippers to obtain volume discounts in a shippers' association are not subjected to unreasonable discrimination due to their status as a shippers' association when entering into such service contracts.

As amended by S. 414, new section 10(b)(10) of the 1984 Act would make it unlawful for a common carrier to "unreasonably refuse to deal or negotiate." Previously, the prohibition against refusals to negotiate was limited to shippers' associations. The new section 10(b)(10) continues to provide a shippers' association or ocean transportation intermediary with protection against an unreasonable refusal to deal by one or more common carriers, and continues to provide the other protections included in section 10(b)(12) of the current law.

New sections 10(c)(7) and 10(c)(8) of the 1984 Act, as amended by S. 414, would protect individual shippers' associations and ocean transportation intermediaries against the type of conduct specified in those paragraphs which is due to such person's status as a shippers' association or ocean transportation intermediary. The FMC should direct its enforcement efforts with respect to unreasonable discrimination due to a person's status as a shippers' association or ocean transportation intermediary for other than objective, relevant economic transportation factors on those groups of ocean common carriers that have the greatest potential to economically harm a shippers' association or an ocean transportation intermediary. S. 414 does not require identical treatment of shippers' associations and affords ocean common carriers greater flexibility than the current 1984 Act to differentiate their service contract terms and conditions.

Section 10(c)(4) of the 1984 Act currently prohibits concerted action by ocean common carriers in negotiation of U.S. inland transportation rates and services with truck, rail, air, or other non-ocean carriers. Since the enactment of the 1984 Act, U.S. ocean common carriers have made very substantial investments in inland intermodal networks in reliance on the protections of section 10(c)(4).

S. 414 would amend section 10(c)(4) to remove the current per se prohibition on joint negotiation of inland transportation agreements. S. 414 would allow joint negotiations and agreements with respect to the inland portion of these ocean common carriers' intermodal movements, but retain protections to ensure that U.S. inland intermodal carriers are not harmed.

First, any such joint negotiations and agreements permitted under this section must be in conformity with the antitrust laws. There is no intention under this provision to permit or authorize any joint activity with respect to the negotiation of purchasing of U.S. inland services provided by non-ocean carriers that would not be permitted under the principles that apply to joint purchasing activities under the antitrust laws.

Second, the joint negotiations and agreements permitted under this section must be consistent with the purposes of the Act, as amended by S. 414 and as determined by the Federal Maritime Commission. For example, the ability of joint purchasing arrangements to contribute to efficiencies in the U.S. transportation system in the ocean commerce of the United States that are then passed on to shippers is a factor that may be considered in determining whether an arrangement is consistent with the purposes of the 1984 Act. Another purpose of the 1984 Act is the development of an economically sound and efficient U.S.-flag liner fleet capable of meeting national security needs. As stated above, U.S.-flag liner operators have made very substantial investments in affiliated inland intermodal providers, and harm to these providers resulting from the use of market power by conferences or other groups of ocean common carriers would be inconsistent with the 1984 Act's purpose of maintaining a sound U.S.-flag liner fleet.

Mr. MCCAIN. Mr. President, I am pleased that the Senate has adopted S. 414, the Ocean Shipping Reform Act of 1998. S. 414 was approved by the Committee on Commerce, Science, and Transportation on May 1, 1997. Over the past several months, the bill has been adjusted to address the concerns of several members.

S. 414 would instill greater competition within the U.S. international ocean liner shipping market by ensuring that every liner vessel operator has the right to enter into a service contract with any shipper without interference from other vessel operators. This will allow U.S. importers and exporters to contract with vessel operators of their choice, not as directed by ocean shipping cartels.

Also, S. 414 would allow vessel operators and shippers who negotiate service contracts to keep the rates and terms of service of those contracts private. The bill would also remove the requirement that vessel operators provide the same contract rate and terms to other similar shippers. This change, combined with the one I just described, will increase the responsiveness of ocean liner system to market forces.

The bill would also privatize the function of publishing ocean transportation tariffs, which should reduce the expense of this system. The bill would provide the Federal Maritime Commission adequate means to review and enforce tariff and service contract regulations.

The bill also includes a provision I added during the Commerce Committee markup. This provision would require the Secretary of Transportation to obtain certification from the Federal Maritime Commission that a liner vessel operator has not violated certain U.S. shipping laws within the past 5 years prior to the Secretary granting the operator a shipbuilding loan guarantee under title XI of the Merchant Marine Act, 1936.

I realize that S. 414 is not perfect. In my view, a lot more could be done to improve competition in this business. However, in this case the bill makes significant progress, and should not be held up in the hope that greater progress can be made in the future. I hope the other body will take action on S. 414 so that the bill may be enacted this year.

EDUCATION SAVINGS ACT FOR PUBLIC AND PRIVATE SCHOOLS

The PRESIDING OFFICER. Under the previous order, the Senate will now resume consideration of H.R. 2646, the Education Savings Act for Public and Private Schools.

The clerk will report the bill.

The legislative clerk read as follows:

A bill (H.R. 2646) to amend the Internal Revenue Code of 1986 to allow tax-free expenditures from education individual retirement accounts for elementary and secondary school expenses, to increase the maximum annual amount of contributions to such accounts, and for other purposes.

The Senate resumed consideration of the bill.

Pending:

Mack/D'Amato amendment No. 2288, to provide incentives for States to establish and administer periodic teacher testing and merit pay programs for elementary and secondary school teachers.

Glenn amendment No. 2017, to delete education IRA. expenditures for elementary and secondary school expenses.

Kennedy amendment No. 2289, to authorize funds to provide an additional 100,000 elementary and secondary school teachers annually to the national pool of such teachers during the 10-year period beginning with 1999 through a new student loan forgiveness program.

Coverdell (for Hutchison) amendment No. 2291, to establish education reform projects that provide same gender schools and classrooms, as long as comparable educational opportunities are offered for students of both sexes.

AMENDMENT NO. 2289

The PRESIDING OFFICER. The pending question is a motion to table the amendment to H.R. 2646 by the Senator from Massachusetts. There will be 4 minutes of debate equally divided.

Who seeks time?

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized.

Mr. KENNEDY. Mr. President, the issue that is before the Senate now is whether we are going to take the $1.6 billion and use it in such a way that is going to effectively help and assist the private schools—because that is where the majority of the money is going to be invested—or whether we are prepared to invest that money to increase the total number of teachers.

Again, Mr. President, the legislation that we have before us this morning will provide $1.6 billion. We have to decide whether we are going to use that money to create an IRA which will be primarily used to support private schools, or whether we will take that $1.6 billion and use to it create more teachers across this country. If we use the $1.6 billion, we will provide 100,000 new schoolteachers for the public schools across this Nation.

It is estimated that we are going to need 2 million new high school teachers. This will at least provide 100,000. It seems to me that if we are interested in academic achievement and accomplishment and we support our public schools, then getting highly qualified teachers to invest in those schools is the way to go. That is what this amendment does. It takes the $1.6 billion and uses it to create 100,000 more schoolteachers rather than to use it to create additional funds to support private schools.

We have a modest program in our higher education bill that will provide $200 million for 5 years, which is $40 million a year. That is bipartisan. I support it. But it is not enough. We have a major opportunity now to do something significantly for the public schools, and that is to increase the number of qualified teachers who will serve in our public schools.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. COVERDELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Georgia is recognized.

Mr. COVERDELL. Mr. President, first, I am pleased that we are finally coming to a point where we can vote on these core issues. I have three things to say about the statements that have been made by the Senator from Massachusetts.

Mr. President, first, the Labor Committee has already addressed the issue of new teachers and done it in a more expeditious manner focusing new teachers on inner-city schools.

Second, the effect of the amendment of the Senator from Massachusetts is to gut and make moot the entire exercise we have been at here now for 6 months. He would in effect deny 14 million families and 20 million children the benefits of education savings accounts, the majority of which are public, not private. He would deny 1 million employees the opportunity for continuing education and 1 million students the opportunity and benefit of State prepaid tuition plans and 500 new schools through new school construction.

Later in the debate we will have another opportunity, through the Gorton amendment, which will be discussed later this afternoon, to free up from Federal regulation large sums of money, over $10 billion, which local communities and States can use to address teacher shortages, if indeed they have them.

I conclude by saying the effect of the amendment would be to make moot this 6-month debate.

Mr. BINGAMAN. Mr. President, I rise in support of Senator KENNEDY's amendment to the Coverdell bill, which would provide loan forgiveness to teachers in high need areas and subjects. Attracting well qualified teachers through the use of loan forgiveness is a terrific idea and one that I've introduced and supported in the context of the reauthorized Higher Education Act. Loan forgiveness for teachers ensures that teachers are not saddled by excessive debt during their first crucial years of teaching.

Just two days ago, a new report from the American Federation of Teachers on teacher salaries showed that, in part due to the low unemployment and tight labor market of recent months, teacher salaries are falling behind wages for other occupations and will make it even harder for schools to find qualified candidates.

Given all the other jobs that may be available, we as a nation have a serious problem in recruiting strong candidates for teaching. Clearly, loan forgiveness needs to be part of a comprehensive strategy to raise the quality of teachers and attract the best candidates to the classroom.

To help attract more teachers, this amendment proposes to provide up to $8,000 in loan forgiveness to teachers in high need areas or subjects, as determined by local school districts. While I strongly support the amendment and its intention, there are two issues that are worth raising. One is that the criteria for eligibility are too broad, especially given the amount of money associated with the legislation. More importantly, however, the amendment does not address the basic issue of teacher quality outlined in the findings that preface the legislation. I believe that, in order to be qualified to teach a subject area, particularly on the secondary level, a teacher should have a major in that subject or a related field.

According to a recently completed analysis of state-level student achievement data, states with more teachers holding full certification plus a major in their field do significantly better on National Assessment of Educational Progress (NAEP) reading and math examinations. Students of teachers who completed undergraduate academic majors and appropriate professional coursework achieve better than age peers whose teachers completed education majors, no matter how poor, what their ethnicity, or whether English is a second language.

For these reasons, I am glad to be working with Senator KENNEDY on efforts to raise the quality of teaching in our classrooms and reduce the financial burden on those who have entered this essential profession. If we expect higher standards from students, we need to provide them with teachers who have the documented content area preparation to help them meet those standards.

Mr. KENNEDY. Mr. President, I urge my colleagues to support this amendment to increase the nation's supply of qualified teachers. Investing in teachers is an investment in our children, an investment in the future, and an investment in America. If students in communities across the country are to be prepared to compete in the global marketplace, we must attract and retain the best and the brightest teachers.

We know that having a qualified teacher in the classroom is one of the most important influences on a child's academic success. Yet too many schools are already understaffed. During the next decade, rising student enrollments and massive teacher retirements mean that the nation will need to hire 2 million new teachers. According to the National Center for Education Statistics, between one-third and one-half of all elementary and secondary school teachers are 45 years old

or older. The national average age of teachers is 43 years old. The average age of Massachusetts teachers is 46 years old—tying the District of Columbia for having the oldest teachers in the Nation.

Boston alone expects almost half of the city's teachers to retire over the next decade. In addition, Boston already has acute teacher shortages in areas such as bilingual education and high school science. At the same time, Boston's student enrollment is growing by 900 students a year.

The teacher shortage has forced school districts to hire more than 50,000 under-prepared teachers each year, and to ask certified teachers to teach outside their area of expertise. One in four new teachers does not fully meet state certification requirements.

We need to do more—much more—to assure that quality teachers are available for each and every child and classroom.

This amendment provides for the forgiveness of federal student loans as an incentive to college students to become teachers. We know that qualified young men and women can often make more money in private industry. Many of them, burdened with heavy undergraduate and graduate debts from student loans, refuse to even consider teaching as their career. Reducing the burden of their debt can be a significant incentive to encourage them to become teachers, and to agree to teach in areas where the need is greatest.

Attracting more qualified teachers to the teaching field over the next ten years will help to address teacher shortages across the country and improve student achievement. This amendment will move us closer to that goal.

The Labor Committee has recommended a similar provision as part of the Higher Education Act Amendment. But it is entirely appropriate to consider this here as part of the pending bill as well.

Our goal is to recruit 100,000 additional teachers over the next 10 years, especially in high-need subjects such as math and science.

We should be doing all we can to encourage good students to become good teachers. It is one of our highest priorities in education. I urge my colleagues to support this amendment to help us meet that goal.

Mr. COVERDELL. I yield back our time.

The PRESIDING OFFICER. The question is on agreeing to the motion to table the amendment of the Senator from Massachusetts. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Utah (Mr. BENNETT) is necessarily absent.

Mr. FORD. I announce that the Senator from Hawaii (Mr. INOUYE) and the Senator from New York (Mr. MOYNIHAN) are necessarily absent.

I further announce that, if present and voting, the Senator from New York (Mr. MOYNIHAN) would vote "no."

The result was announced—yeas 56, nays 41, as follows:

[Rollcall Vote No. 86 Leg.]

YEAS—56

Abraham	Frist	McCain
Allard	Gorton	McConnell
Ashcroft	Graham	Murkowski
Biden	Gramm	Nickles
Bond	Grams	Roberts
Breaux	Grassley	Roth
Brownback	Gregg	Santorum
Burns	Hagel	Sessions
Byrd	Hatch	Shelby
Campbell	Helms	Smith (NH)
Coats	Hutchinson	Smith (OR)
Cochran	Hutchison	Snowe
Collins	Inhofe	Stevens
Coverdell	Kempthorne	Thomas
Craig	Kyl	Thompson
DeWine	Lieberman	Thurmond
Domenici	Lott	Torricelli
Enzi	Lugar	Warner
Faircloth	Mack	

NAYS—41

Akaka	Feingold	Leahy
Baucus	Feinstein	Levin
Bingaman	Ford	Mikulski
Boxer	Glenn	Moseley-Braun
Bryan	Harkin	Murray
Bumpers	Hollings	Reed
Chafee	Jeffords	Reid
Cleland	Johnson	Robb
Conrad	Kennedy	Rockefeller
D'Amato	Kerrey	Sarbanes
Daschle	Kerry	Specter
Dodd	Kohl	Wellstone
Dorgan	Landrieu	Wyden
Durbin	Lautenberg	

NOT VOTING—3

Bennett	Inouye	Moynihan

The motion to lay on the table the amendment (No. 2289) was agreed to.

Mr. BYRD. Mr. President, I would like to briefly explain my vote on the motion to table the amendment offered by my distinguished colleague, Senator KENNEDY, to H.R. 2646, the Education Savings Act for Public and Private Schools. Despite my support for excellence in teaching and the need for more teachers—high-quality teachers—in the classrooms across America, I voted in favor of tabling the amendment.

Like many of my colleagues, I realize the importance of quality teachers in our nation's elementary and secondary schools. I started out in a modest two-room schoolhouse where I did not have high-technology equipment or much money for supplies, but what I did have were dedicated teachers who really cared about my future and my education. Today, our children and grandchildren are being taught mathematics by teachers who have no background whatsoever in the subject area—none at all! There are situations in which teachers who have been trained to teach physical science instead find themselves teaching mathematics! That is not right, and not fair to the teacher or—more importantly—to the students.

This amendment would provide a maximum of $8,000 of loan forgiveness over a five-year period to graduate students entering the teaching profession. Given the rising costs associated with a higher education, this certainly does not amount to much in the eyes of a student faced with loans totaling $50,000 or more. Nor does such an incentive help to bring in more teachers in demand subject areas, such as mathematics.

Mr. President, the issue and need is for more qualified teachers, not just more teachers. Teaching is a profession for which one must have a true passion as well as dedication and talent. As Aristotle stated so eloquently in his day,

> Teachers who educated children deserved more honour than parents who merely gave them birth; for bare life is furnished by the one, the other ensures a good life.

This amendment does not ensure that quality teachers will be brought into the classrooms. While ostensibly a targeted amendment designed to help provide better teachers for Title I schools and those schools which lack quality teachers in core subject areas, it would cover over ninety percent of all schools. Over ninety percent, Mr. President. I do not call this targeted.

While I support the amendment in principle, I believe that it is an unfocused proposal at best. The amendment relies heavily on the hope that limited student loan forgiveness will serve as incentive for graduate students to opt into a teaching profession in lieu of a higher paying job. Furthermore, it does not target the schools which are truly in need of better quality teachers, nor does it ensure that it will be quality teachers in the needed subject areas who make their way into the classrooms. For these reasons, Mr. President, I have voted to table the amendment.

The PRESIDING OFFICER. The pending business is amendment No. 2291 by the Senator from Texas to H.R. 2646. There will be 30 minutes of debate equally divided.

Mr. COVERDELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Georgia is recognized.

Mr. COVERDELL. Mr. President, I ask unanimous consent that the vote scheduled for 2:15 today now be postponed to occur at 2:30 with all other parameters of the consent agreement in status quo. I further ask unanimous consent that following those votes, Senator MOSELEY-BRAUN be recognized to offer her amendment.

The PRESIDING OFFICER. Is there objection? Hearing none, without objection, it is so ordered.

Mr. COVERDELL. Mr. President, the pending business is the Hutchison amendment. However, the Senator from Massachusetts has a short comment to make, as does the Senator from Missouri. I believe Senator HUTCHISON has agreed to that. So they will make the appropriate motion to set the amendment aside for a moment.

Mr. KERRY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized.

Mr. KERRY. Mr. President, I ask unanimous consent that the pending amendment be temporarily set aside.

The PRESIDING OFFICER. Is there objection? Hearing none, without objection, it is so ordered.

Mr. KERRY. I ask unanimous consent that I be permitted to proceed for not to exceed 2 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KERRY. Mr. President, I just wanted to explain with respect to my vote cast on the Coverdell amendment that I respect the notion that having a savings account is not a bad one. I want to compliment the Senator from Georgia for his efforts to create it. The problem is that the numbers I have received from CBO and elsewhere on the distribution create problems, in my judgment, in terms of fairness of that distribution.

Secondly, because of the low-income reach of some of it, there are difficulties in the takeup on the available tax benefit as to whether or not it will really reach education.

And thirdly and most important of all, I think that to address the question of trying to improve people's opportunities for schools in a vacuum, not to include it in the context of the place where 90 percent of our children are going to school, which is the public school system, is a mistake. Every time we come at it in one of these marginal efforts that, in a sense, gives people an opportunity to make a choice in one component but we do not address it with respect to the school system as a whole, we are diminishing the opportunities for that other 90 percent, which now may become 88 percent, but it is still the vast majority of America's schoolchildren.

For that reason, while I compliment the Senator in addressing the question of savings accounts and choice—which I think is a critical element of the larger reform—we ought to be doing it in the context of a broad reform. I think until we do that, these kinds of efforts can actually wind up being harmful, well-intentioned as they are.

I thank my colleague for permitting me the time to make my explanation and my vote. I yield the remainder of my time.

AMENDMENT NO. 2291

The PRESIDING OFFICER (Mr. SANTORUM). The pending question is amendment 2291 by the Senator from Texas to H.R. 2646. There will be 30 minutes of debate equally divided.

The Senator from Texas is recognized.

Mrs. HUTCHISON. Mr. President, I wish to be notified at least 4 minutes before the end of my 15-minute allocation, with the intention of giving 2 minutes to the Senator from Georgia to argue in favor, and then I want to reserve the remainder of my time for the end of the debate following any debate opposing my amendment.

My amendment simply seeks to give the opportunity to public schools what private schools can now do, and that is offer an option of same-gender classes or schools. I seek to amend the allowable uses of title VI funds for education reform projects that provide same-gender schools and classrooms as long as comparable educational opportunities are offered for students of both sexes.

Mr. President, title VI is the place in our education code providing for reform of education to create new and innovative programs to try to improve our public education opportunities in this country.

I am offering this amendment to remove a cloud of doubt hanging over the education community about the Federal policy on whether we allow a local decision by a local public school district to operate same-gender schools and classrooms.

The amendment is very simple. It adds the establishment and operation of same-gender schools and classes to the allowable uses for funds under title VI. It is not a mandate; it is an option. The title VI program is so broad and flexible that I believe it already allows same-gender education programs. But due largely to the fear that many schools throughout our country have, believing that the Education Department's Office for Civil Rights would not allow same-gender education efforts, most States and school districts are reluctant to use their own money, much less Federal money, for these purposes. This is unfortunate.

Ask almost any student or graduate of a same-gender school, most of whom are from private and parochial schools, and they will almost always tell you that they were enriched and strengthened by the experience. Surveys and studies of students show that both boys and girls enrolled in same-gender programs tend to be more competent, more focused on their studies, and ultimately more successful in school as well as later in their careers. We are talking here about K through 12. Specifically, girls report being more willing to participate in class and to take difficult math and science classes that they otherwise would not have attempted. Boys also report less pressure of being put down by their classmates for wanting to participate in class and excel at their studies. Both sexes report feeling more of a camaraderie and sense of peer and teacher support than they do when they are in a coed environment. Teachers, too, report fewer control and discipline problems, something almost any teacher will tell you can consume a good part of class time.

Inevitably, these positive student attitudes translate into academic results. Study after study shows that girls and boys in same-gender classes, on average, are academically more successful and ambitious than their coed counterparts.

I also note that a recent well-publicized report by the American Association of University Women did not so much challenge the demonstrated benefits of same-gender schools as it called to implement these benefits into coed classrooms. That is exactly the point. For many students, the same-gender schools and classrooms is the most conducive environment for success, precisely because they are same gender. No one would dispute that schools and teachers should strive to maintain order, academic rigor, and treat boys and girls equally. The fact is that in some cases this tends to be easier in a same-gender environment.

Same-gender education has benefited students like Cyndee Couch, a seventh grader at Young Women's Leadership school in East Harlem. Cyndee and the other students at this all-girls school, located in a low-income, predominantly African American and Hispanic section of New York City, have an attendance rate of 91.8 percent—significantly above the New York City average. They also score higher on math and science exams than the city average. In fact, 90 percent of the school's students recently scored at or above the grade level on the standardized public school math problem solving test. The citywide average was only 50 percent.

Last year, Cyndee bravely appeared on the television show "60 Minutes" to talk about why she likes the all-girl public school. She told host Morley Safer, "As long as I'm in this school and I'm learning and no boys are allowed in the school, I think everything is going to be OK."

Unfortunately for Cyndee and for other students in fledgling same-gender public school programs around the country, everything is not OK. Opponents of same-gender education have sued to shut down the Young Women's Leadership school and other schools like it around the country. Mr. President, I can't imagine why they would do this. Why would they take away this option for parents in East Harlem of New York City? When they can't choose the environment that they find is more supportive and conducive to learning for their children, what are their options? Whose civil rights are being violated when parents and their children voluntarily enroll in same-gender programs in the hope that they will be able to get a better education and have a better chance at success in life? Who is harmed by that?

Mr. President, many of our Nation's public schools are failing in their jobs to adequately prepare our young people for the challenges that face them. After decades of rhetoric about who is to blame for this failure, it is time to

stop talking and give more options. We need to find out what works and use it. For many students, same-gender education works. It is certainly not the only answer to our public school woes, but it is one solution that should not be left out of the equation.

We are adding to the list of choices. We are not mandating anything. In education, one-size-fits-all is simply not going to work. We have to allow our local schools to have all the choices that can best fit the individual students in their school districts.

Some opponents of same gender education may also try to claim that it violates title IX of the Civil Rights Act or the equal protection clause of the Constitution. Both of those arguments are erroneous. Title IX was passed as part of the Education Amendment of 1972. It prohibits discrimination on the basis of sex at any school receiving Federal financial assistance. Title IX was never intended to prohibit same-gender K–12 education. In fact, with regard to admissions, the language of title IX applies only to higher education institutions that were not same-gender at the time of passage of the provision and to vocational and professional institutions. An earlier version of title IX that would have prohibited same-gender admissions policies, K–12, was specifically defeated in Congress.

The language of title IX as well as subsequent judicial interpretations of title IX make it clear that the law does not prohibit same-gender schools. What, then, about same-gender classrooms located at coed schools? Are they prohibited by title IX? The answer again is no. The overriding purpose and intent of title IX is to prohibit discrimination against individuals because of their sex, not to erase any consideration of the different educational needs of boys and girls. There simply is no discrimination if comparable educational opportunities are afforded to each sex, as my amendment requires.

Indeed, title IX itself recognizes a number of gender differences in allowing separate programs for physical education, organized sports, and sex education. Even the Department of Education sees same-gender classrooms as acceptable if the school is able to come up with a sufficiently convincing argument that it is doing so to overcome some past discrimination against one sex or the other with regard to that course offering, even though no such proof of past discrimination is required by the language of title IX.

I believe the only justification that schools should need to have to institute a single-sex classroom or school is that the school and the parents believe it will provide a better educational opportunity for the parents and children who choose the option. This reflects both the language and the intent of title IX, and what we would do today with this amendment is clarify that that is the will of Congress.

Mr. President, I will yield 2 minutes to the Senator from Georgia, after which I will reserve my final 2 minutes.

The PRESIDING OFFICER. The Senator from Georgia.

Mr. COVERDELL. Mr. President, I rise in support of the amendment offered by the Senator from Texas. Federal funding should not discriminate in favor of same-sex education. Currently, it does.

Same-gender schools boast years of success. Studies have shown that single-gender education worked well in the inner city. Seventh graders who had attended Malcolm X Academy in Detroit, MI—an all-boys inner-city school—had the highest math scores among 77 Detroit schools and the second highest in Michigan among 780 schools. Cornelius Riordan, a professor at Providence University, found that African American and Hispanic students in single-gender schools outperform their coed peers by nearly a grade level.

This proposal simply rights a wrong without increasing burdens on the taxpayers. Right now, neither IX nor the equal protection clause prohibits single-sex schools. This is another example of how one size does not fit all. Parents and children should have the choice of single-sex education in public schools. As I said, I support the excellent work and the amendment offered by Senator HUTCHISON of Texas.

I yield back to the Senator from Texas.

The PRESIDING OFFICER. The Senator from Texas.

Mrs. HUTCHISON. Mr. President, I would like to reserve the balance of my time for after any opponents who might appear.

Mr. COVERDELL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mrs. HUTCHISON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mrs. HUTCHISON. Mr. President, it is my intention to finish the use of my time. I understand there will be no one speaking against it at this time. So we will close out this debate and go to the next amendment.

Mr. President, I just want to speak to the last point, which is the concern about the equal protection clause of the 14th amendment to the Constitution. The Supreme Court recently struck down the all-male admission policy of Virginia Military Academy on the grounds that it violated equal protection for female applicants because Virginia did not meet the constitutional requirement that there be a comparable facility for women.

My amendment clearly requires that there be comparable opportunities for both sexes. Mr. President, we are meeting the constitutional test of the 14th amendment. We are meeting the constitutional test of equal protection, and we are meeting the definition of title IX, and we are adding an option to title VI.

In short, what we are trying to do is say that the parents of children who go to public schools should have the option—not any kind of mandate, but the option—in grades K through 12 to allow same-gender classes or same-gender schools to be offered in their school districts.

We believe that for some children it is proven that they can excel academically in the lower grades when they are in a same-gender environment. This has been proven with both boys and girls. Why not allow our public schoolchildren to have the same opportunities that parents could choose if they could afford to send their children to private schools? Why not say our education system is failing and the way we are going to improve it and tailor it to individual boys and girls in this country so that they can meet their full potential with the best education that they can receive is to allow more options for our public schools?

I believe these options are available now. But because it is not absolutely clear, many public schools are afraid to go forward for fear they might be sued to shut down, which is exactly what is happening to the Young Women's Leadership School in East Harlem that is showing nothing but success. Someone has come in to sue and to say that this violates the Constitution. I argue that it doesn't violate the Constitution; it is required by our Constitution to give our children in our public schools the same opportunities that a child going to private school would have. Let's improve the education system and vote for this amendment.

Thank you, Mr. President.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. COVERDELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. COVERDELL. Mr. President, I ask unanimous consent that all time be yielded on the Hutchinson amendment No. 2291, and that a vote occur on or in relation to that amendment immediately following the two previously scheduled votes at 2:30. I further ask unanimous consent that no amendments be in order to amendment No. 2291 and, finally, that Senator MOSELEY-BRAUN be recognized to offer her amendment following those votes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. COVERDELL. Mr. President, I ask unanimous consent that there be 2 minutes of debate equally divided between each of the stacked votes at 2:30 today.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. COVERDELL. Mr. President, I now ask unanimous consent that general debate be in order to the pending legislation until the hour of 12:30 today with the time equally divided in the usual form.

The PRESIDING OFFICER. Without objection, it is so ordered.

Who yields time?

Mr. HAGEL addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. HAGEL. Mr. President, I rise this morning to express my strong support for the Parent and Student Savings Account Act, or PASS Act, of which I am a cosponsor. I have listened over the last few weeks to the debate on this issue. It is about things bigger than just the Coverdell bill. It is about the philosophy of education in America. I am constantly astonished that the Coverdell bill has so exercised so many of my colleagues. I question why this is such a big deal.

The Coverdell bill is part of an overall philosophy about education. Yes; our future is our children, and our children's future is education. But this Coverdell bill should be part of the national debate about where we take education into the next century—this new, bold, dynamic competitive new century. For the first time we will ask our young people to compete in a new, competitive, international world.

After all, Mr. President, what is education about? What is education really about? It is not about debating amendments on the floor of the Senate. It should not be about whose money it is, or whose money it is not, nor about bureaucracy. It should be about our young people. It should be about educating our young people so that they are prepared to compete in this brave new world—this world full of immense opportunities. But there will not be opportunities if we do not prepare our young people to negotiate this new world.

Education is about something else. It is not just about science and math, and reading and writing—yes, that is important—and economics, history, and geography. It is also about developing young people so that we are producing happy, productive citizens—happy, productive citizens so that they, too, might contribute to our society and to our culture. But ignorance is the great enemy to productivity and to secure, happy lives. It is all connected. It is all connected.

If in fact you believe, as I do, that the Federal Government does not belong in education—in fact, if we will roll this back 200 years, you show me in the Constitution of the United States, or show me anywhere, where the Federal Government has the responsibility to educate our young people. It does not. It can't. We are overloading our circuits. We are overloading our system. We are asking the Government to do things that Government can't possibly do. Therefore, as we have done over the last 30 years, there has been a breakdown in confidence in our country and in government at every level, but especially Government at the Federal level.

What do we do about it? Let's step back for a moment and pause and be unemotional and sort this out. We sort it out this way. Who has the most to win or lose when it comes to education of our young people? Of course, the parents are the ones who care the most, and who should care the most. The parents are the connecting rod for our children in every facet and every aspect of our children's lives. Who also cares about our students and about their education? Teachers. Revelation—teachers—parents and teachers.

So we have a good combination going on here—not the Government, not the Federal Government, not the Department of Education, not the President, not Senator HAGEL nor Senator COVERDELL. Education belongs at the local level because that is where the issue is. This is not about books and textbooks, numbers, frogs, dissecting, and biology class. It is about people. It is about young people. It is about their lives. It is about the strains and stresses of young people. We have all been through it.

What is wrong with examining in some detail, as we are doing, the Coverdell bill? What is wrong with actually allowing parents to put aside after-tax income? By the way, after-tax income is not costing the public schools a dime. It is not costing the public schools a dime. We are allowing the parents who have the most to win or lose by the education of their children an opportunity to take their own money that they work for after they have paid their taxes and put it into a savings account. It is the same thing that we did last year. My goodness, President Clinton had a Rose Garden ceremony. He took great credit for allowing our parents to have education savings accounts to educate our children after they are out of high school.

All this does is allow the same parents to set aside money to help educate their children in K through 12. That is all we are doing here. We are not really breaking any new ground. What is so wrong with that? What is wrong with that concept? This Senator from the State of Nebraska doesn't think there is anything wrong with it. As a matter of fact, we need more of that. We need more. We need less government influence and more local parent-teacher influence in education.

So much misinformation has been spread around on this issue. We should set the record straight. As I said, this does not inhibit, damage, nor affect public schools adversely at all. As a matter of fact, it helps public schools because the parents who set up the savings account can draw from that savings account to help their students and their children if they are in public school just as if they are in private school. Those moneys can be used for transportation, tutors, equipment, supplies, tuition—anything that helps the student learn. After all, Mr. President, isn't that what this debate should be about? It shouldn't be about defending turf. It shouldn't be about, "Gee, I do not want to give that program up." It should be allowing the parents to have as much direct influence and responsibility, as well as teachers, as well as the local school board, the city, the county and State, in how our young people are educated.

That is what this debate is about. As we work our way through this Coverdell bill, expanding on what we already did last year in setting up education savings accounts, it should be a national debate, and it should reside in the arena of a philosophy about education.

I would also point out that in the more than 200-year history of this country, there is one point that has been unmistakably clear. And I go back to an earlier point I made. Governments do not change behavior. Young people are formed from the inside out. Young people are not formed from the outside in. Young people are formed from their parents, their religious mentors, their religion, their teachers, their coaches, and private voluntary organizations like Girl Scouts and Boy Scouts.

That is how young people are taught. That is how they develop standards. That is how they develop expectations and understand values. That is what this debate is about. I hope we can focus on what is really important here, and that is helping our parents and our teachers help our students learn, to prepare them for a hopeful, happy, productive educated life. Only then can this great Nation not only survive but be dominant well into the next century, a nation which has produced so much good not only in this country but in the world.

Think of what this country through freedom of expression, individual liberty, and our educational system has done for the world. That is our charge in this body. That is our responsibility—to assure that the next generations not only have the same opportunities but better opportunities and are better prepared than we were. The Coverdell bill is one way to help us get there.

I thank the Chair. I yield the floor.

Mr. COVERDELL. Mr. President, how much time is remaining on each side?

The PRESIDING OFFICER. The Senator from Georgia has 23 minutes under his control and 32 minutes on the other side.

Mr. COVERDELL. Mr. President, I thank the Senator from Nebraska for his passion on behalf of reform, breaking the status quo, not only on this but so many issues. I very much appreciate the comments that were made in the name of changing this system so that we can start turning around this horrible data we are receiving from our kindergarten through high school classes. We cannot prepare for the new century in this vein. Change has to occur. I appreciate very much the comments made by the Senator from Nebraska.

Mr. President, I suggest the absence of a quorum and ask that the time be equally divided.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. KENNEDY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. Mr. President, I yield myself 10 minutes.

The PRESIDING OFFICER. The Senator is recognized for 10 minutes.

Mr. KENNEDY. Mr. President, I urge the Senate to oppose the anti-education Republican tax bill. Improving education can and must be a top priority for Congress and the Nation, but this Republican bill flunks the test. They call it the A+ bill, but it is anti-education and deserves an F. This Republican bill and its proposed Republican amendments are bad tax policy and bad education policy, and it clearly deserves the veto that President Clinton has pledged to give it.

It is the Nation's public schools that need help. So what do our Republican friends do? They propose legislation to aid private schools. That makes no sense at all. Our goal is to strengthen public schools, not abandon them. Our goal is to help all children get a good education, not just the ones with wealthy parents. It is clear that our Republican friends are no friends of public schools. They have an anti-education agenda. They want tax breaks for the wealthy who send their children to private schools.

The underlying bill uses tax breaks to subsidize parents to send their children to private schools, and it is a serious mistake. It diverts scarce resources away from public schools that have the greatest need. The regressive Republican tax bill does nothing to improve public schools—it does nothing to improve public schools. It does nothing to address the serious need of public schools to build new facilities and repair the existing crumbling facilities.

This afternoon, we will have the excellent amendment of the Senator from Illinois, CAROL MOSELEY-BRAUN, who has really been the leader in this body and in the country in recognizing the challenges that so many of our schools are facing. They are old and crumbling, and we need to modernize them.

It is a powerful amendment because the amendment says we are prepared to put resources to reconstruct our schools, but it also has a subliminal message, and that is that we want our children to go into the best facilities. If we say to the young people of this Nation that education is a priority, and day after day they go to dilapidated schools or schools that have leaky ceilings or the windows are broken or they have inadequate facilities, we are sending a message to children that they are not a priority in this country and that education is not a priority.

When we ask our children to spend the time to do the hard and difficult work to master subject matters, they have to really wonder whether the message that is coming from an older generation has much merit. That is why the amendment of Senator CAROL MOSELEY-BRAUN is so important and why I think all of us are very hopeful that we can attain the objectives of that amendment and see that amendment approved.

I know she will have an opportunity to go into very considerable detail about the General Accounting Office study of the schools across the Nation. It estimates that $110 billion is needed to invest in our schools in order to bring them up to satisfactory condition. Her amendment is much more modest, but it is an important amendment, and it is one that deserves the support of all of us who are interested in making sure that at least the physical facilities are going to be first rate for the future generations of children. It just makes common sense.

In many of our communities, particularly older communities, whether it is in urban areas or rural communities, they just don't have the wherewithal to do that. But the amendment of the Senator from Illinois, CAROL MOSELEY-BRAUN, provides some help and assistance in providing interest-free loans to those communities so that they can themselves make the judgment, make the determination, but they will get some help and assistance in terms of borrowing those funds interest free.

It makes a great deal of sense. I think we will have an alternative and an opportunity to say whether that amendment is really where we want to go or, on the other hand, if we want to continue with the Republican proposal that will provide just some tax benefits for a certain group of Americans who are going to use those tax benefits to benefit children attending the private schools. That is going to be a very, very important debate and one where I hope our colleagues will find compelling reasons to support that amendment.

Second, Mr. President, the underlying Coverdell proposal does nothing to reduce the class size in our schools. I don't know how many more hearings we have to have in our education committee and how many other examinations of what is happening in a number of different States—in Kentucky and in many other communities across this country—to understand that when you have too many children in the class—you may have teachers who are able to handle it and do it very well, and we take our hats off to them—but when you are talking about having classes with 30 students, 25 students, 20 students, you are talking about an enormous demand on the teacher and also inappropriate lack of attention for the students. We will also have an opportunity to vote on that later in the course of this debate. That can make a major difference in helping and assisting local communities in having reduced class sizes. That, I think, is a higher priority than, again, providing the tax benefits for those who want to use those for private schools.

This underlying proposal does nothing to provide qualified teachers in more classrooms across the Nation. We had an opportunity to address that briefly in our debate earlier today. It was turned down. I welcome the fact that we had 41 Senators who supported our proposal that said, if we are going to spend $1.6 billion in education, let us make the decision that we want to invest it in more teachers for the 4 million additional children who are going to be attending our public school system, to help meet the gap, which we recognize is 2 million teachers that we are going to need for our public schools over the next 10 years; let us at least have 100,000 new, well-qualified teachers to teach in those schools. That is a preferable way of spending $1.6 billion rather than, again, spending this as a tax break, as a new entitlement—a new entitlement program—that is going to benefit, again, those who send their children to private schools.

It does nothing in this underlying amendment to help children reach high academic standards. I don't, again, know how many hours of hearings we have to have to say that children respond best when they are challenged. Most of us as human beings do. Our Nation does. It always has at a time of its greatest need. We should challenge children to raise the bar, rather than teaching down to them. We should create higher academic standards. We ought to be doing that.

There is nothing in this legislation that will do anything like that for the public schools in this country. It does

nothing to provide afterschool activities to keep kids off the street, away from drugs, and out of trouble. We know the value of afterschool programs.

We have some 5 million children in our country who this afternoon at 2 or 2:30 will go home to empty houses. They will be told by their parents, "Look, maybe have a little snack, and if you have to watch television, watch television on X station; try and get your homework done." But we know what happens in those circumstances. Too many of those children who are left alone, unsupervised, more often than not will find that the temptations of getting into trouble are increased dramatically.

This is not just a diversion from education, but it also has an important impact in terms of crime in our local communities.

A city that has made about as much progress as any city in this country is my city of Boston. It has gone 2 years and 4 months without a single youth homicide. And if you ask Paul Evans, who is the commissioner of the police department in Boston, MA, he will say, yes, dealing in an appropriate way with gangs, that is No. 1. No. 2, tracing various weapons that are used in gangs. But No. 3, afterschool programs. Afterschool programs keep kids out of trouble. That is very, very important.

Is there anything with the $1.6 billion that is being recommended on the floor of the U.S. Senate to try to develop programs that we know are tried and tested, that will provide an incentive for children to go to various community centers, to work with volunteers? The number of young people who are volunteering is increasing every single day to help children with their homework so that when they do go home and they see their parents, who have been working hard all day, they will have quality time with their parents rather than hearing from their parents, "Well, you ought to go upstairs and make sure you get your homework done." This is enormously important, and it is recognized by educators and those who are concerned about law enforcement across this country. There isn't a nickel in this program—not a nickel in this program—to try to address that particular issue.

So, Mr. President, we know where these benefits are going to go. They are going to go to the individuals who are going to invest those benefits in the private schools rather than investing in our public schools.

The challenge is clear. We must do all we can to improve teaching and learning for all of the students across the country. We must continue to support efforts to raise academic standards. We must test students early so we know where they need help in time to make that help effective. We must provide better training for current and new teachers so they are well-prepared to teach to higher standards.

We must reduce class size to help students obtain the individual attention they need. We must provide afterschool programs to make constructive alternatives available to students. We must provide greater resources to modernize and expand the Nation's school buildings to meet the urgent needs of schools for up-to-date facilities. We cannot stand by and let regressive tax policy pass to help private schools at the expense of the public schools.

In those items that I have just mentioned, every superintendent of schools, every schoolteacher, every department of education across this country would agree with those essential parts of a sound education program to help and assist the public schools in this country. Where in that list do we find "Let's have tax breaks. Let's have the creation of a new entitlement. Let's create a new entitlement that is basically going to be used in order to support the private schools in this country"? It makes no sense.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. KENNEDY. I yield myself 2 more minutes.

The PRESIDING OFFICER. The Senator is recognized for 2 additional minutes.

Mr. KENNEDY. We cannot stand by and let this regressive tax policy pass to help private schools at the expense of public schools. Parents across the country want real solutions, not token gestures in the name of education. We should not waste $1.5 billion of public tax dollars on a do-nothing tax break program. So I hope my colleagues will join us in opposing this bill. We should do all we can to help the public schools and not abandon them.

Finally, I just want to say that we will be under the close timeframe this afternoon, but I want to just add my strong support again to Senator MOSELEY-BRAUN's substitute for the Coverdell bill. It is well-designed to help communities across the country to modernize, repair, and expand their school facilities.

Schools across the Nation face the serious problem of overcrowding. Antiquated facilities are suffering from physical decay and are not equipped to handle the needs of modern education. Across the country, 14 million children, in a third of the Nation's schools, are learning in substandard buildings. Half the schools have at least one unsatisfactory environmental condition. It would take over $100 billion just to repair the existing facilities.

It is difficult enough to teach or learn in dilapidated classrooms but now, because of escalating enrollments, classrooms are increasingly overcrowded. The Nation will need 6,000 new schools in the next few years just to maintain the current class size given the expansion of the number of children who will be going to our schools.

Democrats have made this a top priority to see that America has the best education system in the world. Providing safe and adequate school facilities is an important step towards meeting that goal.

So, Mr. President, I hope that our Members will go and support the excellent amendment of the Senator from Illinois this afternoon and that it will be successful. It is far preferable to just providing a tax break for individuals who are going to use that to support the private schools.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. GLENN addressed the Chair.

The PRESIDING OFFICER. The Senator from Ohio has 15 minutes remaining.

Mr. GLENN. Thank you, Mr. President.

AMENDMENT NO. 2017

Mr. GLENN. Mr. President, I offered an amendment yesterday to the COVERDELL educational IRA bill. The amendment I propose will simply delete the K–12—kindergarten through grade 12—expenses as an authorized deduction for education IRAs. The amendment will keep the increase in the annual allowable contribution from the current $500 to the maximum $2,000 a year. I think that is fine, that is good.

But deleting K–12 and increasing the allowable contribution returns education IRAs to their original purpose of providing incentive savings incentives for higher education purposes. That is what the Federal Government has basically taken responsibility for through all the many years that we have been around here.

We should be looking at this whole bill for what it is. It is tax support for private school education. I believe it is bad education policy. I believe it is bad tax policy. I also think it is probably going to pass. If it does, I think the President is going to veto it. He has indicated that that is his intention.

If we look back to the days of our forefathers when people were coming to this country, they came here to have the opportunity for education. They were used to only the rich or—kids from the castle—being able to have formal education.

There were basically two kinds of people. There were the educated and the uneducated. And that is another way of saying there were the wealthy and the poor. That is what education was all about. It was to enable everybody to move up, to have a chance, to use their God-given talents and capabilities and their own desires to move ahead, to make a better life for themselves. And in this country, in the United States, we knew that if a democracy was to succeed—we did not want to return to serfdom, and rule by

a few, and wealth for just a few—education was key to making a democracy succeed. It was not a choice in our democracy, it was a must, or our country was doomed.

And the freedom to be educated, that most important freedom to be educated, spread to communities and States. And they all formed and supported public schools for all—for all—of our people. And that is the important thing we are addressing here today—education for all of our people. It was a requirement that we have minimum education.

This is my 24th year as a U.S. Senator representing the people of Ohio. And in that time, I have seen many attempts to divert Federal funds from public to private education. The approaches to accomplish this goal have been many. We had tuition tax credits; we had the voucher system; school choice; now educational IRAs for elementary and secondary education.

The Coverdell IRA, I believe, is a backdoor voucher that will do nothing to improve public schools for our public schoolchildren. That is the responsibility of Government. If other people want to take money, for whatever reason, whether it is religious or whether they just want a different school for their kids, whether they want all boys or all girls schools—that was a choice we did not deny. We did not say that we are going to Federally subsidize that kind of educational choice. And we should not be trying to do it now.

The educational expenses that the Coverdell bill provides would include tuition and fees at public, private, and religious schools. The bill does not target needy families. And I believe here is one of the biggest reasons against what is being proposed here with the bill.

Mr. COVERDELL. Mr. President, I wonder if the Senator would yield for just one moment on an administrative matter.

Mr. GLENN. Yes, without losing my right to the floor.

Mr. COVERDELL. We have concluded that following your remarks we would use the balance of the remaining time as in morning business. Both sides agreed to that. I just wanted to make it clear, because I will be leaving the floor. I ask unanimous consent for that.

Mr. GLENN. Fine.

The PRESIDING OFFICER. Is there objection to the request to proceed to morning business after the Senator from Ohio completes his remarks?

Mr. GLENN. No objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GLENN. Mr. President, the point I was going to make is this: Families in the top 20 percent of income distribution, would receive 70 percent of the benefit of this bill—70 percent.

The Joint Committee on Taxation estimates that more than half the savings would go to families whose children would attend private schools anyway. So 70 percent of the money, 70 percent of the benefit, is going to go to those who already are fully capable of sending their kids to private schools. So the bill subsidizes the savings and spending patterns that already exist.

I do not think we should be heading back toward a bill that sends us back to the place where our forefathers started in Europe: where education is going to be best for the wealthy, where education is for those who have political connections, where education is available for the kids from the castle. That is not the way this country developed. Our country went ahead because we had programs that made education available for every single young person in this country—every single person. And that is what we should still be shooting for today.

Cleveland, OH, has one of only two voucher programs in the country. The other is in Milwaukee. In Ohio, this program permits State funds to be used to send low-income children to private schools. It is the only program that allows the children to attend religious schools, parochial schools, with taxpayer funds. It is being challenged now before the Ohio State Supreme Court on that basis. It is funded at $12.5 million over 2 years. It is just finishing its second year right now, and results have been very spotty.

As a matter of fact, there are other problems that have developed also. How about paying for taxicabs for the kids? They found out that the yellow schoolbuses that the school system depends on were not adequate to furnish the transportation for the young people that were going to be taking advantage of the voucher program. That wasn't foreseen. So student taxi rides account for more than half of the $4.8 million deficit in Cleveland's 2-year-old school voucher program. It shows how an unintended consequence can take over in some instances. The voucher program had to turn to taxi firms and provide payments to parents in lieu of transportation services. That is half the funding.

There is no strong evidence at the end of the second year of the program that the voucher program increases student achievement. We need to have a better understanding of what makes a school successful before we institute a program that benefits a comparatively few young people and takes money out of the public school system. That should be our major concern—our desire to have a good public school system.

Strengthening public education in this country is something we have to do. It is necessary if we are going to be competitive in the economic future of this country. Only by making high-quality education available to all American children —not a favored few, but all American children—will we help develop the skills they need to find meaningful high-wage jobs, while developing a capable and productive work force that is essential, literally essential, to the economic future of this country in this new worldwide economic environment in which we live.

Education reform is one of the top issues before the country now. It is talked about all over, in magazine articles, and is on the cover of magazines. One that I read last night talked about the education problem. That is why I continue to oppose attempts to encourage the use of Federal funds for nonpublic education, whether in the form of tuition tax credits or vouchers or school choice. I believe including K through 12 in educational IRAs is the first step toward establishing a permanent voucher system. It just bleeds off necessary money from the public schools.

We have a public school system of education in this country that is available to all children. If this educational system is not producing the high level of achievement this Nation now needs, we can't abandon them, we can't say we will just take less money and put it in the public school system. We can't abandon them. That is why I support the school construction amendment initiatives that will help reduce classroom size and directly benefit all our Nation's public schools by ensuring that all children attend safe and modern public schools. Senator KENNEDY mentioned that a moment ago, and I agree with his remarks on that.

I believe everyone should be saving for their children's education, but the difference between elementary and secondary education and higher education is important. Every child in this country is entitled to a free, appropriate, tuition-free education in every State. We have State laws in every State in our Union that require that. Higher education, going on to the college and university level, however, is optional and is tuition-based. It is hard for parents to save for college. I believe it is appropriate to provide incentives to help them do so. I have supported the prepaid tuition plans in the State of Ohio as a way that students can be assured of a quality education at one of Ohio's State universities or at one of their colleges there.

The amendment which I am offering returns the educational IRA back to its original purpose—higher education expenses only. The only change I make is to keep the increase that is proposed in the contribution limit for education IRAs from $500 to $2,000. I think that is fine. This increase in the contribution will enable parents to save more per year for higher education. I urge my colleagues to join me in supporting this amendment.

We have a lot of problems in this country. The old property tax that has

been around for a long time is no longer adequate to do the job. It may have been OK back in the days of Jefferson and Washington when we didn't have NASDAQ, the American Stock Exchange and the New York Stock Exchange, mutual funds and so on. Most of the wealth at that time was in property, so a property tax was very appropriate to support the schools. Particularly over the last four or five decades we have now developed into being a service economy where two-thirds of our wealth, two-thirds of our national income, comes from the service industry. So the old property tax is no longer adequate to do our schools. We have to get away from that.

Proposition 13 in California we are familiar with, did, in my view, wreck one of the finest education systems in the country. They are having a lot of problems that everybody else has around the country these days.

We are the only industrialized nation in the world that does not have a national education system. I am not here today to say we should go to a national education system. That would probably get me run down the front steps of the Capitol pretty fast. But we have to do more from the Federal level. We are only a tiny part of our K through 12 education. I think it is just around 5 percent now. Most of that is in school lunch programs and things like that and not directly on educational matters.

Our system in this country, as Lester Thurow pointed out in his last couple of books, our system is basically run by 15,000 independent school boards all saying, "We won't raise your taxes," and then they get together and decide what they will do in the local school districts. They get elected on "we won't raise your taxes," "We aren't going to vote on any other taxes; we will not raise your property taxes," so we at the Federal level are increasingly up against this as to what we should be doing.

What we see is we are becoming gradually less competitive in a worldwide environment. We can't let that happen. The answer is not, as in this Coverdell bill, to say we will siphon money off from the public school system and give it over to the private school system in the form of vouchers or IRAs or whatever, take it out and put it over there, away from the public school system and support them less instead of more. That doesn't solve our problems in this country. So we do have some other problems. We have to address those, but not this way and not with this particular piece of legislation.

I noted this morning in looking at the Los Angeles Times their lead editorial today was entitled "Don't Drain Public Schools." I ask unanimous consent to have this printed at the conclusion of my remarks.

The PRESIDING OFFICER (Mr. SESSIONS). Without objection, it is so ordered.

(See Exhibit 1.)

Mr. GLENN. "Don't Drain Public schools." That is exactly what we are talking about. We will drain public schools to the benefit of private schools, and 70 percent of the money will go to people already capable of providing, to the top 20 percent of the people already capable of providing for private schools for their kids if they want it.

The insert in this article, and I will not read the complete article, the insert says, "Washington should help address the education deficits in the Nation's public schools, but shifting even a small amount of tax money to private schools is not the answer, at least not yet." That about summarizes everything that I want to make a point of this morning.

I think there is a vote on my amendment at 2:15 after our respective party caucuses. I hope people can think long and hard about this. I see this as a first step down a long slippery slope toward less and less support for our public school system, that which serves all America, that which enables people at the lowest level of economic advantage in this country to get opportunity through education and their own hard work to be a contributing member of society and make as much of a success of their lives as anybody else.

I reserve the remainder of my time.

EXHIBIT 1

[From the Los Angeles Times Editorials, Apr. 21, 1998]

DON'T DRAIN PUBLIC SCHOOLS

The White House and the Republican majority in Congress both talk about how much they want to improve education in the United States. But they have very different plans for doing it. President Clinton speaks of more teachers, more schools, more special programs and higher standards. Republicans would rather offer a small monetary reward to every parent who saves for educational expenses, including tuition for non-public elementary or high schools. The White House opposes this modest tax break because it would allow the use of federal funds to subsidize private and parochial schools. On this issue, Clinton is right.

Improving public education has become a top political priority from the District of Columbia, where public schools are in dismal shape, to Los Angeles, with its overwhelmed system and awful test scores. Washington should help address the yawning educational deficits in the nation's public schools, but shifting even a small amount of tax money to private schools is not the answer—at least not yet.

Clinton isn't personally against private schools; his daughter graduated from one last year. But rather than encourage an exodus from public schools at the expense of the taxpayer, he says he wants to fix the public schools to serve all children, including those whose parents cannot afford private or parochial schools with or without a new education savings account.

Fixing the schools is a tall order, as residents of Los Angeles know all too well, and parents can never be blamed for wanting the best for their children. But most educators and employers would agree that the White House is right.

The House of Representatives has approved a GOP bill that would create education savings accounts that work like individual retirement accounts for parents of students in kindergarten through 12th grade. Parents would be allowed to save as much as $2,000 a year in a special account. The interest would accrue tax-free, so long as the money was withdrawn only for education purposes, including books, computers, tutoring and, foremost, tuition. The Senate is expected to take up its version of the bill this week.

Though schools are traditionally a local responsibility, Washington has been increasingly willing to help. That help should be expanded, but care must be taken to avoid undermining public education. America's great economic engine was built on public schools that took all comers—poor, working-class, middle-class and beyond—and that same mix remains essential for a healthy educational system.

Tax savings under the bill would, according to an analysis by the Joint Tax Commission, average a paltry $7 to $37 a year per family. But the principle is big.

This national private-versus-public debate boils down to a difference of priorities. Clinton's ambitious wish list, unveiled during his State of the Union address, calls for spending $12 billion over seven years to pay for 100,000 new teachers, reducing class size to 18 students in the primary grades and creating 50 "education opportunity zones," patterned after urban enterprise zones, in high-poverty areas, plus funding to help build new schools. Republicans favor initiatives that would allow more parents to remove their children from public schools.

Neither side can expect to prevail while a Democrat sits in the White House and Republicans control Congress, but irreconcilable differences should not be allowed to lead to gridlock. Both sides agree that something needs to be done about public education.

Public schools, especially in cities, are in trouble. But there are promising reforms being tried, from a radical public school choice program in Seattle to a mayoral takeover in Chicago to L.A.'s focus on the 100 worst-performing schools. Playing on the frustration of parents in a way that undermines the whole system is not the cure.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SANTORUM. I ask unanimous consent to speak for 10 minutes as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SANTORUM. Mr. President, I felt compelled, while I was in the chair in the last hour, to comment on the statements of the Senator from Massachusetts and the Senator from Ohio. I found it quite remarkable, sitting and listening to what was laid out, I think, somewhat factually about the problems we have in education, that the educational system is not meeting the needs of our country in providing good citizens, the education necessary to be good citizens, and the education necessary to perform needed functions in our economy.

The response to the problem in education from the Senator who spoke,

and from others who oppose this bill, is two things. I hear two things. One, we need more bricks and mortar. If we had better looking schools and more nicely appointed schools, or even better equipment, somehow the problem would go away. On top of that, we need more teachers. So if we just did more of the same, only did it better, with nicer buildings and more people, things would improve.

I am not too sure that most Americans who are interfacing with the school systems in this country right now would accept that as the reasonable course, that what we need is just a few more teachers in the schools and better looking buildings. I have been to a lot of schools. I have been to about 120 public school districts in my State. I go to schools all the time. I spend a great deal of my time as I travel the State talking in the public schools. I have been to a few private schools, too. By and large, I would say that the public schools I went to were in much better condition than the parochial schools and private schools I went to. No comparison. Much better equipment, much more state-of-the-art, much better teacher ratios than the parochial schools I went to. So if the problem in the public schools was better buildings and more teachers, then the results that I would get in going to a public school in inner-city Pittsburgh, and one that is a parochial school, should be dramatically different based on this criterion that more teachers and nicer buildings make good school districts and educate children.

In fact, the results are just the opposite. It is not bricks and mortar. It is not numbers of teachers. It is structure, it is discipline, it is order, and it is caring and concern, it is love, it is involvement—all of those intangible things that have to do with families and people who are committed to educating children. So what those of us on our side believe is the answer is not to pump more money into bricks and mortar and existing structures, but to pump more money into the people who make a real difference in children's lives, and that is families—families, who can help their children by assisting them with some resources, help them in their public or private or parochial education. That is just a fundamental difference as to what we believe works in education.

I don't think that continuing to throw money at the system would work. This is truly remarkable. You would think this bill took money from the public schools. For the record, there is nothing in this bill that takes one dollar out of the Federal commitment to education. In fact, there is more money in this bill, but you would not know that. I have been here for the last hour and 15 minutes, and you would not know that by listening to the other side. You would think that this were stripping money out of Federal support for education in the public schools. That is not true. Not one penny. In fact, more money for school construction is in this bill. So there is not one dollar being taken away, not one dollar being diverted away. This is in fact "new Federal support" for education.

Where is it going? It is going to families. This is sort of funny. I almost feel bad saying, "Where is it going?" "To families." We are letting it stay there; we are just going to be benevolent enough to let them keep it if they do with it what we want them to do, which is to help support their children in education. It is saying that if you do what we want you to do with that money, we will let you keep it.

It is very nice of us to do this, isn't it? It is sort of nice to come around and say we will let you keep the money if you do what we tell you. What the other side wants to do is say, "No, we are not going to even let you have the choice to take that money. Excuse me, we are going to give it over here to build more schools and give it to more teachers." They say that is the problem, that we don't have nice schools and we don't have enough teachers.

Again, I don't think too many people really believe that. What we want to do is get at the heart of the problem, which is to give parents the opportunity to educate their children, not to give schools more money.

There is another remarkable thing here. When I say not to give schools more money, what we are talking about here with these A+ accounts is $100 million a year. You would think we were talking about huge amounts of money vis-a-vis what we spend on public education. We spend roughly one-quarter of a trillion dollars on public education per year. The Senator from Georgia told me that. This bill is $100 million per year. This is hardly a division plowing into the main line of the educational establishment; this is a sniper, at best, saying, "Look, we are here." This is a very moderate, very modest proposal, to say: Let's allow families to have some choices here. We do a great job.

This is another astounding thing. The amendment of the Senator from Ohio says that we should not allow this money to be used for K–12, let it be used for postsecondary education. I travel around the State of Pennsylvania a lot and around the country a little bit. I hear a lot of people complaining to me about the quality of K–12 education and the problems in primary and secondary education. I hear a lot of complaints about higher education, but it is not about quality. It is not about quality. It is somewhat about access and about costs, yes. But I think we are the envy of the world when it comes to colleges and universities and technical schools after primary and secondary school.

Yet, what do we want to do? We want to put more money where there isn't a problem as far as quality and producing good products, and not put it into the area where people think the biggest problem exists. Now, I am telling you, if I were running a company and I had two divisions, one that was doing well producing good product and the other that was not, and someone came forth and said they thought we could change the system by which we produce this product, look at a different approach, because we have been trying this old approach now for decades and it just isn't keeping up with the requirements of the new age that is out there, as far as the need for education, this product isn't keeping up with standards and we need to look at how to change it, some folks might come forward and say, "See these old machines here. We need to put more bells and whistles on to make them look nicer. We don't need to change the structure or how it works, it just needs to be run better and we need more people running it." That is what their answer is.

Some of us are saying, as well, that maybe we should try other machines or look to change this machine so it doesn't function a little differently than it has done in the past. We want to put some money in to do that. This board of directors is saying, "Oh, no, no. Leave this system just the way it is. Clean it up a little bit, put a few more operators on the machine, and put the money over here where we have the good product. Don't fix the old product."

I don't think that makes sense to most Americans. It certainly does not make sense to me. So what we are trying to do here in a very modest way is to say the future of education is going to be just like the future in everything we do, as we become more and more decentralized as an economy and as a country, with people demanding and expecting more choices and more freedom and needing it to be flexible enough to deal with the changing economy and the changing world. Instead of setting up institutions and structures that may or may not—in most cases, they will not—meet the changing needs of our economy and our educational needs, to invest that money into the flexible family, if you will, into the family that in my community in Penn Hills, PA, maybe have very different needs as to what their child needs to be educated for, given the capability of the child, given what the economy is in the area, given what skills are necessary in the region, whatever it is, than someone in Birmingham, AL, who may have a very different set of skills needed, a very different community, very different needs, but allow that family to make that decision, give

them the resources if they want to send the child to the public school and use that money to buy some software, or to buy a computer, or to buy other kinds of teaching aids, or to buy tutorial services, whatever it is, give them the flexibility to meet the needs of their child instead of putting more bricks in a school.

It is just common sense. It makes sense. It is so obvious on its face that, if we are going to do anything to allow the family and the individual student to have the flexibility to deal with this changing environment in education and our economy, it is the only direction we can take rather than put money into the old machine to just make it look nice and put more operators pulling the gadgets. I mean, it is just inconceivable that anybody thinks that is the answer to this dynamic educational marketplace that we have. We have a great opportunity here to show that we get it—that we in our hallowed Halls can walk outside and go into a community school to see what makes the difference in education is not nice buildings or small classrooms. Those are nice things. But it is committed families, committed teachers, and it is community involvement—someone going to a school where they can take part of something that is good for them, they can contribute to their well-being. That can only be done through families and giving them the resources to maximize their own children's future.

Thank you, Mr. President.

I yield the floor.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. SANTORUM. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS

Mr. SANTORUM. Mr. President, I ask unanimous consent that the Senate stand in recess until the hour of 2:15 p.m.

There being no objection, the Senate, at 12:23 p.m., recessed until 2:15 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. COATS).

The PRESIDING OFFICER. The Presiding Officer, in his capacity as a Senator from Indiana, notes the absence of a quorum. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. FAIRCLOTH. I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONDOLENCES OF THE SENATE ON THE DEATH OF FORMER SENATOR TERRY SANFORD

Mr. FAIRCLOTH. I ask unanimous consent that the Senate proceed to the immediate consideration of S. Res. 211, which I submitted earlier and is at the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A resolution (S. Res. 211) expressing the condolences of the Senate on the death of the Honorable Terry Sanford, former United States Senator from North Carolina.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. FAIRCLOTH. Mr. President, I note that all 100 Senators have joined me as cosponsors of this resolution.

This resolution is to honor a truly great American and a great North Carolinian, former Senator Terry Sanford, a man I knew since I was about 18, 19 years old. In fact, I joined him in managing the campaign for a candidate for Governor, a man named Kerr Scott, and with that election we changed the direction of politics in North Carolina.

We had a long friendship. As I say, it began with that campaign, and we went through many political campaigns together. He had a remarkable life. He managed two or three senatorial campaigns on which I had the pleasure of working with him.

Prior to that, Terry Sanford graduated from the University of North Carolina in the late thirties. During World War II, he was an FBI agent in the early part of the war, in the very beginning, but being an FBI agent was not exciting enough for Terry Sanford. He chose to join the 82nd Airborne and became an officer and a paratrooper. He was involved in five different battles during World War II, and he won the Bronze Star and the Purple Heart.

Terry Sanford was always a paratrooper. He was ready to go for it. He was ready to jump into the middle of whatever might be happening.

As I mentioned earlier, he managed and ran some political campaigns, but he was also a State legislator and took great interest when he was a State legislator in developing the Port of Wilmington, NC, and established the ports authority for North Carolina.

He ran for Governor and won. He was Governor from 1961 through 1965, and never did a man have greater vision for a State than Terry Sanford had for our State. He was a leader in education, but not just education in the sense of teaching young people to read and write and the fundamentals of education. He certainly did that and promoted that. But far more, he promoted a school of excellence for those children who were far more gifted. Then he established a school of the arts, which now exists in Winston-Salem, NC, and is one of the foremost training and teaching institutions in the country for young people who are entering the arts from dancing to moviemaking. This school is there because of him.

Although he did not technically start the community college system, he did more than any Governor we have had since or before to promote the community college system in North Carolina with 59 campuses. He really brought it to fruition.

Again, although he did not start, technically, the Research Triangle Park, he and his administration were deeply involved in bringing it about and setting it on the path it has taken.

I mentioned he was a lawyer for many, many years and started a couple of very prestigious law firms. After his tenure as Governor, he became president of Duke University and served there for some 15 years. It was a great school, a great university when he went there, but the changes, the improvements, the expenditures, the endowment, the doubling of the medical center all transpired and took place under the leadership of Terry Sanford as president of Duke. It became an internationally recognized university under his tenure.

He came to the U.S. Senate and left an admirable record here with many initiatives that he sought and worked toward. One of them is something we are still working on today, and that is to ensure the future and fiscal stability of Social Security.

Senator Sanford was married to Margaret Rose, his wife of 55 years. They had two children, Terry, Jr., and a daughter Betsy.

North Carolina and the Nation are better places today for all of us to live in because of men like Terry Sanford and because of Terry Sanford and his vision and tenacity to carry it forward. The country will miss him, the State will miss him and I will miss him as a friend.

Mr. President, I believe I said this, but I will note that all 100 Senators have joined me in cosponsoring this resolution.

Are there any other Senators wishing to speak?

Mr. KENNEDY. Will the Senator yield?

Mr. FAIRCLOTH. I yield the remainder of my time.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized.

Mr. KENNEDY. Mr. President, I join in expressing my sadness over the death of our former colleague, Senator Terry Sanford, and I commend the Senator from North Carolina for his eloquent statement. Senator Sanford was an extraordinary leader of many talents. He was an outstanding Member of this body, an outstanding educator, and an outstanding Governor of North Carolina.

Many of us had the privilege of serving with him in the Senate and of knowing him personally. We admired his great ability, his unusual eloquence, and his abiding commitment to the people of North Carolina and the nation.

In a sense, I inherited Terry Sanford from President Kennedy. He was one of the first Southern leaders to endorse my brother for President in the 1960 campaign. My brother had visited North Carolina as a Senator, and had been very impressed by Terry Sanford. I know the very high regard that my brother had for him as a voice of the New South, as a champion of education, and as a leader who understood the importance of bringing people together.

In July 1960, at a critical moment leading up to the Democratic Convention in Los Angeles, Terry Sanford endorsed my brother and then seconded my brother's nomination for President. It made an enormous difference. In a very real sense, Governor Sanford helped to lay the foundation for my brother's New Frontier.

Later, after serving with great distinction as Governor, Terry Sanford became a President himself—of Duke University, where he served for 16 years, and won world-wide renown as one of the pre-eminent educators of the century.

He won election to the United States Senate in 1986. All of us on both sides of the aisle held him in great respect—and in great affection as well. In so many ways, Terry Sanford was a Senator's Senator. He was fair-minded and warm-hearted, and he knew the issues well. Above all, he impressed us with the power of his commitment, the eloquence of his words, the remarkable moral authority of his leadership, and his dedication to excellence in all aspects of public service. We admired him for his statesmanship, and we loved him for his friendship. We will miss him very much. He was truly a profile in courage for our time.

I ask unanimous consent that an article from the New York Times of April 19 on Senator Sanford may be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, Apr. 19, 1998]

TERRY SANFORD, PACE-SETTING GOVERNOR IN 60'S, DIES AT 80

(By David Stout)

WASHINGTON.—Terry Sanford, who lowered racial barriers as Governor of North Carolina in the 1960's, setting the style for a new kind of Southern politician, and later became a United States Senator and Presidential candidate, died today at his home in Durham, N.C. He was 80.

The cause was complications from cancer, said Duke University, where Mr. Sanford was treated and where he was president from 1969 to 1985.

Until his cancer was diagnosed in December. Mr. Sanford had taught government and public policy at Duke and practiced law. He was president of the university, in Durham, after serving as Governor and before his term in the Senate. Mr. Sanford was at various times a lawyer, a member of the North Carolina State Senate, from 1953 to 1955, and, in the early 1940's, an agent of the Federal Bureau of Investigation.

Mr. Sanford was Governor from 1961 to 1965, a time when civil rights demonstrations were frequently met with violence. In a speech on Jan. 18, 1963, he called for an end to job discrimination against blacks and announced the creation of a biracial panel, the North Carolina Good Neighbor Council, to work toward that end.

"Despite great progress, the Negro's opportunity to obtain a good job has not been achieved in most places across the country," Mr. Sanford said. Opening more opportunities would be good for the state's economy, he said, but there was a far more compelling reason. "We will do it because it is honest and fair for us to give all men and women their best chance in life," he said.

By today's standards, those words seem unremarkable. But in January 1963, when Gov. George C. Wallace of Alabama delivered his "segregation forever" inaugural address, Mr. Sanford's stand for civil rights was seen as particularly courageous for a governor from the old Confederacy.

Mr. Sanford established himself as one of the most liberal Southern governors—too liberal, in the eyes of some constituents—as he named black people to high state positions, pushed state lawmakers to raise more money for schools and started a state antipoverty program that was a forerunner to President Lyndon B. Johnson's War on Poverty.

In some ways, Mr. Sanford was a contradictory politician. He seemed to have good timing but bad luck. He had shrewd instincts, yet he seemed to lack burning desire. His changes of mind and heart confounded ally and rival alike.

Mr. Sanford was an early supporter of John F. Kennedy's quest for the Presidency, and so enjoyed easy access to the White House in the early 1960's. The President's personal secretary, Evelyn Lincoln, later wrote in a book that President Kennedy had told her he was thinking of Mr. Sanford as his running mate for 1964.

His own liberal programs notwithstanding, Mr. Sanford preached the virtues of "state responsibility," if not states' rights, as an antidote to creeping "big Federal Government." Under state law, Mr. Sanford could not succeed himself as Governor.

He tried for the White House in 1972 and in 1976, while he was president of Duke University, offering himself as a candidate for those disenchanted with the political system and those who were part of it.

Mr. Sanford, who had declared his support for school integration, was beaten in the 1972 North Carolina Democratic Primary by Governor Wallace of Alabama. That humiliating loss in his home state effectively ended his candidacy.

Four years later, Mr. Sanford ran for President again but dropped out early. He said he had found it impossible to gain enough news coverage and to raise enough money, and that he was sick of campaigning.

In 1986, having left Duke, Mr. Sanford ran for the Senate. When President Ronald Reagan made several appearances on behalf of his opponent, Mr. Sanford knew better than to criticize a President. So he suggested instead that North Carolina did not need a "go-along Senator." Mr. Sanford won a narrow victory.

In the Senate, Mr. Sanford gained a reputation for intelligence, personal decency and, in one celebrated instance, indecision. In 1987, after President Reagan had vetoed an $87.9 billion highway bill, Mr. Sanford changed his mind three times: first voting simply "present" on a vote to override the veto, then voting to sustain the veto and finally, under tremendous pressure from other Democrats, switching again and voting to override it. His vote made the count 67 to 33, the precise margin required to override.

"Nobody in the Senate thinks I caved in," he said later.

In fact, his colleagues on both sides of the aisle were saddened at seeing him buckle.

"He's a gentleman," said Senator Alfonse M. D'Amato, Republican of New York. "Maybe that's his problem. He's such a beautiful man."

In 1992, Mr. Sanford appeared at first to be in good position for reelection, but he was hospitalized with a heart problem during the campaign. His opponent, Lauch Faircloth, a former Democrat and one-time friend, tried to tar him with the brush of liberalism. And Mr. Faircloth deftly made an issue of Mr. Sanford's health by publicly wishing him a speedy recovery.

Mr. Faircloth's narrow victory ended Mr. Sanford's political life, one that had begun when he was 11: in a 1928 parade in his hometown, Laurinburg, N.C., Terry Sanford carried a sign for Alfred E. Smith, the Democratic Presidential candidate.

Terry Sanford was born on Aug. 20, 1917. His father was a merchant and his mother a schoolteacher.

He graduated from the University of North Carolina at Chapel Hill in 1939. After a brief stint in the F.B.I., he joined the Army in 1942. That year, he married Margaret Knight of Hopkinsville, Ky.

Besides his wife, he is survived by a son, Terry Jr., of Durham; a daughter, Elizabeth, of Hillsborough; two sisters, Mary Glenn Rose of Pennsylvania, and Helen Wilhelm of Bern, Switzerland, and two grandchildren.

As an Army private, Mr. Sanford served as a paratrooper, taking part in the invasion of Southern France and later in the Battle of the Bulge, for which he received the Bronze Star and a Purple Heart.

After the war, mustering out as a first lieutenant, he received his law degree from the University of North Carolina at Chapel Hill and became active in the North Carolina Democratic Party.

Whether working for himself or on behalf of other Democrats, he was known as a tireless campaigner, and a cool one. While he was running for governor, the pilot of his small plane seriously misjudged a short landing strip and came within inches of touching down in a cornfield.

Unruffled, Mr. Sanford stepped out and, grinning, helped several ashen reporters down the steps.

"Start picking corn, boys," he said before walking away.

Mr. BAUCUS addressed the Chair.

The PRESIDING OFFICER. The Senator from Montana.

The Chair would note there are just 32 seconds or so remaining before the vote.

Mr. BAUCUS. I thank the Chair.

Mr. President, I want to join my friends and colleagues in paying tribute to Terry Sanford. I did not serve on any committee with Terry, but in the few years that we served together, he immediately struck me as a wonderful

man, a good man, with a ready smile, a very thoughtful, very wise, very good, very deep person, the kind of Senator that not only North Carolina, I know, is very proud of, but the kind of Senator that I think most Americans would want their Senator to be.

I cannot, as I am standing here thinking of Terry Sanford, think of another person whom I respected more and loved more and appreciated more, going through all the history, Research Triangle of North Carolina, the Governor, president of Duke University. But the main point I want to make is, working with Terry personally, and talking with him, and working through issues, he was a man who will be very difficult to replace. And, as I said, I can think of no Senator whom I would hold in higher esteem or regard than Terry Sanford.

The PRESIDING OFFICER. Without objection, the resolution and preamble offered by the Senator from North Carolina are agreed to.

The resolution (S. Res. 211) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, is as follows:

S. RES. 211

Whereas Terry Sanford served his country with distinction and honor for all of his adult life;

Whereas Terry Sanford served his country in World War II, where he saw action in 5 European campaigns and was awarded a Bronze Star and a Purple Heart;

Whereas as Governor of North Carolina from 1961–1965, Terry Sanford was a leader in education and racial tolerance and was named by Harvard University as 1 of the top 10 Governors of the 20th Century;

Whereas as President of Duke University, Terry Sanford made the University into a national leader in higher education that is today recognized as 1 of the finest universities in the United States; and

Whereas Terry Sanford served with honor in the United States Senate from 1987 to 1993 and championed the solvency of the social security system: Now, therefore, be it

Resolved, That the Senate—

(1) has heard with profound sorrow the announcement of the death of the Honorable Terry Sanford and expresses its condolences to the Sanford family, especially Margaret Rose, his wife of over 55 years; and

(2) expresses its profound gratitude to the Honorable Terry Sanford and his family for the service that he rendered to his country.

SEC. 2. TRANSMITTAL.

The Secretary of the Senate shall transmit an enrolled copy of this resolution to the family of the Honorable Terry Sanford.

Mr. FAIRCLOTH. The preamble and resolution have been agreed to?

The PRESIDING OFFICER. That is correct.

Mr. FAIRCLOTH. I move to reconsider the vote and move to lay that motion on the table.

The motion to lay on the table was agreed to.

EDUCATION SAVINGS ACT FOR PUBLIC AND PRIVATE SCHOOLS

The Senate continued with the consideration of the bill.

AMENDMENT NO. 2017

The PRESIDING OFFICER. The Senate now turns to the amendment No. 2017 offered by the Senator from Ohio. Under the previous agreement, there will be 2 minutes of debate equally divided followed by a vote on that amendment.

Mr. GLENN addressed the Chair.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. GLENN. Mr. President, I think this Nation of ours came to be what it is, more than anything else, for one reason, and that is public education in this country was not what it had been in Europe. It had not been just for the kids from the castle. It had not been just for the rich kids or the wealthy young people. It had not been just for those who were politically well connected, who knew somebody.

In this country, education came to be for every single person, and that grew as a national interest. It was implemented then for the K–12, as we know it now, through the States and localities and communities across this country. They formed local school boards, and we have school districts. Now every single State has a requirement for public education.

We did not preclude other people who had parochial school ideas for their children, or whether they wanted to send their kids to boys schools or girls schools or a special interest of some kind, from forming those schools and from sending their children to those schools. But we looked at the public responsibility as being to the public schools that gave a good education to every single young person in this country.

Ms. LANDRIEU. Mr. President, I would like to lend my strong support to the efforts of my colleague from Ohio, Senator GLENN. Our colleague from Georgia has introduced a bill which he claims will improve savings for education. Unfortunately, the evidence from economists seems to disagree with him. The average American family would save only $37 under Senator COVERDELL's approach.

The reason for this is simple to understand. In order to experience real economic benefit from a tax free savings plan, the principle and interest must stay untouched for significant periods of time in order to have a chance to grow. With H.R. 2646, parents would be allowed to deposit up to $2,000 into an educational IRA, which is a significant increase over the $500 they are currently allowed to contribute. However, Senator COVERDELL would also allow these families to withdraw funds from the education accounts for the annual costs of elementary and secondary education. So in essence, you would have families depositing $2,000 into an educational savings account, accruing some limited tax savings, and withdrawing it the next year.

Under this scenario, there are no long terms savings, no accumulated interest and none of the real benefits that we are attempting to create with these educational IRAs. That is why I am so pleased with the approach taken by my friend, JOHN GLENN. Through Senate Amendment 2017, families would be able to contribute more to their tax free savings accounts, however, it would be reserved for higher education expenses. By increasing the contribution limit to $2,000, Americans can all reap the benefit of increased savings for education. They will see their principle grow with compound interest and Congress will preserve the true intention of this newly created IRA.

Mr. President, I ask unanimous consent that this table be printed in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

SAVINGS GROWTH THROUGH COMPOUND INTEREST

Year	Less than—			
	$10 per week at 6% yield	$10 per week at 12% yield	$40 per week at 6% yield	$40 per week at 12% yield
1	530	560	2,120	2,240
2	1,091	1,187	4,367	4,748
3	1,687	1,889	6,749	7,558
4	2,318	2,676	9,274	10,705
5	2,987	3,557	11,950	14,230
6	3,696	4,544	14,787	18,178
7	4,448	5,649	17,794	22,599
8	5,245	6,887	20,982	27,551
9	6,090	8,274	24,361	33,097
10	6,895	9,827	27,943	39,309
11	7,934	11,566	31,739	46,266
12	8,941	13,514	35,764	54,058
13	10,007	15,696	40,030	62,785
14	11,137	18,139	44,551	72,559
15	12,336	20,876	49,345	83,506
16	13,606	23,941	54,425	95,767
17	14,952	27,374	59,811	109,499
$8,500	$14,952	$27,374	$34,000/$59,811	$109,499

The PRESIDING OFFICER. The time of the Senator has expired.

Who yields time in opposition?

Mr. GLENN. I ask unanimous consent for 1 more minute.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered. The Senator from Ohio is recognized for an additional minute.

Mr. GLENN. Mr. President, what my amendment would do is say we could keep the $2,000 that is in the bill now, but we would move that just to be used for post-12th grade education. In other words, we move from $500 up to $2,000, but we say it cannot be used for private schools, for private school vouchers, and so on.

I think when we start down this track, we start toward the ruination or start opening the door, a toe in the door, for a ruination of our public school system. I want the finest public school system we can have. Voting a

voucher system or taking public money off to support private schools is not the way to go about it. I urge support for my amendment.

The PRESIDING OFFICER. Who yields time in opposition?

Mr. GRAMM. Parliamentary inquiry, Mr. President.

The PRESIDING OFFICER. The Senator from Texas.

Mr. GRAMM. How much time do we have on each side?

The PRESIDING OFFICER. Two minutes are equally divided under the previous agreement.

Mr. GRAMM. I thank the Chair.

The PRESIDING OFFICER. The Chair notes that the time for those who would speak in opposition to the amendment is currently running with 35 seconds remaining.

Mr. GRAMM. Mr. President, our leader on this issue, Senator COVERDELL, is at a press conference out on the steps. We have no further requests to have speakers on our side. If the distinguished senior Senator from Ohio is through with his portion of the debate, I would be happy, on behalf of Senator COVERDELL, to move to table the pending amendment.

Mr. GLENN. Fine.

The PRESIDING OFFICER. The question is on the motion to table.

Mr. GRAMM. Mr. President, I move to table the pending amendment and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table the amendment No. 2017. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Utah (Mr. BENNETT) is necessarily absent.

Mr. FORD. I announce that the Senator from New York (Mr. MOYNIHAN) is necessarily absent.

The result was announced—yeas 60, nays 38, as follows:

[Rollcall Vote No. 87 Leg.]

YEAS—60

Abraham	Faircloth	Mack
Allard	Feinstein	McCain
Ashcroft	Frist	McConnell
Biden	Gorton	Murkowski
Bond	Gramm	Nickles
Breaux	Grams	Roberts
Brownback	Grassley	Roth
Burns	Gregg	Santorum
Byrd	Hagel	Sessions
Campbell	Hatch	Shelby
Chafee	Helms	Smith (NH)
Coats	Hutchinson	Smith (OR)
Cochran	Hutchison	Snowe
Collins	Inhofe	Specter
Coverdell	Jeffords	Stevens
Craig	Kempthorne	Thomas
D'Amato	Kyl	Thompson
DeWine	Lieberman	Thurmond
Domenici	Lott	Torricelli
Enzi	Lugar	Warner

NAYS—38

Akaka	Ford	Leahy
Baucus	Glenn	Levin
Bingaman	Graham	Mikulski
Boxer	Harkin	Moseley-Braun
Bryan	Hollings	Murray
Bumpers	Inouye	Reed
Cleland	Johnson	Reid
Conrad	Kennedy	Robb
Daschle	Kerrey	Rockefeller
Dodd	Kerry	Sarbanes
Dorgan	Kohl	Wellstone
Durbin	Landrieu	Wyden
Feingold	Lautenberg	

NOT VOTING—2

Bennett	Moynihan

The motion to lay on the table the amendment (No. 2017) was agreed to.

AMENDMENT NO. 2288

The PRESIDING OFFICER. The question now occurs on amendment No. 2288, as amended, offered by Senators MACK and D'AMATO.

Under a previous order, there will be two minutes equally divided for debate followed by the vote.

Mr. COVERDELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Georgia.

Mr. COVERDELL. Mr. President, I ask unanimous consent that the next votes in this series be limited to 10 minutes in length.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Who yields time?

If neither side yields time, the time will be charged equally to both sides.

Mr. MACK addressed the Chair.

The PRESIDING OFFICER. The Senator from Florida is recognized.

Mr. MACK. Mr. President, our amendment provides incentives for teacher testing and merit pay.

We see that competition in the 21st century will be based on knowledge, and that if our children and our grandchildren are going to be able to compete in this next century, they must have an education second to none.

Quality teachers produce quality students. We believe this amendment will increase the number of quality teachers in the school system today.

With that, I yield to my colleague for his comments.

Mr. D'AMATO addressed the Chair.

The PRESIDING OFFICER. The Senator from New York.

Mr. D'AMATO. Mr. President, let me simply say that the objective of these reforms is to put our children first, to promote excellence in education, to reward the truly outstanding teachers who create magic in the classroom, give them merit pay, and see to it that we have a level of competence in terms of teaching what our children require.

Mr. President, let me say that we do not mandate that States and local districts come into this with the funds that will be provided for merit pay and teacher testing.

The PRESIDING OFFICER. Who yields time? If no time is yielded in opposition to the amendment, the time will run.

Mr. DASCHLE. Mr. President, I ask unanimous consent that the time be yielded and that we proceed to the regular order.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question occurs on amendment No. 2288, the Mack-D'Amato amendment, as amended.

The yeas and nays have not been ordered.

Mr. COVERDELL. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Florida. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The bill clerk called the roll.

Mr. NICKLES. I announce that the Senator from Utah (Mr. BENNETT) is necessarily absent.

Mr. FORD. I announce that the Senator from New York (Mr. MOYNIHAN) is necessarily absent.

The result was announced—yeas 63, nays 35, as follows:

[Rollcall Vote No. 88 Leg.]

YEAS—63

Abraham	Feinstein	Lugar
Allard	Frist	Mack
Ashcroft	Gorton	McCain
Bond	Gramm	McConnell
Boxer	Grams	Murkowski
Breaux	Grassley	Nickles
Brownback	Gregg	Roberts
Burns	Hagel	Roth
Byrd	Hatch	Santorum
Campbell	Helms	Sessions
Chafee	Hollings	Shelby
Coats	Hutchinson	Smith (NH)
Cochran	Hutchison	Smith (OR)
Collins	Inhofe	Snowe
Coverdell	Jeffords	Specter
Craig	Kempthorne	Stevens
D'Amato	Kohl	Thomas
DeWine	Kyl	Thompson
Domenici	Landrieu	Thurmond
Enzi	Leahy	Torricelli
Faircloth	Lott	Warner

NAYS—35

Akaka	Feingold	Lieberman
Baucus	Ford	Mikulski
Biden	Glenn	Moseley-Braun
Bingaman	Graham	Murray
Bryan	Harkin	Reed
Bumpers	Inouye	Reid
Cleland	Johnson	Robb
Conrad	Kennedy	Rockefeller
Daschle	Kerrey	Sarbanes
Dodd	Kerry	Wellstone
Dorgan	Lautenberg	Wyden
Durbin	Levin	

NOT VOTING—2

Bennett	Moynihan

The amendment (No. 2288), as amended, was agreed to.

Mr. COVERDELL. Mr. President, I move to reconsider the vote.

Mr. D'AMATO. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. COVERDELL addressed the Chair.

The PRESIDING OFFICER (Mr. KEMPTHORNE). The Senator will withhold.

The Senate will please come to order.

The Senator from Georgia is recognized.

AMENDMENT NO. 2291

Mr. COVERDELL. Mr. President, I ask for the yeas and nays on the amendment offered by the Senator from Texas.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. Who yields time on the amendment?

Mr. KENNEDY. Mr. President, as I understand, under the rules, we have a brief time for explanation of the amendment and in opposition. Two minutes.

Are those who favor the amendment going to speak? Because I would like to speak briefly in opposition.

Mr. COVERDELL. The protocol has been, those opposing the amendment have taken the first 2 minutes, proponents for the amendment the last 2 minutes.

Mr. KENNEDY. That is rather unusual. I will be glad to follow. Usually those who propose it make the case for it; those opposed to it speak in opposition. So I will reserve the time and wait until those who favor the issue speak in favor of it.

The PRESIDING OFFICER (Mr. SMITH of Oregon). Who yields time?

Mrs. HUTCHISON. Mr. President, I will take 30 seconds to explain the amendment, and then if the Senator would like to take his time, and then I will reserve the last 30 seconds for Senator COLLINS to close.

Mr. President, I ask unanimous consent that Senator HELMS of North Carolina be added as a cosponsor of this amendment.

The PRESIDING OFFICER. Without objection, so ordered.

Mrs. HUTCHISON. Mr. President, my amendment offers the opportunity, the option to local school districts and parents to choose single-sex classrooms or schools if there are comparable opportunities for both sexes. "Comparable" is the word used by the Department of Education and the Supreme Court in the VMI case to determine if there is equal protection under the law.

I hope we will allow all of the parents of our country to have this as an option. We have to break out of the box in public education to give options to our parents for what is best for their child.

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, if the purpose of the amendment of the Senator from Texas is to permit separate classrooms for different genders, you can already do that. We already have it. So there is no purpose in this. If the purpose is to set up schools which are separate and allegedly providing, as the amendment says, "comparable," all you have to do is look at the court opinions and what "comparable" means, and it fails to meet the constitutional standard in terms of real equality.

We don't have to learn in this country again that, when you have either minorities in separate facilities or women in separate facilities, it is second-level education or treatment. We can debate that at another time. That is the history. If you just want to have separate classrooms, you can already have them, and it is constitutional.

There is a much more sinister and real issue of constitutionality that is raised by this. We virtually had no hearings. If you don't want to undermine the whole movement of trying to get equal treatment for women in the classrooms and education, vote in opposition to the amendment of the Senator from Texas.

The PRESIDING OFFICER. The Senator from Maine.

Ms. COLLINS. Thank you, Mr. President.

Mr. President, I am pleased to support the amendment offered by the Senator from Texas. There is a wonderful example of what she is talking about in Presque Isle, ME. There is an all-girl's math class. They produce wonderful results. I have been in that classroom, and the learning there is absolutely terrific. But they had to go through all sorts of regulatory hoops in order to be able to do that. They would not have to under the amendment of the Senator from Texas. I am pleased to join her in support of it. Thank you, Mr. President.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

Mr. KENNEDY. Mr. President, I have 15 seconds left. I ask that the Senator from Illinois be permitted 15 seconds.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Ms. MOSELEY-BRAUN. Thank you very much. I thank the Senator from Massachusetts. I will be brief. As both a minority —the only minority Member of this Chamber—and a woman, I fit both bills. Quite frankly, we have been down the road of separate but equal and unequal in this country. Unless it is equal, it winds up being unequal. The discrimination that is possible by this legislation for girls is too frightening to support it. I rise, therefore, in opposition. I ask there be hearings on this matter so that we can visit with the parents and see what direction they would like to take. Thank you.

Mr. DOMENICI. Mr. President, I ask unanimous consent for 3 seconds to ask the Senator a question.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered. The Senator from New Mexico is recognized.

Mr. DOMENICI. Is there anything sinister about your amendment?

Mrs. HUTCHISON. I am so pleased to have the question asked because, of course, this is to allow local school districts to have the option. We are not forcing this on anyone. But where an individual child can best perform in a single-sex classroom, why not let them try it? Are we not going to open our minds and be creative with our public education system? If it is good enough for private education, it should be good enough for public education, and everyone should have the opportunity to do the best in the circumstances that fit them best. I thank the Senator for the question.

The PRESIDING OFFICER. The question is on agreeing to amendment No. 2291. The yeas and nays have been ordered. The clerk will call the roll.

Mr. NICKLES. I announce that the Senator from Utah (Mr. BENNETT) is necessarily absent.

Mr. FORD. I announce that the Senator from New York (Mr. MOYNIHAN) is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 69, nays 29, as follows:

[Rollcall Vote No. 89 Leg.]

YEAS—69

Abraham	Faircloth	McCain
Allard	Feinstein	McConnell
Ashcroft	Frist	Mikulski
Bingaman	Gorton	Murkowski
Bond	Graham	Nickles
Boxer	Gramm	Reid
Breaux	Grams	Robb
Brownback	Grassley	Roberts
Bryan	Gregg	Rockefeller
Burns	Hagel	Roth
Byrd	Hatch	Santorum
Campbell	Helms	Sessions
Chafee	Hutchinson	Shelby
Coats	Hutchison	Smith (NH)
Cochran	Inhofe	Smith (OR)
Collins	Jeffords	Snowe
Conrad	Kempthorne	Specter
Coverdell	Kyl	Stevens
Craig	Landrieu	Thomas
D'Amato	Lieberman	Thompson
DeWine	Lott	Thurmond
Domenici	Lugar	Torricelli
Enzi	Mack	Warner

NAYS—29

Akaka	Ford	Lautenberg
Baucus	Glenn	Leahy
Biden	Harkin	Levin
Bumpers	Hollings	Moseley-Braun
Cleland	Inouye	Murray
Daschle	Johnson	Reed
Dodd	Kennedy	Sarbanes
Dorgan	Kerrey	Wellstone
Durbin	Kerry	Wyden
Feingold	Kohl	

NOT VOTING—2

Bennett	Moynihan

The amendment (No. 2291) was agreed to.

Mrs. HUTCHISON. Mr. President, I want to take this opportunity to thank John Danforth, the former Senator

from Missouri, for initiating the ultimately successful effort to create greater opportunity in public schools to have same-gender classes schools.

I was a freshman in 1994. I remember the compelling argument made by Senator Danforth about what an opportunity this would be for a girl like Cyndee Couch, the seventh grader at the Young Women's Leadership school in East Harlem, NY, to have a safe haven where she could learn without worrying about her safety, or her ability to speak out without being made fun of, or in any way not able to be secure in feeling that she could ask questions and participate in the classroom.

He also thought about the young girls in the classroom in Maine that were spoken about by Senator COLLINS today where the school had to go through hoop after hoop after hoop to be able to have an all-girl math class. When they were able to finally do it and break down all the bureaucratic barriers, the test scores have shown that this has been an outstanding success for the girls in that class, without any detriment whatsoever to the other students in that school.

What we want and what the Senate has done today is to help pave the way to ensure that every child in America has this same option. This amendment is not a mandate. We are not saying that same-gender classes are best for everyone. But it has been proven that they are good for some, especially for girls and minority boys, who have demonstrated higher test scores and higher grades when they are allowed to concentrate on their studies, free from the distractions of a coed environment.

I am very proud that the Senate has spoken so clearly today in favor of this option for our public school students, an option that I might say is available at private schools, for parents who can afford it. Should this amendment ultimately become law, this same option will become available for many thousands of parents and their children who may not be able to afford private school tuition. In short, the amendment expands the proven benefits of private, same-gender education to the public school system.

I am very pleased the Senate has spoken so decisively today on this issue, and I am confident Congress will include it in the final version of this important bill. And this success would not have been possible but for the hard work, vision, and leadership of Jack Danforth, who took-up this cause and in whose footsteps I proudly follow. When he left the Senate and said he would not seek reelection, I told him I would take up the mantle on this issue, and that I would continue his fight to ensure that our nation's schools pursue excellence wherever they may find it. The parents and students of this nation now await the completion of this job, and I urge my colleagues to continue to work for expanded educational opportunities and choices for all Americans.

Thank you, Mr. President.

The PRESIDING OFFICER. The Senator from Illinois.

Ms. MOSELEY-BRAUN. Mr. President, shortly I will offer an amendment on behalf of myself and 18 others to submit a plan to help rebuild and modernize our schools for the 21st century. The amendment creates a simple and effective partnership between the Federal Government, State and local governments, and the private sector to provide the financial backing communities need to upgrade and modernize our schools.

This legislation will help modernize classrooms so that no child misses out on the information age. It will also help ease overcrowding—again, so that no child is subjected to what Jonathan Kozol in his landmark book called "Savage Inequalities" that are created by school environments that are unsuitable for learning. It will help local governments patch the roofs, fix broken plumbing, and strengthen the facilities that provide the foundation for our children's education.

Just last month the grades were posted on a set of international math and science tests. Though results of those tests were profoundly disturbing—American students placed at or near the bottom of every one of the math and science tests offered, below countries like Cyprus, Norway, Iceland and Slovenia—these results should be a clarion call to every policymaker at every level that we need to do more to support public education in this country.

Our amendment does exactly that. It creates a new category of zero interest bonds for States and school districts to issue to finance capital improvements. States and school districts will be able to issue some $21.8 billion worth of these bonds over the next 2 years. Purchasers of the bonds would receive Federal income tax credits instead of interest. By using this innovative mechanism, this plan cuts the costs of major school repair and construction by at least a third, and in many cases by up to 50 percent. Over a 5-year period of time, this plan will cost the Federal Government only $3.3 billion. We pay for the amendment with several tax proposals from the President's budget, several of which have already been approved by the Finance Committee. So this bill is paid for, it is in the President's budget, and it will allow the leveraging of substantial amounts of money to help rebuild our crumbling schools.

The interesting thing about it, even at $21.8 billion, this amendment only scratches the surface. According to the U.S. General Accounting Office, it will cost $112 billion just to bring the schools in this country up to good overall condition. That is just the basics, just bringing them up to code. That does not equip them with computers and fancy cosmetics but just to address the toll of deferred maintenance. The GAO found that crumbling schools are to be found in every corner of America. According to the General Accounting Office, 38 percent of schools in urban areas are in the worst condition, 30 percent of rural schools are in the worst condition, and 29 percent of suburban schools are in the worst condition. So it is about a third, a third, a third. This is not just an inner-city phenomenon. Crumbling schools can be found in every kind of community in every part of our country.

In my home State of Illinois, school construction and modernization needs top $13 billion. Many of our school districts have a difficult time even buying textbooks and pencils, let alone financing major capital improvements.

I will share some pictures. I think everybody who is listening to this debate has probably seen some crumbling schools, but for those who have not been in a local school recently, I show a picture of a hallway in a school in my city. Nobody is proud to show pictures like this, but this is just reality. As you can see, it looks like they have a new fire alarm, but given the hallway, the infrastructure, they need a new wall. They probably should replace the whole building, but the point is the deferred maintenance is clearly evident.

Here is another picture showing the same school. We see the peeling paint and the water damage. Here is the floor and the wall. It looks like someone tried to cover up parts of the hallway, but the efforts were obviously not good enough.

Our children should not have to learn in these kinds of conditions. This is a picture of a school in a suburb of Chicago. Again, this is a suburban school. These are the kinds of classes kids are required to learn in during these times. A couple of weeks ago, President Clinton came to Chicago and toured the Rachel Carson Elementary School. That school has two buildings, an old one and a brand new one. In the old building, classrooms are unusable because of many years of water damage, and the windows have turned opaque. In the new building, students can learn in modern and bright facilities. According to the students and teachers, the new facility affords a much greater opportunity to learn. And the teachers were so pleased because it afforded them an opportunity to teach, again, without regard to the threat of falling plaster.

Mr. President, our amendment will allow for school districts to build and modernize more than 5,000 new schools across the country. It will also give communities the power to relieve overcrowding. We have the largest number of children in our schools in the history of our country.

According to the Department of Education, enrollment will continue to grow over the next 10 years. Just to maintain current class sizes, we will need to build 6,000 new schools over the next 10 years. Now, again, the problem of overcrowding, in addition to the problem of deferred maintenance and neglect, is a serious one. I have visited schools in my home State of Illinois where study halls are held in hallways because there is no other classroom space. I have seen stairway landings converted into computer labs, and cardboard partitions used to turn one classroom into two. There was one school where the lunch room had been converted into two classrooms so that the students would have to eat in the gymnasium instead of having gym class where they have "adaptive physical education," where they stand next to their desks because the gymnasium is now a lunch room. I was tickled to listen to the young people talk about this problem and this issue. One young man talked about a phenomenon called "hall rage." He said, "it happens when you are in the halls trying to get to class and it is so crowded that you can't go anywhere." They are experiencing violence in the hallways because of overcrowding.

These conditions directly affect the ability of children to learn and, again, the research has backed up the intuition, what people know intuitively, which is that we cannot expect our children to learn tomorrow's skills in buildings that are crumbling down around them.

The problem is so widespread and pervasive, and I submit to anyone listening that this really is a direct and foreseeable result of our archaic school funding system. The current system of school funding was established over a century ago when the Nation's wealth was measured in terms of landholdings. Wealth is no longer accumulated just in land, and the funding mechanism of relying primarily on the local property tax is no longer appropriate, nor is it adequate. The current school finance budget works against most American children and mitigates most families' best efforts to improve local schools.

Again, according to the General Accounting Office, in another study they did, poor and middle-class school districts really make the greatest tax effort, but the system works against them. In some 35 States, poor and middle-class districts have higher tax rates than the wealthiest districts, but they raise less revenue because there is, of course, less property wealth to tax. In 11 States, this unfair system has led the State courts to rule that their State school finance systems are unconstitutional. In nearly every case, States complied by raising property taxes or sales taxes to finance school improvement. By the way, litigation is pending in 16 other States. The odds are that many of those lawsuits will in fact result in higher local property taxes.

Mr. President, our amendment can break this cycle of crumbling schools and higher local taxes. Our amendment breaks the mold of school financing and creates a new partnership for the 21st century where the Federal Government, by giving tax benefits for investment, allows States and local governments to leverage $22 billion worth of investment in school infrastructure. I urge my colleagues to take a close look at the needs of the schools in their States and decide what they stand for—higher property taxes and crumbling schools, or lower property taxes and a new partnership to improve our schools for the 21st century. Our students should learn about gravity in a science lab, not from falling ceiling tiles. Our schools should be wired for computers, not just metal detectors. Our classrooms should be comfortable, not just crowded like rush hour commuter trains.

I believe that the American public understands this issue. According to a bipartisan poll released earlier this year, 76 percent of registered voters would support a $30 billion, 10-year Federal commitment to rebuilding and modernizing our schools.

I want to submit for the RECORD a letter from the President of the United States, which is on every Member's desk, I believe, in support of this amendment, the last lines of which say:

> Our children deserve schools they can be proud of. I urge you to help our schools provide a learning environment that will prepare our children for the challenges of tomorrow by supporting the Moseley-Braun amendment, and opposing the expanded Education IRA's.
>
> Sincerely,
>
> BILL CLINTON.

I ask unanimous consent that the entire letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE WHITE HOUSE,
Washington, April 20, 1998.

Hon. THOMAS A. DASCHLE,
Minority Leader, U.S. Senate, Washington, DC.

DEAR MR. LEADER: As you consider H.R. 2646 this week, you will have the opportunity to vote for the first time on a version of my proposal to help build and modernize more than 5,000 schools across America. I am writing to ask for your support in this important effort and for your opposition to the expanded Education IRAs in the bill.

Never before have the education infrastructure needs of the Nation been so great. In order to accommodate record enrollments, move to smaller class sizes, repair aging buildings, take advantage of new technologies, and better educate children with disabilities, States and localities are faced with unprecedented construction and renovation needs. The Federal Government helps build roads, bridges, and other infrastructure projects, but none of that will matter much if we let the education infrastructure come crumbling down on our children. We must be part of the solution.

I understand that Senator Moseley-Braun will offer an amendment that would replace the IRA provisions with a proposal to allow communities to issue nearly $22 billion in bonds for modernizing public schools. Because bond purchasers would receive interest payments through a Federal tax credit, communities' costs would be reduced by one-third or more. A vote for this amendment is a vote for safer, state-of-the-art schools that will open doors to the future for our children.

The IRA provisions, which provide tax benefits for elementary and secondary education expenses, are both bad education policy and bad tax policy. Instead of targeting limited Federal resources to build stronger public schools, this proposal would divert needed resources from public schools. In addition, the expanded IRAs provide little financial assistance to average families, disproportionately benefiting the highest-income taxpayers. For these reasons, and because of other potential amendments that may be adopted, I would veto this bill.

Our children deserve schools they can be proud of. I urge you to help our schools provide a learning environment that will prepare our children for the challenges of tomorrow by supporting the Moseley-Braun amendment, and opposing the expanded Education IRAs.

Sincerely,

BILL CLINTON.

Ms. MOSELEY-BRAUN. Mr. President, I would not be here as a Member of the U.S. Senate if it were not for a system of quality public education when I came through the system. It breaks my heart that we have failed to maintain that level of quality public education across this country for every child that wants to access it.

It seems to me that as we go into the next century, it is the responsibility of our generation to give every child the opportunity to learn and to give every child at least the basic tools with which that individual would not only be able to provide for themselves, but really provide for our country's well-being. As we go into the next century, there is no question that in this international global competition, in this information age and age of technology, unless we educate every child and give every child the ability to access a quality education, to go as far as their talents will allow them, we will be undermining our Nation's ability to maintain its standard as a leader in this world economy. How and whether or not we train our work force may well come down to something as simple as providing an environment that is suitable for learning.

Our kids cannot learn if they are put in environments that are not suitable for learning, in which they cannot access the new technology. I submit to my colleagues that this is a very, very serious matter. I find it interesting that even the columnists and the cartoonists have drawn cartoons about this. But this is certainly no laughing matter. If anything, this issue goes to the heart of our generation's commitment to provide the next generation of

Americans with at least as much as we inherited from the last generation. We inherited from them a school system that was quality, that was adequate, in which people like me could get an education and ascend to the U.S. Senate. I am afraid that unless we tackle this problem and create a partnership to help modernize the schools, we will fail the next generation of Americans. I therefore call upon my colleagues to put partisanship aside and support this amendment.

I yield to the Senator from Rhode Island.

Mr. COVERDELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Georgia is recognized.

Mr. COVERDELL. Mr. President, just an administrative technicality. Under the unanimous consent agreement, we agreed that the amendment to be offered by the Senator from Illinois would have an hour equally divided. We have endeavored to accommodate the Senator from Illinois. I don't believe the amendment is technically prepared, but I assume that the Senator from Illinois agrees that the time we are spending now would operate under the 1 hour equally divided time.

Ms. MOSELEY-BRAUN. Absolutely. I thank the Senator from Georgia. He is exactly right. It was my assumption that in light of the fact that there was a technical glitch in the amendment as prepared, the time used at this point would come off of that.

Mr. COVERDELL. I thank the Senator.

The PRESIDING OFFICER. The Senator from Rhode Island is recognized.

Mr. REED. Mr. President, I rise in strong support of the amendment offered by the Senator from Illinois. I commend her for her incisive amendment, which will aid the children of America and the parents of America. I appreciate very much her effort today.

Does the Senator from Delaware wish to say something? I will be happy to yield temporarily.

Mr. ROTH. Mr. President, I believe that, in the normal order of things, as the manager of the bill, I would be next to address the amendment proposed by the distinguished Senator from Illinois.

The PRESIDING OFFICER. The Senator from Illinois had control and yielded to the Senator from Rhode Island, which was her right to do.

Mr. REED. Mr. President, let me continue by again commending the Senator from Illinois. It goes right to the heart of what we do materially to aid the States and localities in the United States in providing for excellent public education and excellent education overall.

The statistics that we have seen about crumbling schools in the United States is staggering. Just recently, the American Society of Civil Engineers concluded that our schools are in the worst condition of any of America's infrastructure. We know that because we go back to our States and to our communities every weekend and we see these buildings.

Just yesterday I was in the Providence Street Elementary School in West Warwick, RI. The reason I went there is because this is an excellent elementary school, one of two elementary schools in Rhode Island accredited by the New England Association of Schools and Colleges. I was talking to the principal and his staff. They do wonderful things. I asked them: What is the biggest problem in this school? They said, without hesitation, the facilities. The main building of the Providence Street School was built in 1914 onto a wooden structure. But in 1969 the school department acquired a parochial school across the street. The classes are operating in both of these schools. Schoolchildren—first graders, second graders, third graders, and fourth graders—have to cross a busy thoroughfare each and every day to change classes. There is no room in the old building, the 1914 building, to accommodate the new technology. The heating system does not work. Yet, this is a wonderful school.

That is just an example of one school in my State. I could go on and on and on. In Woonsocket, the Harris School was built in 1876, the year that George Custer met his fate at Little Bighorn. It is still operating. The Thompson Middle School in Newport, RI, part of it was built in 1898.

These schools need help. These communities need help. This is not just about improving the academic quality, which I think it could do dramatically; it is also assisting taxpayers. More and more of our constituents are coming up to us and telling us they cannot afford to support increased property taxes that support schools in their communities.

If we want to do anything constructive, pragmatic, and useful to help not only the schools of America but the taxpayers of all the towns and cities of America, then we will support this legislation because it will directly assist them in their efforts. The proposal that Senator MOSELEY-BRAUN has submitted is an ingenious way to use Federal resources to promote public education at the local level.

Once again, we require the initiative of the locality. They will have to decide what schools will be fixed up. They will have to go to their communities and ask for bond authority to do it. But we would by paying the interest to allow these communities to get the resources to make the investment to fix the schools, to provide the education which we know is at the heart not only of the individual progress of the next generation of Americans but the progress of our Nation, because without good schools, without schools that are at least sanitary, that at least have the ability to accept modern equipment, without this minimal level of adequacy, we cannot expect children to learn to be not only productive members of our economy in the 21st century but to be productive citizens of the 21st century. This is the way to proceed—not by disseminating Federal resources in tax plans to aid private schools but by allowing the local communities to use their initiative to issue bonds with Federal help to fund, repair, and renovate schools.

This is what our constituents want. This is what we must do to improve public education in this country.

I thank the Senator for her recommendation of this amendment. I urge my colleagues to support it.

I yield my time.

The PRESIDING OFFICER. Who yields time?

Mr. ROTH addressed the Chair.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. ROTH. I yield myself 10 minutes.

Mr. President, I oppose the amendment offered by the distinguished Senator from Illinois for two reasons. First, it is important to understand that the amendment strikes section 101 of the Coverdell bill. This section is the very heart of the legislation, for it is the provision that provides the most widespread benefits for American families. This section increases the maximum contribution to an education IRA from $500 to $2,000. It permits the education IRA to be used for elementary and secondary school expenses, and it permits the education IRA to be used for public and private schools.

I have already spoken numerous times about the importance of making these changes to the education IRA. In fact, the Senate has already endorsed these changes as they were all included in the Senate version of the Taxpayer Relief Act of 1997. The provisions made sense at that time, and they continue to make sense today. Our students and our families need these resources and the benefits of an education IRA to help them meet the cost and realize quality education. I hope my colleagues continue to recognize just how important this tool can be for the American people.

Mr. President, a second reason I oppose this amendment is that, in effect, it would create a massive Federal mechanism whose stated purpose is to spur the construction and rehabilitation of public schools. It appears to be the same proposal contained in the administration's fiscal year 1999 budget, and it would create a new type of bond called a "qualified school modernization bond." Unlike regular tax-exempt bonds, like those already in the Coverdell bill where holders receive tax-exempt interest payments, the holders of these new "qualified school modernization bonds" would receive a Federal

tax credit in an amount to be set by the Treasury Department. This amendment provides that a total of $19.4 billion worth of these school modernization bonds could be issued around the country over the next 2 years. It also increases the amount of qualified zone academy bonds by $2.4 billion over 2 years.

Even more massive than the amount of bonds to be issued under the proposal is the bureaucracy that would be created to administer this program. The Treasury would need to establish a formula to allocate the school modernization bonds. The amendment calls for half of the bonds to go to the 100 largest school districts with the largest number of low-income children. The other half of the bonds would go to the States and Puerto Rico divided in proportion to their share of Federal assistance. This would be according to the basic grant formula of the Elementary and Secondary School Act of 1965. Then all of this would be readjusted for allocation to the 100 largest school districts.

This runs contrary to President Clinton's promise that the "era of big government is over." It runs contrary to our objective to strengthen schools by empowering families and communities. It consolidates ever-increasing power in the hands of a few Federal bureaucrats while it robs our families and communities of local control over their schools and precious financial resources.

Not only does the Moseley-Braun amendment create more bureaucracy in the way that it requires the Federal Government to sift through the criteria and bond allocation process, but it calls on the Federal Government to oversee another massive program.

According to this amendment, a bond would only be deemed to be a qualified school modernization bond if the Federal Department of Education signs off on it. The Federal Department of Education would have to approve the school construction plan of the States or eligible school districts. By giving its OK, the Federal Department of Education is supposed to consider whether—I am quoting from the administration's description of its proposal:

> The school construction plan must, one, demonstrate that a comprehensive survey of a district's renovation and construction needs has been completed; and, two, describes how the jurisdiction will assure the bond proceeds are used for the purposes of this proposal.

If we are to meet the education needs of our children and the challenges of the future, we need less bureaucracy, not more. We need greater involvement in oversight from our parents and communities, not less. We need a Federal Government that supports the best and most innovative programs and policies implemented by our States and local school boards, not one that takes them over.

The bond proposals in this amendment are modeled after a much more limited measure that was included in the 1997 tax bill at the request of Congressman RANGEL and the administration. The 1997 bill created "qualified zone academy bonds." The purpose of these bonds was to provide additional incentives for private entities to get involved in school construction.

Holders of the qualified zone academy bonds, all of whom have to be in the business of lending money, are to receive a tax credit instead of an interest payment, and the amount of qualified zone academy bonds for 1998 and 1999 was capped at $400 million per year.

The qualified zone academy bond program was deliberately kept small for several reasons. First, there was a fundamental concern about the Federal Government taking on the traditional State and local responsibility for school construction. Second, it was unclear whether the academy bond program would place funds where they need to be, in the hands of local schools.

Nevertheless, here we are, less than 1 year later and the push is on for a massive expansion of what is nothing more than an untested proposal.

The attempt with this amendment is to authorize almost $22 billion in all-school bonds, and this attempt is being made without any data that the bond mechanism in the amendment is the most efficient or beneficial way to help States and localities deal with school modernization. It is simply unclear whether issuing a new type of bond, no matter how catchy its name, will ultimately result in schools being modernized. What is clear is that it once again falls back on the failed notion that Washington knows best. It assumes that creating layer upon layer of unneeded bureaucracy within the Department of Education is a far greater solution than giving parents and local communities greater control over the education of their children.

Under the proposal, the Department of Education would be required to approve the school construction plan of a State or eligible school district. This means that the bureaucrats from Washington would be micromanaging a local school district's renovation plans—in effect, second-guessing and even directing the decisions of State and local officials. It also means that parents, local leaders, and school districts would have to watch as their vital financial resources are commandeered by Washington, DC, and sent out to build and renovate schools elsewhere despite the fact that they themselves might desperately need improvements in their own community schools.

This amendment strikes right at the heart of local control. It gives the Department of Education the final say about how a school district should address its construction and renovation needs. It allows the Department of Education in Washington to tell local officials that they have misjudged the needs of their district. This is wrong. Local officials are the people who are on the front lines every day. They know the needs of their students. They are directly accountable to parents. It seems only a matter of common sense that they are the ones who best understand the need of their district and the best ways to fix any problems.

Yet this amendment would set up a structure whereby the availability of this Federal tax benefit is controlled by Washington and not by the localities. As the Department of Education would be required to monitor whether the bond proceeds were being used for the stated, appropriate renovation plan, Washington bureaucrats would have an ongoing supervisory role.

It just does not make sense for the Department of Education to get involved at this level. President Clinton himself stated in 1994 that "the construction and renovation of school facilities has traditionally been the responsibility of State and local governments, financed primarily by local taxpayers." And in that respect I agree with the President.

I remind my colleagues that the approach in the Moseley-Braun amendment is not risk free. The costs are substantial. The Joint Tax Committee estimates that the revenue loss to the Federal Government for a program like this would be about $3.26 billion over 5 years and $9 billion over 10 years.

The Coverdell bill offers better government. I oppose the Moseley-Braun amendment, and I urge my colleagues to join me.

I yield back the floor.

The PRESIDING OFFICER (Mr. GORTON). Who yields time?

Ms. MOSELEY-BRAUN addressed the Chair.

The PRESIDING OFFICER. The Senator from Illinois.

Ms. MOSELEY-BRAUN. I thank the Chair.

I say to my chairman, Senator ROTH, that in the first instance the Senator misread the bill. This plan provides for minimal administrative requirements on the State and local authorities charged with school repair and construction. The State and local school districts need meet only two main requirements for issuing these new school bonds. First, they have to document their school facility need. Second, they have to describe how they intend to allocate the bonding authority to assure that the schools get the benefit of it.

End of story. There is no reapplying for money. There is no continuous oversight. There is no getting individual projects approved by the Federal agency. There is nothing about having

to deal with big Government at all in this legislation.

I would add also that no school district, no State is required to take this. This is for those school districts that want to issue these bonds. It is a matter of engaging the private sector, engaging communities, engaging local governments in helping to rebuild their schools.

I yield 5 minutes—he wants 7.

Mr. ROTH. Will the distinguished Senator from Illinois yield on my time for 60 seconds?

Ms. MOSELEY-BRAUN. Yes, of course.

Mr. ROTH. First of all, I think it is important to point out that we have not been graced with a copy of the amendment so that we are not in a position to state specifically what it says. But my comments are based on the administration's proposal, which specifically spells out these requirements and would result in a major buildup of a Federal bureaucracy. I would just like to point out that this local approach is, indeed, contrary to what the President himself said in 1996. I point to this chart here which says:

The construction and renovation of school facilities has traditionally been the responsibility of State and local governments, financed primarily by local taxpayers.

It goes on to say:

We are opposed to the creation of a new Federal grant program for school construction.

With that I 100 percent agree, and it is because of that kind of thinking I think it is important that this amendment be defeated.

AMENDMENT NO. 2292

(Purpose: To amend the Internal Revenue Code of 1986 to expand the incentives for the construction and renovation of public schools, and for other purposes)

Ms. MOSELEY-BRAUN. I say to my chairman, again, I apologize if he has not had a copy of the amendment. It has just been cleaned up. We had a technical modification, as you know.

I send this amendment to the desk so it is formally offered and ask the clerk to dispense with the reading of it.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Illinois [Ms. MOSELEY-BRAUN], for herself, Mr. MOYNIHAN, Mr. DASCHLE, Mr. KENNEDY, Mrs. MURRAY, Mr. DODD, Mr. BINGAMAN, Mr. LAUTENBERG, Ms. MIKULSKI, Mr. REED, Mr. ROBB, Mr. GLENN, Mr. REID, Mr. LEVIN, Mr. KERRY, Mrs. FEINSTEIN, Mr. DURBIN, Mr. KERREY, and Mr. HARKIN proposes an amendment numbered 2292.

The PRESIDING OFFICER. Without objection, the reading of the amendment is dispensed with.

The amendment is as follows:

(The text of the amendment is printed in today's RECORD under "Amendments Submitted.")

Ms. MOSELEY-BRAUN. I yield 7 minutes to the Senator from Virginia.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. ROBB. Thank you, Mr. President.

Mr. President, yesterday I attended the groundbreaking ceremony for a new elementary school in Richmond, VA. It was an important occasion for the city of Richmond because the last groundbreaking for a new public school in the capital city of my State was 13 years ago, in 1985, the last year I had the privilege of serving as Governor. Today, the average age for all public schools in the Richmond system is 55 to 60 years, and two of them have portions of their facilities that date back to 1888, 110 years.

Last month, Education Secretary Dick Reilly and I visited Chantilly High School in Fairfax County. Even though Chantilly High is a new school, its enrollment is already 20 percent over capacity. Classes are being taught in 17 trailers that have no bathrooms, bad ventilation and are not wired to the Internet. Some classes have student-teacher ratios as high as 27 or 28 to 1.

I am an enthusiastic cosponsor of the school construction amendment of the Senator from Illinois because this legislation gives important Federal help to cities like Richmond and counties like Fairfax to help build and renovate public schools. It not only addresses one of the most pressing needs our schools face—the urgent need for school construction money—it also represents an eminently appropriate and constructive role for the Federal Government in education.

If we had unlimited resources, there is much more I would like to do for education, and I support many of the provisions in the underlying bill. But because Federal dollars are limited, we are forced to make decisions on what is most important, on how best to spend the limited Federal dollars we have.

To me, the provisions of the underlying bill simply do not meet this test.

In truth, the simple question before us today is this: How can we best invest $1.6 billion on education? Do we help States face their urgent construction needs? Do we give States additional money to help reduce class size? Do we help States incorporate technology into their classrooms and curriculum? If we look into the language of the underlying bill, the answer to every question is no.

But if we look at the language in the pending amendment and we ask this question—will we help States and localities build and renovate public schools?—the answer is an emphatic yes.

Mr. President, there is no question the need is great. The Government Accounting Office has estimated that our national school repair and construction needs are $112 billion. Fourteen million children attend public schools that are in need of major repair or complete replacement. In addition, far too many young Americans attend woefully overcrowded public schools. We need to help States repair and modernize existing facilities.

In order to hire new teachers and reduce class size, we need additional classrooms in which to place those teachers. In order to increase student access to computers and technology, we need to help some existing facilities undergo complete electrical upgrades to support the use of that technology, and as we debate this bill, we cannot be confused about what this bill is and is not.

Just because the word "education" is in the name, that does not mean that the bill gives money to schools. In truth, this legislation will not build a single school or hire a single teacher or help incorporate technology into a single classroom.

Despite all the rhetoric, this bill is really nothing more than a tax cut for the few when what we so urgently need is a new roof for the many. Encouraging individuals to save their own money is a noble intention, but like every decision we face, we have to acknowledge that there is a cost, and the real cost of the underlying bill lies in every school we don't help build, every teacher we don't help hire, every leaking roof we don't help fix and every classroom we don't help wire for the Internet.

Again, we have two choices: We can invest $1.6 billion in support of school construction with the pending amendment, or we can spend $1.6 billion on tax cuts, disguised as education money, with the underlying bill. I hope the Senate will support school construction.

I thank the Chair and yield back any time to the sponsor of this amendment.

The PRESIDING OFFICER. Who yields time?

Mr. COVERDELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Georgia.

Mr. COVERDELL. Mr. President, how much time is remaining on both sides?

The PRESIDING OFFICER. Sixteen minutes 34 seconds to the Senator from Georgia; 5 minutes 23 seconds to the Senator from Illinois.

Mr. COVERDELL. Mr. President, I yield myself 10 minutes of our time.

The PRESIDING OFFICER. The Senator from Georgia.

Mr. COVERDELL. Mr. President, first, I have the utmost respect for my good colleague from Virginia, but I do want to correct one statement that he made. He said that the underlying bill provides no provisions for school construction. That is not accurate. The underlying bill embraces the provisions of the Senator from Florida on the other side of the aisle that does have a significant expansion of funding for

schools at the local level and, without creating a new bureaucracy, leaving all the decisions to be made at the local level rather than at the Department of Education.

In the debate between the chairman and the Senator from Illinois, it is suggested that this does not carry that traditional, onerous Federal intervention with prevention. But I would just like to share with you that under this legislation, the Federal Government is required to establish a formula to allocate the school modernization bonds.

The Federal Government would need to ensure that half the bonds go to the 100 largest school districts with the largest number of low-income children, and the other half of the bonds would go to the States and Puerto Rico divided in proportion of shares of Federal assistance according to the basic grant formula for the Elementary and Secondary School Act of 1965.

The Federal Government would not only scrutinize the criteria and figure out who gets what, it would be required to do more.

Under these provisions, a bond would only be deemed to be a qualified school modernization bond if the Department of Education signs off on it.

The Department of Education would also have to approve the school construction plan of the State—that is a key one—or eligible school district.

In approving the construction plan, the Department of Education is supposed to consider whether a comprehensive survey of the district's renovation and construction needs have been completed, et cetera; expansion of the Federal oversight, the master principle envisioned over local control.

The chairman of the board of education in my State accepts the President's admonition that construction of schools is a responsibility of local government. There is already Federal relief in terms of financing, but that leaves all the decisions at the local level, like the President wanted to do in 1996.

My State is spending over nearly $5 billion in school construction; $186 million last year for 57 brand new schools and for modifications in 110 additional schools.

This proposal rewards failure, because it moves to where the job has not been done. Those States and communities that have been doing what the President appropriately said here, they do not meet the criteria anymore because they have eliminated the criteria.

Mr. President, we have heard a lot during the course of this debate about how a modest tax relief for 14 million families is inappropriate tax policy. I reminded the other side that the definition of the tax relief is identical to the IRA we passed last year and signed by the President for college education, and all we have done is taken that proposal and expanded it to $2,000 instead of $500 and have allowed it to be used for grades kindergarten through high school.

This amendment eliminates that proposal and that modest tax relief, which is about $500 million over 5 years and a little over $1 billion over 10 years, and creates tax relief of $9 billion—for whom? Banks, insurance companies and very, very successful people are going to be the recipients of this $9 billion. So we just take these little folks making $75,000 or less, $150,000 or less, mop that out—that's not good policy—and create tax relief on these bonds that would go to banks and insurance companies, and we all know who buys these kinds of bonds, these tax-exempt bonds. Out goes the little guy, in comes the big guy.

Mr. President, school construction and quality of schools and the facilities are important. For as long as we have known, that has been a duty of the State and the local government. A lot of States and a lot of local communities have fulfilled that requirement. They will be on the short end of this proposal.

The underlying proposal for school construction expands financing for schools, gives additional options, but it keeps the decision apparatus at the local level. And it does not create another Federal outreach, another Federal intervention, into the local process of school construction.

I oppose the amendment on those grounds. But I am particularly concerned that it eliminates the heart of the underlying proposal, which is to create a modest—the families will not be taxed on an interest buildup, such a modest proposal that creates such a big response in America where 14 million families come forward and save $5 billion in the first 5 years, up to $10 billion over 10 years, and there is not a single tax dollar involved. These are voluntary dollars, an enormous infusion, frankly, larger than this proposal, behind the student—not the building, but the student. Those billions of dollars will buy computers and tutors and deal with special learning disabilities and cost the Federal Government, in terms of taxes not collected, a very modest amount.

But this will go to buildings, and this will cost the taxpayers $9 billion. Conversely, this little proposal, the education savings account, creates $10 billion. There is no school board that has to raise its property tax base. There is no State that has to raise its income tax. There are no new taxes from the Federal Government. It is people doing it on their own, simply because we have said, we will allow you to keep your investment, your principal, and we will not tax you on the interest if you use it to help your child in school wherever they happen to be.

The other side has repeatedly said this is for private schools. And 7.5 percent of the underlying cost of the underlying bill could help somebody who has a child in private schools; 90-plus percent goes to children and helps people in the public school system. So it is just incorrect—and the Senator from Illinois has not been part of that, but all morning long I have heard this business that the underlying proposal is for private schools. It is just not the case.

Seventy percent of the families who use these savings accounts have children in public schools. Half the money that is generated—and it is their money—would go to support children in public; half of it would go to support children in private. Tax relief that would be associated with private is about $200 million over 5 years, or about 7 percent of the cost of this bill.

Mr. President, I yield back whatever is left of my 10 minutes.

The PRESIDING OFFICER. Who yields time?

Ms. MOSELEY-BRAUN. Mr. President, I yield 2 minutes to the Senator from Massachusetts.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, first of all, it is important to note that under the Moseley-Braun amendment the provision dealing with the construction, the Graham amendment, is not struck, it is preserved, as well as the tuition assistance programs. What is struck is the Coverdell proposal. And the Coverdell proposal, according to the Joint Tax Committee, provides that the majority of its money is going to go to private schools. Now that is a fact.

You have the choice of whether you want that or whether you want to have a downpayment in our public schools to try to help ensure that we are going to free our public schools from asbestos, from boilers breaking down, and from leaky pipes.

Mr. President, I want to just mention a case here that is right on point. And this is the Revere public schools. That is a blue-collar area in Massachusetts. It has increased by 25 percent the enrollment over the past 5 years in the elementary schools. Revere recently passed a $2.2 million referendum to repair roofs in three schools and to remove the asbestos panels and modernize the fire alarm system in the high school. Since then, the high school roof has begun to leak, threatening to ruin the new fire alarm system. The town estimates it will cost $1 million to repair the roof. The mayor says: We would repair the roof if we had the Carol Moseley-Braun amendment.

What I hear from the mayors all over Massachusetts, in the old towns and communities, as well as in the rural areas, is that interest on some of these bonds runs up to 40 percent of the burden and the debt, in many instances, if they are not attended to in a prompt way.

This provides a helping hand to those needy communities. And it is an essential part of the President's program. I commend the Senator from Illinois for making this strong case and hope our colleagues will support her.

Mrs. FEINSTEIN. Mr. President, today I am pleased to support two construction initiatives to help our public schools reduce overcrowding. The first is included in Senator ROTH's substitute bill that is before us and the second is an amendment by Senator CAROL MOSELEY-BRAUN.

The two proposals combined mean that California could issue tax exempt bonds totaling $2.8 billion. They differ in their approach and help two different types of districts. The Roth proposal will help suburban high-growth areas. The Moseley-Braun proposal will target disadvantaged, inner city districts, while also providing the state with authority to address the needs of other districts.

THE ROTH PROPOSAL

The school construction provisions of Senator ROTH's education bill provide $2.4 billion per year for new tax-exempt bonds and allocate them according to a state's population, at $10 per person. It targets funding at the school districts with a 20 percent enrollment growth between 1990 and 1995. Under this proposal, California could issue tax-exempt bonds totaling $322 million and as many as 77 high-growth school districts in California could take advantage of these bonds. This means that using these bonds, we could build 40 elementary schools, 8 middle schools and 2 high schools in my state. We could build schools in high-growth school districts like Clovis, Capistrano, Tustin, Elk Grove, Modesto, Palo Alto, Lancaster, Culver City, and Fontana.

The Roth proposal creates a new category of tax exempt facility bonds to encourage innovative public-private partnerships for school construction, but the ownership of the school building would stay with the public school district. This approach could brings some innovative financing to school construction, in my view.

While in terms of California's enormous needs, the amount of bonding authority in this proposal is modest, it does offer a new financing tool for our schools.

THE MOSELEY-BRAUN AMENDMENT

I also will vote for the school construction amendment to be offered by Senator MOSELEY-BRAUN, which will provide $22.6 billion in authority for state and local governments to issue bonds to construct and rehabilitate schools. In addition, her amendment will make more qualified zone academy bonds available by increasing the national bond cap from $400 million to $1.4 billion and by allowing them to be used for school construction. Bondholders would get federal tax credits in lieu of interest.

Under this proposal, California could get $2.5 billion in bonds, the most of any state. Thirty-five percent of these bonds would be used by the 100 largest school districts based on their ESEA Title I funding, which assists disadvantaged children. Sixty-five percent would be distributed by states based on their own criteria. In addition, the Secretary of Education could designate 25 additional districts based on the state's share of ESEA Title I grants, excluding the 100 largest districts.

Under this amendment, the following school districts could receive the following allocations:

Bakersfield City Elementary, $19 million;
Compton Unified, $30 million;
Fresno Unified, $56 million;
Long Beach Unified, $48 million;
Los Angeles Unified, $481 million;
Montebello Unified, $22 million;
Oakland Unified, $35 million;
Pomona Unified, $18 million;
Sacramento City Unified, $31 million;
San Bernardino City Unified, $32 million;
San Diego City Unified, $68 million;
San Francisco Unified, $28 million;
Santa Ana Unified, $27 million; and
Stockton City Unified, $24 million.

In addition to these, the state would get $1.2 billion to allocate among needy school districts.

In my state, these two proposals provide two approaches to address the school construction needs in two different types of California school districts. The Roth-Coverdell proposal helps districts with enrollment growth exceeding 20% between 1990 and 1995, high-growth districts. The Moseley-Braun proposal helps the large, urban, poor districts, districts that also have pockets of escalating enrollments and dilapidated and crowded buildings.

CALIFORNIA'S CRITICAL NEEDS

My state faces severe challenges.

SOARING ENROLLMENT GROWTH

California's public school enrollment between 1997 and 2007 will grow by 15.7 percent, triple the national rate of 4.1 percent. California's schools will see the largest enrollment increase of all states during the next ten years.

Each year between 160,000 and 190,000 new students enter California classrooms.

California's high school enrollment is projected to increase by 35.3 percent by 2007. Approximately 920,000 students are expected to be admitted to schools in the state during that period, boosting total enrollment from 5.6 million to 6.8 million.

California needs to build 7 new classrooms a day at 25 students per class between 1997 and 2001 just to keep up with the growth in student population.

OVERCROWDING

California needs to add about 327 schools over the next three years just to keep pace with the projected growth. Yet these phenomenal construction rates would only maintain current use and would not even begin to relieve current overcrowding.

We have the largest class sizes in the nation. Students are crammed into every available space and in temporary buildings. Los Angeles Unified School District, for example, has 560,000 seats for 681,000 students.

Here are a few other examples:

At Horace Mann Year-Round School in Oakland, increasing enrollment and class size reductions require some teachers and students to pack up and move to a new classroom every month.

At John Muir Elementary School in San Bruno, one class spent much of the year on the stage of the school's multipurpose room as it waited for portables to arrive.

Anaheim City School District has a 6 percent enrollment growth rate, double the state average and recently approved the purchase of 10 portable buildings, at a cost of $235,000 to relieve overcrowding.

Los Angeles Unified School District has 195 schools on a nontraditional, year-round schedule and is bussing 11,000 students away from their neighborhoods because of overcrowding. Garfield High School in East Los Angeles was built for 2,500 students but now has almost 5,000. Many classes have 40 or more students per teacher.

In order to build it's way out of overcrowding, Oceanside School District in San Diego, would need to build four elementary schools, two middle schools and a high school at an estimated cost of $110 to $140 million.

OLD SCHOOLS

60 percent of our schools are over 30 years old.

Today's schools need a modern infrastructure, including updated wiring for computers.

In California, 87 percent of the public schools need to upgrade and repair buildings, according to the General Accounting Office,

HIGH COSTS

The California Department of Education estimates that the state needs $22 billion during the next decade to modernize our public schools and an additional $8 billion to meet enrollment growth.

Here's what it costs to build a school in California:

An elementary school (K–6), $5.2 million;

A middle school (7–8), $12.0 million; and

A high school (9–12), $27.0 million.

Our schools must be built to withstand earthquakes, floods, El Nino and myriad other natural disasters. California's state earthquake building standards add 3 to 4 percent to construction costs.

The cost of building a high school in California is almost twice the national cost. The U.S. average is $15 million; in California, it is $27 million.

CLASS SIZE REDUCTION

Our state, commendably, is reducing class sizes in grades K through 3 because smaller classes improve teaching and learning.

We have the largest pupil-teacher ratios in the country and fortunately, we are beginning to reduce class sizes. Small classes bring more individual attention to students, but smaller classes mean more classrooms.

In short, California's needs are immense and states and local communities need the federal partner.

CONCLUSION

These new bond programs will provide important assistance for school districts across America. Some of the bonds can especially help small and low-income area school districts, because low-income communities with the highest school rehabilitation and construction needs may have to pay the highest interest rates in order to issue the bonds, if they can be issued at all.

These approaches are similar to the bill I introduced on March 12, the Expand and Rebuild America's Schools Act, S. 1753. My bill would provide a tax credit for bond holders of school construction bonds and includes criteria to address high growth areas and older schools in need of modernization.

School overcrowding places a heavy burden on teachers and students. Studies show that the test scores of students in schools in poor condition can fall as much as 11 percentage points behind scores of students in good buildings. Other studies show improvements of up to 20 percent in test scores when students move to a new facility.

The point is that improving facilities improves teaching and learning. School overcrowding undermines the health and morale of students and teachers, disrupting education. Overcrowded schools prevent both teachers and students from reaching their full potential.

Our nation's school districts face huge challenges as we move toward the 21st century, with a record 52.2 million children this year and a booming school population forecast well into the next century. The legislation proposes modest, targeted federal support for school bonds in growth areas, offering important assistance to school districts, teachers, parents and students.

In the end, it is improved student achievement is what this is all about and in the end, that is the goal of this Senator.

Mr. AKAKA. Mr. President, I rise in support of the amendment offered by my colleague from Illinois, Senator MOSELEY-BRAUN. The Senator's amendment would authorize over $22 billion in essential bonding authority to the 50 States and territories to improve our Nation's public school system.

The Moseley-Braun school construction amendment would provide direct assistance to states to improve and construct school facilities for our nation's children. The amendment before us will help thousands of schools across the country modernize their facilities to meet increasing technological demands. It will also provide assistance to local school districts to build additional facilities for the growing number of students.

Hawaii's schools, particularly our rural schools on the neighbor islands, are in great need of improvement and modernization. The inclusion of modern technology in our education curriculum requires extensive renovations in older school buildings to ensure that all children have equal access to today's technological advancements. Hawaii's schools could receive an estimated $53 million for school construction under this amendment. This would greatly assist my state in meeting the increased educational demands of our children.

Mr. President, as a former teacher, I have taught in both the private and public school systems, and I recognize the advantages and disadvantages of both systems. However, I believe that the Federal Government has a moral obligation to ensure that all our children are provided a quality education, and diverting potential resources away from our public schools is a disservice to the majority of American children who attend public schools. The underlying proposal does not focus on those who need the most help. The bill before us provides an average tax break for families with public school children of only $7 over five years, while families with children in private schools would receive a $37 benefit. This proposal provides a disproportionate share of benefits to wealthier families who do not need the additional Federal assistance.

I urge my colleagues to support the Moseley-Braun school construction amendment and provide all our nation's children an equal opportunity to learn in safe, clean, modern school facilities. Thank you, Mr. President, I yield the floor.

The PRESIDING OFFICER. Who yields time?

Ms. MOSELEY-BRAUN. Mr. President, I will close. How many minutes do I have left?

The PRESIDING OFFICER. Three minutes 18 seconds.

Ms. MOSELEY-BRAUN. I will close briefly by saying this: The choice, unfortunately, here is between a new and complicated tax cut that is disguised as education policy—and I say "new and complicated;" it is all of $7 to a maximum of $37 a year tax cut that nobody really asked for. It will not fix a single school. It will not deal with an existing problem. It will not reduce a single dollar of property taxes.

I point out that the quote from the administration that was made in 1996 makes it very clear: Traditional responsibility, financed by local taxpayers. We are trying to provide a partnership to break the cycle of crumbling schools and high property taxes by providing a partnership that allows us to fix crumbling schools, to fix up the schools, provide an environment suitable for learning, and reduce the property tax burden, and bring the Federal Government, in cooperation and collaboration—not a lot of bureaucracy, but as a helping hand.

The Federal Government is not the problem here. It is not the solution here. It can only help and assist local efforts. That is all this amendment does. I urge my colleagues to support the Moseley-Braun amendment.

The PRESIDING OFFICER. Who yields time?

Mr. ROTH. Mr. President, I yield myself 3 minutes.

Mr. President, the statement was made by the distinguished Senator from Illinois that her legislation would not require the creation of the type of bureaucracy of which I spoke in my opening remarks. I have since then, for the first time, received a copy of the amendment. But I have to say that exactly as I spelled out in my statement, this legislation requires very detailed action on the part of the Department of Education and the Treasury in allocating and granting the funds provided for under this agreement.

Let me just give you one or two illustrations of what I speak. On page 17, in paragraph 5, it says:

> APPROVED STATE APPLICATION.—For purposes of paragraph (1), the term "approved State application" means an application which is approved by the Secretary of Education and which includes—
>
> (A) the result of a recent publicly-available survey (undertaken by the State with the involvement of local education officials, members of the public, and experts in school construction and management) of such State's needs for public school facilities, including descriptions of——

I will not read on. But I want to reemphasize that this legislation is putting control of school construction in the hands of Washington, of the Federal bureaucracy. And that is exactly contrary to what the President himself said in the justification of an appropriations estimate.

I think it is important too, because I agree with what he says here:

> The construction and renovation of school facilities has traditionally been the responsibility of state and local governments, financed primarily by local taxpayers; we are opposed to the creation of a new federal grant program for school construction.

That is exactly what I am saying today. We are opposed to the creation of a new Federal program with a bureaucracy. We think the control of our schools, including the construction of new facilities, should be in the hands of the State and local government.

I yield the remainder of my time to the distinguished Senator from Georgia.

Mr. COVERDELL. How much time remains?

The PRESIDING OFFICER. Four minutes and 14 seconds, and the Senator from Illinois has 2 minutes.

Mr. COVERDELL. Mr. President, I reiterate in the underlying proposal there is a concern about school construction. In that sense, there is a sharing of concern with the Senator from Illinois. We have a different view about how to come to it.

I believe, as I said, this proposal moves to failure. A State that has met its responsibilities and kept schools up to the level they should be doesn't meet the criteria in the amendment for the funding.

The second point, and probably for me the most significant, is that this amendment obviates and destroys the education savings account that we have been discussing now for almost 6 months. This education savings account offers modest tax relief, which causes Americans to do very big things. About $500 million-plus tax relief on the interest buildup in the savings account will cause 14 million families, according to the Joint Tax Committee, to open such an account and save, of their own money, $5 billion in 5 years, over $10 billion in 10 years, all of which comes to the direct support of a child's need—tutor, computer, transportation, afterschool program, uniform; it goes on.

So with just a modest incentive offered from the Federal Government, we cause Americans to step forward and give massive support to education.

Now, that is taken out of the bill and exchanged for something that takes $9 billion of Federal money, doesn't create a dime on the part of these families, and this tax relief goes to the financiers. A certain segment of it can only be managed by banks and insurance companies, and the balance of it certainly will gravitate to the wealthiest of our society.

So we kick out these average families—middle-income families. They cannot open a savings account and save this modest tax on their interest. That goes in the trash can. But the big dollars for big investors comes forward. The net exchange is, the Federal Government expends $9 billion instead of $1 billion and creates no investment versus $10 billion in investment. That is not a very good exchange. The little guy gets shortchanged. He or she cannot open a savings account, but the big institutions have an incentive to come forward.

So I repeat, this proposal rewards failure, it creates a massive new Federal reach, new Federal intervention into what even the President says should be a local decision, and wipes out those 14 million savings accounts.

I just say, one of the important features of that savings account that I think never gets talked about is the fact that every time the family opens it, from that point on, every month when they get the statement—not with their billions, but with their hundreds of dollars—every month they get it, they will be reminded of what that child needs for the school they attend.

The PRESIDING OFFICER. The time of the opponents has expired.

The Senator from Illinois has 2 minutes.

Ms. MOSELEY-BRAUN. I fear somehow that in parts of this debate we are talking at each other. That is unfortunate.

Everybody, of course, supports increased savings. That is not the issue. The question is whether or not this is education policy and whether or not we are responding to a very real need.

The relief provided in the Coverdell proposal, the $7 a year, is not going to fix a single broken window or roof. It is not going to address this issue of public schools at all. That is where this issue is joined, unfortunately.

In closing, I ask unanimous consent to have printed in the RECORD a list of the supporters of this proposal, along with a representative sample of letters, including one from a teacher in downstate Illinois.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

LIST OF SUPPORTERS

AFL-CIO. American Association of School Administrators. American Federation of State, County and Municipal Employees. American Federation of Teachers. Children's Defense Fund. Council of Chief State School Officers. Hispanic Education Coalition. National Coalition for Public Education. National Education Association. National School Boards Association. National PTA. National Urban League. Rebuild America's Schools. United Auto Workers. Union of Needletrades, Industrial and Textile Employees.

LETTER FROM DOROTHY STRICKLER

I am a teacher in a public high school in Illinois, as is my husband. We are very concerned about the physical condition of the schools in downstate Illinois, especially. My husband's school is in rural Stark County. The building is almost 80 years old. It is completely inaccessible to the handicapped. His classroom has windows which will not stay open and having an open window in a classroom with no air-conditioning is important. In order to have fresh air in the room he must climb on a chair and onto the window sill to prop a stick in the window. This is just one example of the poor conditions he must face every day when he goes to work.

As for my situation, the worst problem I face is the lack of air-conditioning. My school is in Peoria County. Our school year begins August 15 and at times the room in which I teach has a temperature of 95+ degrees. We have state-of-the-art computer technology, but no air-conditioning.

I hope the federal government can pass legislation to help school districts in this country bring their buildings up to livable standards. We have brand new jails going up all around us, but our children and teachers in the schools are trying to work in conditions no one in any other part of society would tolerate.

Sincerely,

DOROTHY STRICKLER.

NATIONAL EDUCATION ASSOCIATION,
Washington DC, March 11, 1998.

UNITED STATES SENATE,
Washington, DC.

DEAR SENATOR: On behalf of the 2.3 million members of the National Education Association (NEA), we reiterate our opposition to the "education IRAs" for private schools in S. 1133 and urge you to vote against passage of this bill or any similar provision. No modification or additional amendments to this provision, such as school construction, would change our position. Positive ideas, such as modernizing public school buildings, should not be tied to tax schemes to benefit private and religious schools.

Instead of supporting S. 1133, NEA urges you to vote for a substitute to provide tax credits to subsidize $22 billion of school modernization bonds over 10 years. These bonds would enable states and local public school districts, which serve more than 90 percent of all students, to provide safe, modern schools that are well-equipped to prepare students for jobs of the future. School modernization bonds would target one-half of the funds to schools with the greatest number of low-income children and allow states to decide where to distribute the remaining half. This would ensure that rural, urban, and suburban schools all benefit from these bonds.

The provision in S. 1133 to create tax-free savings accounts to pay for private and religious schools would do nothing to improve teaching or learning in our public schools. It would also disproportionately benefit wealthy families who already send their children to private and religious schools. The public and parents say they want federal investments to improve teacher training, promote safe schools, and establish programs to help all students reach high standards. Tax shelters, as proposed by S. 1133, would do nothing to help achieve these goals.

Further, this tax-free savings account does not guarantee parents a choice of schools. Private school admissions officers would decide which students to accept. An editorial about S. 1133 in the September 11, 1997 issue of the Christian Science Monitor stated: "Sounds innocent enough. But where does it lead? It's a small step toward positioning government behind private—most often church-related—elementary and secondary education."

NEA urges you to vote for the public school modernization bond substitute and against cloture and final passage of S. 1133 if it contains the private school tax scheme.

Sincerely,

MARY ELIZABETH TEASLEY,
Director of Government Relations.

NATIONAL PTA,
OFFICE OF GOVERNMENTAL RELATIONS,
Washington, DC, April 20, 1998.

U.S. SENATE,
Washington, DC.

DEAR SENATOR: The 6.5 million-member National PTA opposes H.R. 2646, expected to be taken up during the week of April 20th. There are two amendments the National PTA urges you to support because they would eliminate the problem of funneling public dollars into tax breaks for private and religious school participation. One of the amendments will be offered by Senator Moseley-Braun and would substitute Senator Coverdell's tax package for a proposal to

fund school construction projects designed to modernize public schools. The other amendment we urge you to support will be offered by Senator Glenn. His proposal would strike the language that allows for a tax subsidy for K–12 education, so that the tax breaks would go toward higher education accounts only.

The substitute package authorizes a tax credit for desperately needed construction and renovation. Instead of investing taxpayers' money in savings accounts that would primarily reward wealthy families, the substitute would direct federal resources to build and modernize public schools across the nation. By paying for the interest on nearly $22 billion in state and local bonds, the substitute will help ensure that children across the nation will be able to learn in safe, modern, well-equipped schools and get preparation they need to succeed in the 21st Century.

The amendment eliminating the K–12 language would still allow parents to invest $2,000 in higher education savings accounts, thus providing greater long-term financial benefits to families. According to The Joint Committee on Taxation, families who withdraw funds from the accounts to pay for primary and secondary school education will only receive an average tax benefit of $7 if their child goes to public school and $37 if their children attend private schools.

If either the substitute or the amendment do not pass, we urge you to oppose passage of H.R. 2646. Instead of using investing taxpayers' money to help a few children, we implore you to support investments in public schools that serve approximately 90% of K–12 students.

Sincerely,

SHIRLEY IGO,
Vice President for Legislation.

REBUILD AMERICA'S SCHOOLS,
Washington, DC, April 20, 1998.

Re: Moseley-Braun School Modernization Amendment to H.R. 2646 (S. 1133)

DEAR SENATOR: Rebuild America's Schools is a coalition of school districts and national organizations organized to help local communities in their efforts to modernize and build the school facilities needed to prepare our nation's students for the 21st century.

Rebuild America's Schools supports the Moseley-Braun, Moynihan, Daschle, Kennedy, School Modernization substitute amendment to H.R. 2646 (S. 1133). This amendment provides tax incentives to assist local communities in offering school construction bonds. The Qualified School Construction Bonds will enable states and school districts to offer $9.7 billion in school construction bonds in FY '99 and 2000. The Qualified Zone Academy Bonds established in the 1977 Taxpayers Relief Act also are expanded.

The need to repair, modernize and build new schools to meet rising enrollments is well documented in virtually every community in the nation. The Government Accounting Office report on the condition of America's schools established the alarming fact that over $112 billion must be invested to repair and modernize existing school facilities. State and local communities are struggling to finance school modernization programs. It cannot be done without federal support. The students educated in the local public schools of today will be tomorrow's political, economic and social leaders.

Federal support through the tax incentive programs presented in the Moseley-Braun, Moynihan, Daschle and Kennedy amendment will provide federal support in a magnitude which will help local communities renovate and build the schools they need. Decision making prerogatives and local responsibility for management of school facilities will remain at the local level. Proposals such as exempt facility bonds or private activity bonds for public schools do not provide enough resources to provide real assistance to the broad range of rural, urban and growing school districts straining to provide modern and safe school facilities for their students.

The Moseley-Braun, Moynihan amendment can generate more than $20 billion in school construction bonds. This will reach every state at a cost to the federal government of $3.3 billion over five years, according to the Joint Committee on Taxation.

The Moseley-Braun Substitute amendment to H.R. 2646 (S. 1133) commits significant federal incentives to help state and local communities provide educational facilities to enable students to thrive and prosper in the society and economy of the 21st century.

We urge your support of the substitute amendment.

Sincerely,

ROBERT CANAVAN,
Chair.

AMERICAN ASSOCIATION OF SCHOOL ADMINISTRATORS,
Arlington, VA, April 16, 1998.

Hon. CAROL MOSELEY-BRAUN,
Hart Senate Office Building,
Washington, DC.

DEAR SENATOR MOSELEY-BRAUN: The American Association of School Administrators (AASA), representing more than 14,000 public school superintendents nationwide, urges you to oppose the "A+ Savings Accounts" championed by Senators Coverdell and Torricelli. If enacted into law, this cleverly packaged voucher scheme would mark a landmark shift of the federal role in elementary and secondary education. It represents the first step in an effort to shift federal aid away from public schools, where 90 percent of American children are educated, and towards private and religious schools.

As you know, and as research and testing prove, most of the challenges that public education currently faces are related to poverty. AASA's members believe that, because of this, it is illogical for Washington to create new education programs that only wealthy taxpayers will be able to effectively utilize. As you know, AASA has designed a bold reform plan specifically aimed at impoverished local schools which incorporates ideals championed by Republicans and Democrats. AASA's members support strong, decisive, and innovative action at the federal level to improve public education; however, the Coverdell-Torricelli plan is none of these things.

We understand that Senator Dodd will offer an amendment to spend the money that would be spent on the Coverdell-Torricelli plan on the Individuals With Disabilities Education Act (IDEA). As you know, the federal government has never come close to meeting its fiscal responsibilities under IDEA. Senate Republicans have stated, and included in their budget resolution, their intent to fully fund IDEA before embarking on new education spending. AASA strongly supports fully funding IDEA, and AASA's members believe that the Dodd amendment offers an excellent opportunity to move the federal government towards meeting its commitment.

AASA also strongly supports Senator Moseley-Braun's amendment to modernize American schools and Senator Glenn's amendment to modify the Education Individual Retirement Accounts. Considering the Joint Tax Committee's estimate of the benefit to public school families from the Coverdell-Torricelli plan, the contrast between the Moseley-Braun school modernization initiative and this thinly disguised voucher plan could not be more stark.

Thank you for considering our views. AASA stands ready to assist you however we are able. Please do not hesitate to call on us.

Sincerely,

ANDREW ROTHERHAM,
Legislative Specialist.

AMERICAN FEDERATION OF LABOR AND CONGRESS OF INDUSTRIAL ORGANIZATIONS,
Washington, DC, March 17, 1998.

DEAR SENATOR: The AFL–CIO strongly urges you to oppose motions to invoke cloture and final passage of S. 1133, the Parent and Student Savings Account Plus Act. The provisions of this bill amount to nothing more than subsidized private education for children of wealthy Americans paid for by the tax dollars of the working public.

The simple truth is that the average working family will never benefit from the IRA accounts created by S. 1133. Ninety percent of American children grades K–12 attend public schools and will never benefit from IRA accounts. Because S. 1133 can be used by wealthy taxpayers making up to $160,000, 70% of the benefits from the new IRA accounts will go to 20% of the nation's wealthiest families. The average American working family with children under the age of 18 cannot accumulate the savings necessary to use the new IRA. The Joint Committee on Taxation found that 60% of taxpayers would not establish such an account.

S. 1133 does nothing to achieve educational goals that are widely agreed upon. There is no funding to facilitate higher academic standards, improved teacher training and safer schools. Instead, the bill allows scarce federal funds to be used for undefined "tutors" (including babysitters or family members) and transportation, which according to the Joint Committee on Taxation, could mean using the IRA to buy a car for a student. Equality of educational opportunity cannot be achieved by diverting funding from public schools attended by many to private schools benefiting few.

S. 1133 amounts to little more than a voucher program to defray private education costs for the children of a very small number of wealthy Americans. The AFL–CIO urges you to oppose motions to invoke cloture and final passage of S. 1133, and work with us to address the educational needs of all our children.

Sincerely,

PEGGY TAYLOR,
Director, Department of Legislation.

AMERICAN FEDERATION OF TEACHERS,
Washington, DC, April 15, 1998.

DEAR SENATOR: On April 20, 1998, the Senate will return to H.R. 2646. On behalf of 950,000 members of the American Federation of Teachers (AFT), I again urge you to vote against H.R. 2646, The Parent and Student Savings Account Plus Act, commonly called the Coverdell bill. H.R. 2646 provides a $2,000, IRA-like investment account, whose tax-free proceeds can be used to pay for private K–12 educational expenses. The American Federation of Teachers strongly opposes this bill because it is an indirect form of educational voucher that would undermine support of public schools.

H.R. 2646 will not benefit working families because they do not have the necessary discretionary income. It is an expensive bill that would provide tax breaks primarily to the wealthiest families. The Treasury Department estimated that 70 percent of the benefits will go to the wealthiest 20 percent of the nation's families, and as drafted, will increase the administrative problems of the IRS. Further, the Joint Tax Committee estimates the average benefit for public school families would be only $7 by the year 2002, and $37 for private school families.

The bill ignores the fact that almost 90 percent of K–12 students go to tuition-free public schools. For this reason, the Coverdell bill can be described as a "voucher-like" tax-free savings account that for the most part will benefit wealthy families who send their children to private schools.

While AFT does not oppose the right of parents to choose private education, we strongly oppose the direct or indirect use of publicly funded vouchers, tax credits, IRAs, or other such mechanisms to pay for private K–12 educational expenses. It is essential to have an effective public education system to realize equality of opportunity for all Americans. The way to help all schools become more effective is by implementing high academic standards, high behavioral standards, and investing in needs such as new or improved school buildings.

AFT does support the Democratic school modernization substitute for the Parent and Student Savings Account Act. The school modernization substitute would provide federal tax credits for the interest on special school modernization bonds, at a five-year cost of $5 billion. This would leverage approximately $22 billion of school modernization bonds—a modest federal contribution to the $112 billion school construction shortfall projected by the GAO.

We also support Senator Glenn's amendment to strike K–12 from the Coverdell IRA. If the Glenn amendment were adopted, the Coverdell IRA would be exclusively for higher education and not undermine support for K–12 public education.

If the Democratic School modernization amendment and the Glenn Amendment fail, the American Federation of Teachers urges you to oppose H.R. 2646.

Sincerely,

GERALD D. MORRIS,
Director of Legislation.

INTERNATIONAL UNION, UNITED AUTOMOBILE, AEROSPACE & AGRICULTURAL IMPLEMENT WORKERS OF AMERICA

Washington, DC, March 11, 1998.

DEAR SENATOR: This week the Senate may take up the proposed Parent and Student Savings Account Plus Act (S.1133), sponsored by Senator Coverdell. The UAW strongly opposes this legislation; we urge you to vote against this measure and to oppose and attempt to invoke cloture when it is taken up by the Senate.

The Coverdell bill would allow individuals to contribute up to $2,000 per year to tax-free IRA type accounts for elementary and secondary school expenses, including the expenses associated with attending private and parochial schools. In our judgment, these tax subsidies are simply private school voucher by another name. This bill would disproportionately favor privileged families who are more likely to have money to put into their IRA type accounts than are families with lower incomes. In addition, the legislation would divert urgently needed funds from public schools, thereby undermining our system of public education and encouraging well to do families to send their children to private and parochial schools.

The UAW understands that a substitute package may be offered to S. 1133 that would fund school construction projects designed to modernize public schools the UAW supports this initiative to ensure that children across the nation are able to learn in a safe, modern, well-equipped school environment. We believe that federal policies should direct limited resources into public schools where over 89 percent of American children are educated, not divert funds to private and parochial schools.

For these reasons the UAW urges you to vote against the Coverdell bill (S. 1133) and to oppose any attempt to invoke cloture on this measure. We also urge you to support the substitute proposal providing additional funds for school construction. Thank you for considering our views on these important issues.

Sincerely,

ALAN REUTHER,
Legislative Director.

AMERICAN FEDERATION OF STATE, COUNTY AND MUNICIPAL EMPLOYEES, AFL–CIO,

Washington, DC, March 13, 1998.

DEAR SENATOR: On behalf of 1.3 million members of the American Federation of State, County and Municipal Employees (AFSCME), I strongly urge you to oppose the "education IRAs" for private schools in S. 1133 and urge you to vote against passage of this bill. Instead, we urge you to vote for a substitute to be offered by Senator Carol Moseley-Braun to provide tax credits to subsidize $22 billion for school modernization bonds over 10 years. These bonds would enable states and local public school districts, which serve more than 90 percent of all students, to provide safe, modern schools that are equipped to prepare students for the future.

The provision in S. 1133 creating tax-free savings accounts to pay for private and religious schools would do nothing to improve teaching or learning in our public schools. It would disproportionately benefit wealthy families who already send their children to private and religious schools.

This tax subsidy does nothing to raise academic standards for all children, provide safe learning environments for children, provide more teacher training, or increase parent involvement in schools. Tax subsidies are private school vouchers by another name. They would divert public resources to support private education at a time when we need to do all we can to improve our public schools. Please vote against S. 1133 and for the Moseley-Braun substitute.

Sincerely,

GERALD W. MCENTEE,
International President.

HISPANIC EDUCATION COALITION,

April 20, 1998.

DEAR SENATOR: On behalf of the Hispanic Education Coalition (HEC), an ad hoc coalition of national organizations dedicated to improving educational opportunities for Hispanics and other interested organizations, we are writing to urge you to strengthen our educational infrastructure as you begin debate and votes on S. 1133. In passing transportation legislation, the Senate signaled that transportation infrastructure is of vital national interest, crucial to the economy and future development. Education is equally important. Socially, politically, and economically, education will be the determining factor in the quality of life in our nation.

Please support Sen. Carol Moseley-Braun's amendment, in the nature of a substitute, to provide critical federal resources to help states and local education agencies modernize schools and reduce class sizes. There is little disagreement that across the nation, many of our public schools are in terrible physical shape, placing our children's safety in jeopardy and cheating them of access to critical educational tools. Likewise, there is broad consensus that we are facing an acute teacher shortage that will worsen as the current teaching corps ages and the student population grows. Not surprisingly, the schools that are in the worst condition and suffer the most from teacher shortages are located in our most disadvantaged and fastest growing communities. As a nation, we can ill afford to poorly educate large segments of tomorrow's workforce. Sen. Moseley-Braun's amendment will move us toward resolving these pressing problems by leveraging local resources to build, repair and modernize schools and providing incentives that will help put more qualified teachers in our classrooms.

We also encourage you to support Sen. Jeff Bingaman's amendment to focus national attention on drop out prevention. As stated in the Hispanic Dropout Project's final report, *No More Excuses,* "For students, dropping out forecloses a lifetime of opportunities—and in turn makes it far more likely that their own children will grow up in poverty and be placed at risk. For business, this means a lack of high skilled employees, fewer entrepreneurs, and poorer markets. For communities, this cumulates the risk of civic breakdown." For the Hispanic community, with a drop out rate of nearly 30 percent, this issue is of paramount importance.

Unfortunately, two amendments that will be offered would significantly undermine our education system and could do real harm to many low-income students. Individual tax credits will not improve our educational infrastructure, put quality teachers into classrooms, nor improve the educational achievement and attainment for our students. Secondly, Federal resources that are carefully targeted are most effective. Federal education programs were created to fill gaps that local and state governments allowed to occur. Block grants would dilute the positive impact many of these programs have made in providing opportunities for disadvantaged students. Although these proposals may spark interesting political debates, they do little to help us accomplish the task at hand—ensuring that all children have access to quality education.

Sincerely,

PATRICIA LOERA,
HEC Co-Chair, National Association for Bilingual Education.

RAUL GONZÁLEZ,
HEC Co-Chair, National Council of La Raza.

On behalf of: Hispanic Association of Colleges and Universities, League of United Latin American Citizens, Mexican American Legal Defense and Educational Fund, National Association for Migrant Education, and National HEP-CAMP Association.

Ms. MOSELEY-BRAUN. This chart is a "report card" for America's infrastructure, which was put together by the American Society of Civil Engineers—not exactly a probureaucracy

group. We can see mass transit got a C; bridges, a C-minus; solid waste, a C-minus; waste water, a D-plus; roads, a D-minus; but schools got an F. We clearly have a problem.

A minimum $112 billion only begins to set up a partnership. Again, it is not the grant program that the administration opposed several years ago but a bureaucracy-free tax credit. We give local governments the help we can best give them, which is access to the tax benefits that this legislation provides. And from that assistance, from that modest assistance that we as a national community give these local governments, we will be able to go to the private sector, go to the capital markets, and raise the money to begin to grapple with this problem.

We have an "F" on schools in this country in terms of infrastructure needs. I daresay the real tragedy here is that we have not reached consensus yet that it is appropriate as a national community that we come together in a partnership, that we work together, instead of pointing fingers about what is wrong and pointing the blame and saying it is this group's fault or the local property taxpayer. We ought to work together to make certain issues like this get resolved in behalf of the children of our country and the future of this country.

The PRESIDING OFFICER. All time has expired.

Mr. COVERDELL. Mr. President, I move to table the amendment offered by the Senator from Illinois.

Mr. KENNEDY. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table the amendment of the Senator from Illinois.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Utah (Mr. BENNETT) is necessarily absent.

Mr. FORD. I announce that the Senator from New York (Mr. MOYNIHAN) is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 56, nays 42, as follows:

[Rollcall Vote No. 90 Leg.]

YEAS—56

Abraham	Cochran	Grams
Allard	Collins	Grassley
Ashcroft	Coverdell	Gregg
Biden	Craig	Hagel
Bond	DeWine	Hatch
Brownback	Domenici	Helms
Burns	Enzi	Hutchinson
Byrd	Faircloth	Hutchison
Campbell	Frist	Inhofe
Chafee	Gorton	Jeffords
Coats	Gramm	Kempthorne
Kyl	Nickles	Snowe
Lieberman	Roberts	Stevens
Lott	Roth	Thomas
Lugar	Santorum	Thompson
Mack	Sessions	Thurmond
McCain	Shelby	Torricelli
McConnell	Smith (NH)	Warner
Murkowski	Smith (OR)	

NAYS—42

Akaka	Feingold	Lautenberg
Baucus	Feinstein	Leahy
Bingaman	Ford	Levin
Boxer	Glenn	Mikulski
Breaux	Graham	Moseley-Braun
Bryan	Harkin	Murray
Bumpers	Hollings	Reed
Cleland	Inouye	Reid
Conrad	Johnson	Robb
D'Amato	Kennedy	Rockefeller
Daschle	Kerrey	Sarbanes
Dodd	Kerry	Specter
Dorgan	Kohl	Wellstone
Durbin	Landrieu	Wyden

NOT VOTING—2

Bennett	Moynihan

The motion to lay on the table the amendment (No. 2292) was agreed to.

Mr. COVERDELL. Mr. President, I move to reconsider the vote.

Mr. ROTH. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. COVERDELL. Mr. President, I ask unanimous consent that the Wellstone and Gregg amendments no longer be in order under the consent agreement of March 27 and prior to third reading Senator WELLSTONE be recognized for up to 15 minutes under his control and Senator GORTON for up to 15 minutes under his control and Senator HARKIN for up to 15 minutes under his control.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BIDEN. Mr. President, will the Senator yield for a minute?

Mr. COVERDELL. I yield.

Mr. BIDEN. Mr. President, I wanted to explain the reason I voted the way I did on the last amendment. I strongly support Senator MOSELEY-BRAUN's amendment and approach.

The PRESIDING OFFICER. The Senate will be in order so the Senator from Delaware can be heard.

The Senator from Delaware.

Mr. BIDEN. Once again, Mr. President, as often occurs here, we are presented with Hobson's choices. As I said, I have strongly supported and continue to support the school construction initiatives of Senator MOSELEY-BRAUN, but her amendment should have been added to the bill, not given as an alternative to it. In order to vote for her amendment, I would have had to vote against the guts of the Coverdell bill. I support the essence of what Senator COVERDELL is doing. So I voted against Senator MOSELEY-BRAUN's amendment, although I strongly support it and think we need to invest considerable amounts of money in school construction.

I conclude by saying I only wish it had been an add-on to the Coverdell bill, not in place of the Coverdell bill.

I thank the Chair.

Mr. COVERDELL. Mr. President, I thank the Senator from Delaware for his remarks.

Mr. President, I ask unanimous consent that debate only be in order for the remainder of the session of the Senate today to be equally divided between the majority and minority leaders or their designees.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. COVERDELL. Mr. President, in light of this agreement, I announce on behalf of the majority leader there will be no further votes this evening.

I yield the floor.

Mr. WELLSTONE addressed the Chair.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. WELLSTONE. I thank the Chair.

Mr. President, I say to my colleagues that I will try to be relatively brief.

I wish to speak to the agreement that the Senator from Georgia had announced. Senator GREGG had an amendment that he wanted to bring to the floor dealing with IDEA. Many of us were concerned about his amendment. From my point of view, this was an amendment that I believe threatened to undercut some of what I think has really been rich and important about IDEA.

That is my own view. Many people in the disabilities community, many parents of children are worried about it as well. IDEA is really a pretty wonderful breakthrough for many families because up until the mid seventies—I know Senator HARKIN will speak about this later—there were about 8 or 9 million children, many of whom felt shut out from the schools. The concern we had was that this amendment might turn the clock back. We did not want that to happen. It was our view it wasn't a question of it might turn the clock back; we were worried that it would. I guess the agreement we have reached is that now Senator GREGG is going to withdraw the amendment.

I now want to speak about the amendment I am withdrawing. I want to say to parents and people in the disabilities community, especially in my State of Minnesota, that I have withdrawn this amendment reluctantly, but I understand their concern, and people really kind of got to my heart because there was a tremendous amount of concern about this amendment and I care fiercely about IDEA. I thought last year we had reached a good bipartisan consensus. I think this amendment by Senator GREGG is mistaken. I am glad it is now withdrawn. And when Senator HARKIN—who is one of my really close friends here, somebody whom I have a tremendous amount of respect for and who has been probably, I think, just a giant in the Senate when it comes to issues that affect the disabilities community—said that he thought this

agreement would put his mind at ease, then I so agreed.

Mr. President, I will therefore offer the amendment that I had initially had to the Coverdell bill to the higher education bill, which makes a great deal of sense because that is really what this is about. I think we can get a majority vote for this because this amendment is very reasonable. Some Senators, such as Senator FORD from Kentucky, Senator LEVIN from Michigan, Senator DURBIN from Illinois, who are among the original cosponsors, voted for the welfare bill. I voted against the welfare bill, but that is not what this amendment is about. What this amendment says is that we really have to fix the welfare bill. We have to make a modification here because what's happening around the country is that too many States are put in a position, in order to meet the work participation requirements, of essentially saying to single parents, almost all of them women with small children, you have to leave school and take a job even if that job is maybe a $6-an-hour job, and then a year later they will be worse off because they don't receive any health care benefits.

This is shortsighted, and I do not think anybody intended this to happen. What this amendment will say, I say to my colleague from Georgia, is it will leave it up to States. There is no mandate at all. It will just say that if the State of Minnesota—and I think my State certainly wants to do this, or the State of Georgia or the State of Kentucky so decides—the States can say to us, "Look, we would like to be able to give these parents, these women, 2 years of higher education because they are on the path to economic self-sufficiency." Why would you want to take them off that path?

These are the parents who have the best chance of completing at least 2 years of school and then obtaining a living wage job and doing better for themselves and their children, and that this would not count against the work force participation requirements that States now have to meet. It would leave it entirely up to the States, but it would at least give States that option.

I think my colleagues will be hearing from a lot of Governors and a lot of States and the higher education community. I think it makes all the sense in the world.

This surely is not what we intended. I do not think we intended, under the framework of what is called welfare reform, to put States in a position where States have to say to all too many women, "Look, you have to leave school." We ought to let these parents complete the school and, therefore, they are going to do much better for themselves and much better for their children as well.

Mr. President, I, therefore, want to make it clear that I will offer this amendment. I see my colleague, the chairman of our Labor and Human Resources Committee, Senator JEFFORDS, here. I wanted to do it on this bill, but we got into this impasse. I care about IDEA. I didn't want us to have some acrimonious debate and a lot of ill will. So I am withdrawing the amendment; Senator GREGG is withdrawing his amendment. Therefore, I will look for another vehicle.

The higher education bill is going to come before us. It is a good bill, a bipartisan bill. This amendment, I promise colleagues, is as reasonable as it can get. There is no reason in the world why we would want to put States in a position and put too many parents in a position of not being able to complete 2 years of education. It certainly would make a huge difference to them.

Just one other word. I gather that we are going to talk about IDEA, and Senator GREGG or Senator GORTON is going to want to come to the floor and speak about that, and Senator HARKIN can respond to what they have to say. For my own part, I thought we had a really strong agreement on IDEA. I think we should stick to that. It is a bipartisan agreement. It is important to make sure that children who are disabled have equal opportunities. I would hate to see us weaken this very, very important step that we have taken as a Senate. We will not be dealing with that debate tonight. But this amendment on higher education will be there.

I also want to say one other thing to my colleagues, and then I will finish.

Again, please look at the evidence that is coming in. What you are going to see with the welfare bill is that in all too many cases, we have now seen a reduction in the caseload, that is true, but it does not equal the reduction of poverty, which is where we should be heading. Too many of these parents are finding jobs, but they pay barely minimum wage without any health care benefits.

In addition, the child care arrangements are really rather frightening, and too many small children, prekindergarten children, are not receiving good developmental child care. Too many children who are age 4 are home alone, and too many children are going home from school alone.

We really have to look at what is happening, because a year from now or 2 years from now or 3 years from now, depending on the States, there is going to be a drop-dead date certain, and there will be no assistance. We have to know whether these families are reaching economic self-sufficiency, and the best way these families can do that is for that mother to be able to get an education.

If we want real welfare reform or we want to reduce poverty or we want to have a stable middle class in our country, there is nothing more important to do than to make sure that we focus on a good education and a good job. That is what this amendment is about.

I thank my colleague from Georgia for his graciousness. I hope when I offer this amendment there will be good, strong support. I yield the floor.

Mr. COVERDELL addressed the Chair.

The PRESIDING OFFICER (Mr. Smith of Oregon). The Senator from Georgia.

Mr. COVERDELL. Mr. President, I appreciate the comments by the Senator from Minnesota and the accord and cooperation by all parties concerned in facilitating the debate on this education proposal. I thank my colleague for his comments.

Because of the large number of amendments on this measure, it has been difficult at times for Senators to know when they might make a comment. Senator GRAMS has been here most of this afternoon. Now that we are in this open period—and I know Senator JEFFORDS also was here—I hope that some accord can be shown our two colleagues who have been waiting to make a comment.

Mr. President, I yield the floor.

Mr. GRAMS addressed the Chair.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. GRAMS. Thank you, Mr. President. I wanted to take a few minutes this afternoon to rise and speak in support of Senator COVERDELL's education bill, S. 1133.

Mr. President, today the Senate continues its debate on this very important bill, a bill that is really out to promote education alternatives. It is a far-reaching bill which advances educational options, one which promotes quality education where it can best be achieved and that, Mr. President, is at the local level and by family involvement. It is sound policy, and I believe it is long overdue.

S. 1133, the Parent and Student Savings Account Plus Act, is a modest bill, but it is a very important step forward for restoring decisionmaking authority in the hands of parents and families and, again, this is where that authority belongs.

The heart of this bill is simply a measure that would allow families to save for their children's education and without tax penalty.

S. 1133 is the Senate's version of the education IRA which has already passed in the House. The bill, commonly referred to as the A+ savings accounts, would expand the college educational savings accounts established in the Taxpayer Relief Act of 1997, and that would then include primary and secondary education as well.

A+ accounts would also increase the maximum allowable annual contributions from $500 to $2,000 per child. The money could be used without tax penalty to pay for a variety of education-related expenses for students in K through 12, as well as college expenses.

A number of mega-dollar, pumped-up political Band-Aids are being offered in the form of amendments to the A+ accounts legislation. It would be nice to think that we could solve the problem of education by just spending more and more money, but unfortunately, that does not work. The United States is the world leader in national spending per student.

Again, the United States is the world leader in national spending per student. Yet, our test scores show that our system is failing our children. Test results released in February show that American high school seniors scored far below their peers from other countries in math and science. Education Secretary Riley called the scores "unacceptable" and indicated that schools are failing to establish appropriate academic standards.

Legislation like A+ accounts would help direct responsibility and accountability, again, where it belongs—at the family level where families can make decisions and take responsibility for their children's education. The A+ accounts legislation includes many important legislative initiatives beyond the savings accounts. For instance, it fosters employer-supported education for employees by extending the tax credit to the year 2002. I hear time and time again employers are desperate for well-trained employees, and this legislation allows them to continue to provide that training.

Graduate level courses would be permitted under this exclusion as well as undergraduate courses. If we are ever going to be able to tackle the shortage of high-tech employees, this tax incentive is very crucial.

Additionally, the A+ accounts bill would assist local governments in issuing bonds for school construction by increasing the small-issuer exemption from $10 million to $15 million, provided that at least $10 million of the bonds are issued to finance public schools.

It is estimated that 600 schools would be improved under this legislation. Our bill also provides tax-free treatment for students who receive National Health Corps scholarships. Students can thereby exclude the scholarship value from their taxable income. That would provide further important education assistance when it is most needed.

A complimentary amendment to the A+ accounts is the Investment in America's Future bill. That was Senator GORTON's block granting amendment. Under this bill, most federally funded K–12 programs, except for special education, would have been consolidated and the dollars sent directly to local school districts—free from the usual Washington red tape. This would have ensured our education dollars would go to students, as opposed to going to bureaucrats. The Gorton amendment was not a cutting measure.

The bill maintained that if Federal funding were to fall below the levels agreed to in the 1997 budget agreement, then the program would revert back to funding categorical programs.

Mr. President, there are a number of additional amendments, crucial for education, which greatly enhance the core A+ accounts legislation. The teacher testing and merit pay amendment would serve to retain competent teachers by providing incentives to States to implement programs geared at rewarding successful, high-quality teachers.

The Coats amendment would increase to 110 percent deductions that individuals and families could take on charitable contributions to schools and programs aimed at poor children.

Another important amendment would expand literacy programs that are so important to assist in poverty areas. So this simple and modest bill fosters education through families, through employers, and through local governments. We could accomplish so much through the A+ accounts package.

Common sense would have had us pass these measures a long time ago. But, unfortunately, tired, groundless attacks continue to hang on. And the charge I hear most frequently is that "education savings accounts and tax breaks for parents would shift tax dollars away from public schools." That simply is not the case.

More education dollars under parental control would actually promote education by encouraging parents to save, to invest in, and support programs and materials that facilitate and help provide the right option for a child's education. Nothing, Mr. President, would be taken away from public education resources—nothing.

The A+ accounts help working families by encouraging savings and enabling families to make plans which shape a child's future. They are directed at low- and middle-income families, not at the wealthy families which currently have more educational options for their children.

It seems ironic to me that some of the loudest opponents of these savings accounts are high-income and high-option individuals who can now afford to send their own children to private schools—and often do.

According to the Joint Committee on Taxation, the great majority of families expected to take advantage of the education savings accounts are families that have incomes of $75,000 or less. These are the families who need those savings options and need the incentives the most.

So, Mr. President, the bill provides educational alternatives for working families. These are very important options to improve the education of our children. I urge my colleagues to join in and support this very important education initiative.

Thank you very much, Mr. President. I yield the floor.

Mr. JEFFORDS addressed the Chair.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. JEFFORDS. I yield myself 15 minutes.

The PRESIDING OFFICER. The Senator is recognized.

Mr. JEFFORDS. Mr. President, we just finished a vote on the controversial Moseley-Braun amendment related to school construction. There is no question about the tremendous school infrastructure needs throughout this Nation. Well over $180 billion are necessary to bring the schools up to some appropriate standard.

However, as was very aptly pointed out, and no doubt was one reason that the amendment was defeated, it is States that have the primary responsibility for that construction. It is not a constitutional responsibility of this body.

I just bring to the attention of the body a chart that was discussed earlier today. Quoting the words of the Clinton administration:

> The construction and renovation of school facilities has traditionally been the responsibility of state and local governments, financed primarily by local taxpayers. We are opposed to the creation of a new Federal grant program for school construction.

I want people to keep that in mind when they consider what I have to say.

Under the Constitution, the District of Columbia, the Capital of the United States, is, in the view of Congress, at least in the writings, are our responsibility as a state legislature is to a State. We, the Members of the Congress of the United States, are responsible for the infrastructure of this city and its school system. And we should be ashamed of our negligence in that regard. The neglect did not occur over a few years; it has occurred over decades.

So, the deficit in the school infrastructure is the responsibility of all of those who have been in power, whether it was the local governments to whom we gave the power in the 1970s and 1980s or whether it was the Congress that was in power before that. Everyone has neglected the school infrastructure. There is no question that the Nation's Capital, for which Congress is responsible, has one of the worst school infrastructures in the Nation.

Again, this fall, the DC schools did not open on time. How that happened is another story that could be discussed some other time. But the bottom line is that it was because of the dilapidated conditions of the schools. The students marched to make us all aware of what was happening.

I now show you a chart that appeared as a photograph in the Washington Post on Wednesday, October 8th, in which the students say, "Why should students suffer for adult incompetence?" It should be "For congressional incompetence," because we are

responsible for those schools being closed. The question is, what should we do about it?

I voted against the Moseley-Braun amendment because I felt that that money, which would be more than adequate to fix up the D.C. schools, should be utilized for that purpose. I am not pushing this issue right now for this reason: Last year, I raised the issue of funding the construction of the DC public schools to bring them up to standard. I almost got $1 billion in the Finance Committee. That effort failed by one vote. We did end up with $50 million coming out of the Senate. But in the reconciliation bill, even the $50 million was dropped.

Why? Because it was said that there were better programs to be financed by the Federal Government to help the District of Columbia than to help the school system. I violently disagree with that. At the same time, the Director of OMB said that he would work with me this year to find the money for the schools, as did other members of the Finance Committee. The members of the conference committee also said that they would help. Thus I have formed a working group with the OMB Director, Frank Raines, and other Members of both the House and the Senate, and we will be working over the next month or two to be able to try to find out what we can do to make sure that these schools get brought up to proper standards.

Congress is not meeting its obligation. The infrastructure repair requirements—just to bring schools up to modern standards—is $2 billion. That is with a "b," $2 billion, to give the students in this city the necessary funds to fix up the schools. The District is the size of a small State—population-wise, about the size of Vermont. That we are not able to help these kids is a travesty. There is no excuse for that.

Also, if you want to look at the D.C. schools compared to the rest of the country, we have a chart. The red bar is where D.C. is on critical areas in need of repairs, and the yellow is the national average.

The national total is $180 billion necessary to bring schools up to proper standards—not very good. But if you compare the national average with the D.C. schools, my God, look at that. Exterior walls and windows, 72 percent of DC schools are inadequate. The national average is 27 percent. Sixty-seven percent of the roofs on the schools in this city are in bad need of repair, 65 percent of the heating and ventilation needs repair, and 65 percent of the plumbing needs repair. Electrical lighting, 53 percent. That is just not acceptable. We should be ashamed.

It is our responsibility to make sure that those repairs are made. However, not only have we not done that, but in 1974 when we created home rule, we prohibited the District from raising its own money from the most likely source to repair its schools. How did we do that? Well, the Senators from Virginia and Maryland very cleverly put a provision in the act that says the District cannot tax the income of nonresident workers. Every State in the Union that has a tax on income, taxes the income of nonresidents.

Every city in a multistate area that has an income tax also taxes the income of nonresidents. So in prohibiting a commuter tax in DC, we have precluded District residents from generating the revenues to improve the physical infrastructure of the schools. The District has to have a revenue stream to be able to raise the bonds in order to pay for the school repairs.

We in Congress have the responsibility to repair the schools, and we have prevented the local government from raising the money using the most logical source to fix those schools.

What must we do? We have a number of options. I first point out that the closing of the schools this past fall demonstrates the necessity of funding the school repairs. In this regard, I want to clear up something for the record. A lot of blame has been heaped on General Becton, the school superintendent. Actually, what happened was that the citizen's group, Parents United, brought a lawsuit to ensure proper repairs while some repairs were already in process of being made. The work was planned so the schools wouldn't have to be closed, but the judge, who got fed up with city's inability to repair the schools, said, "No, you are not going to open the schools until you complete the repairs." This then created a panic, because the school administrators had to search all of a sudden to find contractors to get the schools fixed to then get the schools re-opened. That process, as a subsequent GAO analysis showed, ended up adding expense to the renovation process.

It is important for us to recognize that before we go home this year, before we fix schools in other areas, it is our responsibility to fix the schools of this city. We are constitutionally responsible. I am hopeful that in the days ahead, when our DC schools working group meets, our task will be to figure out how Congress is going to find the necessary $2 billion in the years ahead, either through some revenue stream created for the District or by utilization of Federal funds. We have to do that. We cannot allow this travesty to continue for the young people of D.C. when we have a constitutional responsibility to fix their schools.

I am hopeful that as we go forward, we will be able to work together, both sides of the aisle, to find a solution to this inexcusable travesty for the young people of Washington.

I want to make sure that my colleagues understand that what I have said is valid. First, we have a letter from Dr. Brimmer, the head of the control board, which indicates that it is impossible to create a revenue stream for the DC schools under the present fiscal situation of the city, nor does the school district have the authority to create a dedicated revenue source. Therefore, it would be necessary for Congress to do something to acquire the necessary money for construction and repairs of the school system.

I ask unanimous consent that this letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DISTRICT OF COLUMBIA FINANCIAL RESPONSIBILITY AND MANAGEMENT ASSISTANCE AUTHORITY,

Washington, DC, February 9, 1998.

Hon. JAMES M. JEFFORDS,

Chairman, Committee on Labor and Human Resources, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: I appreciate your continued support of the District of Columbia Public Schools (DCPS) and the opportunity to provide you with information on the outlook for the DCPS capital program.

Simply put, the school system must rely upon the District of Columbia government for its capital improvement funds and the City government's related bonding capacity. The General Services Administration has estimated the total cost of repairing and improving the District's educational facilities at more than $2 billion. Years of deferred maintenance have left the DCPS education facilities in a state of extreme disrepair.

District school officials estimate that between $20 million and $30 million may be realized from the sale of former school properties in the next year. All of the proceeds from these sales will be used for school capital improvements. While these funding sources are substantial, they are finite infusions. Recent additions of capital improvement funds, principally through your efforts, from the privatization of Connie Lee and Sallie Mae, have raised $18.25 million and $36.8 million, respectively. These have greatly enhanced the capital program. However, the sums made available through these means, even when added to the District's current annual capacity to borrow for school repairs and improvements, are woefully inadequate. They do not fully fund the program developed to bring the DCPS facilities into the new millennium.

In February, 1997, the DCPS issued its first Long Range Facilities Master Plan covering the years 1997 through 2007. This plan, updated in July, 1997, sets out goals and plans for emergency repairs, right sizing, stabilization, and modernization of the District's public school facilities. Without additional resources, which are not now in sight, this program cannot be fully implemented, and its goals (including equipping schools with modern technology) cannot be achieved.

The only continuing source of funding available to the District is its annual capital borrowing program. This source must bear not only a school repair burden, but also the significant infrastructure needs, including the requirements of roads and bridges, of the rest of the District government. This capital program has been limited to approximately $150 million for the entire city in recent years. This is due to the District's statutory limitation on the amount of debt, as a percentage of total revenue, that the city is allowed to carry. Given this limitation, and

past commitments to the Washington Metro system, the District can only afford to commit approximately $30 million to public school capital annually, while the annual capital improvement need is well in excess of $100 million.

The Authority continues to evaluate alternatives, including a non-profit corporation financing vehicle and a dedicated revenue stream. However, to date none of these alternatives appears to achieve the needed capital funds flow to DCPS without a negative effect on the City's other capital needs. It is also important to note that, for fiscal year 1997, the Federal government provided a Federal Payment (in-lieu-of-taxes) to the Nation's Capital. The District of Columbia Revitalization and Self-Government Improvement Act of 1997 (Revitalization Act) repealed the authorization for such a payment and replaced it with a Federal Contribution of $190 million for fiscal year 1998, with no specific authorization beyond that year. The President's budget for fiscal year 1999 makes no request for the Federal Contribution. This puts further stress on the District's revenue sources and amounts that can be obtained through a capital borrowing program.

Your efforts on behalf of the District's school children is recognized and appreciated by this District's citizens and leaders. I hope that this information will be useful to you.

Sincerely yours,

ANDREW F. BRIMMER,
Chairman.

Mr. JEFFORDS. In addition, I ask unanimous consent to have printed in the RECORD the testimony of Professor Raskin from hearings I held in January. It addresses the constitutionality of Congress' responsibility for those schools. As a constitutional scholar, his testimony justifies what I think has become obvious from the debate, that the Congress has a responsibility to provide for the D.C. schools infrastructure.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[Attachment 1A]

TESTIMONY OF PROFESSOR JAMIN B. RASKIN BEFORE THE SENATE LABOR AND HUMAN RESOURCES COMMITTEE, JANUARY 13, 1998

The Constitution confers on Congress the same powers over the District of Columbia that states have within their domains. In 1899, the Supreme Court stated that Congress "may exercise within the District all the legislative powers that the legislature of a state might exercise within the state . . . so long as it does not contravene any provision of the constitution of the United States."[1] In 1932, the Court found that the District Clause endows Congress with "all the powers of legislation which may be exercised by a state in dealing with its affairs, so long as other provisions of the Constitution are not infringed."[2]

Thus, Congress has a structural responsibility for education in the District, and this is a responsibility that must be executed in a constitutional way. In 1954, when the Supreme Court struck down racial segregation in public schools in the states as a violation of the Fourteenth Amendment, it also struck down racial segregation in public schools in the District of Columbia as a violation of the Fifth Amendment. This was *Bolling v. Sharpe*,[3] the unsung companion case to *Brown v. Board of Education*, which ended a century of Congressional segregation of public schools in D.C. and malign neglect of the black population.

Even after *Bolling v. Sharpe*, however, Congress oversaw a system of what federal District Court Judge J. Skelly Wright in 1967 called "racially and socially homogeneous schools" that "damage the minds and spirits of all children who attend them" and "block the attainment of the broader goals of democratic education."[4] In *Hobson v. Hansen* that year, the court found that the Congressionally-appointed school board, which had a maximum quota of three black members of nine (later changed to four), had effectively segregated the schools by race and class and created "optional zones for the purpose of allowing white children, 'trapped' in a Negro school district to 'escape' to a 'white' or more nearly white school, thus making the economic and racial segregation of the public school children more complete than it would otherwise be under a strict neighborhood assignment plan."[5]

The *Hobson* court also found that teachers and principals were assigned according to their race and the race of their students, that a tracking system was used to divide students according to race and class and consigned many students to an inferior and demeaning education, and that reading scores fell increasingly behind the national norm in each grade.[6]

Thus, although Congress clearly has an ultimate constitutional responsibility for schooling in the district, it is one that it has not generally lived up to, except by court order. Even now, we see that the Emergency School Board of Trustees, appointed by the Control Board, is an illegally created body. So now would be a good time to figure out how Congress can best fulfill its very real obligations to the District and its children.

On this question, I just have two quick points. First, unlike the citizens of the fifty states, residents of the District have no state constitution to fall back on in order to demand equality of resources and excellence of result in the educational process, something that has taken place in dozens of states. Thus, as you know, the Supreme Court's decision in *San Antonio v. Rodriguez*,[7] holding that education is not a fundamental right and that disparate funding of schools does not violate Equal Protection, is the barren and controlling constitutional framework for the District. This makes it all the more important that Congress try to take the rights of the people and the needs of the children seriously. As the Court put it in *Brown v. Board*, "education is perhaps the most important function of state and local governments."

But, second, this is a delicate matter since education, as the Court observed in *Rodriguez*, is also a public function jealously guarded by local governments, one in our nation's history that has been traditionally the province of the local community itself. So, Congress must also act with maximum respect and deference for the wishes of the local population, the American citizens who live there. Thus, your presumption should be that matters of fundamental educational policy should be decided by the local school board and elected officials so long as they do not implicate an independent federal interest that would justify congressional action under the District Clause. On matters of proposed departures from existing educational policy, such as the school voucher proposal currently in play, Congress should allow the District of make up its own mind in the way that every other locality in America is getting to choose for itself. Nothing could be more averse to the spirit of federalism, democratic government and local control over education than to have members of Congress elected from other jurisdictions deciding such basic matters for the people of the District themselves.

We must never forget that the District is part of America and its citizens have all the rights of other Americans. In 1933 in *O'Donoghue v. United States*,[8] Justice Sutherland recited explained why District residents may not be treated as second-class citizens:

"It is important to bear constantly in mind that the District was made up of portions of two of the original states of the Union, and was not taken out of the Union by cession. Prior thereto its inhabitants were entitled to all the rights, guaranties, and immunities of the Constitution, among which was the right to have their cases arising under the Constitution heard and determined by federal courts created under, and vested with the judicial power conferred by Article 3. We think it is not reasonable to assume that the cession stripped them of these rights, and that it was intended that at the very seat of the national government the people should be less fortified by the guaranty of an independent judiciary than in other parts of the Union."

Justice Sutherland quoted the Court's opinion in *Downes v. Bidwell*[9] to the same effect, emphasizing that the District clause had not subtracted constitutional rights from people who already had them as citizens of states:

"This District had been a part of the states of Maryland and Virginia. It had been subject to the Constitution, and was a part of the United States. The Constitution had attached to it irrevocably. There are steps which can never be taken backward. * * * The mere cession of the District of Columbia to the Federal government relinquished the authority of the states, but it did not take it out of the United States or from under the aegis of the Constitution. Neither party had ever consented to that construction of the cession. If, before the District was set off, Congress had passed an unconstitutional act affecting its inhabitants, it would have been void. If done after the District was created, it would have been equally void; in other words, Congress could not do indirectly, by carving out the District, what it could not do directly. The District still remained a part of the United States, protected by the Constitution."[10]

Thus, in closing, I would say that you walk a tightrope here, the way that all states do when the get involved in the essentially local issue of education. On the one hand, you have a basic constitutional and indeed moral responsibility to see to it that excellent education for effective democratic citizenship is made available to all children in the District regardless of race, ethnicity, language, income, social status, geography, and disability. On the other hand, as much as possible, you must respect the basic American principles of local control over education, democratic participation, and one person-one vote. These I would see as your basic constitutional responsibilities.

FOOTNOTES

[1] *Capital Traction C. V. Hof.*, 174 U.S. 1, 5 (applying the Seventh Amendment right to jury trial to the District of Columbia).

[2] *Atlantic Cleaners & Dyers v. U.S.*, 286 U.S. 427, 435 (finding that Congress, like a state, has power under the District Clause to criminalize local conspiracies in restrain of trade in the District of Columbia).

See footnotes at end of article.

[3] 347 U.S. 497 (1954).
[4] *Hobson* v. *Hansen*, 269 F.Supp. 401 (1967).
[5] *Id.* at 406.
[6] *Id.*
[7] 411 U.S. 1 (1973).
[8] 289 U.S. 516, 544 (finding that the local courts of the District of Columbia are Article III courts for constitutional purposes, unlike territorial courts which "'are incapable of receiving [Article III judicial power].'").
[9] 182 U.S. 244 (1901).
[10] *O'Donaghue*, 289 U.S. at 541 (quoting *Downes*, 182 U.S. at 260–61).

Mr. JEFFORDS. Also, for those who have additional interest in this issue, I ask unanimous consent to have printed in the RECORD a list of all the States that have an income tax and whether or not those states tax the income of nonresidents. I also ask unanimous consent to have printed a list with similar information about cities that impose taxes on nonresidents. It shows that every city in a multistate area that has an income tax also taxes the income of nonresidents.

Somebody may point out that Baltimore does not, but Baltimore, as you know, is flanked on two sides by water and on two other sides by the State of Maryland. It cannot therefore be construed as a city in a multistate area.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

MAY 21, 1979.

[Attachment 4B]

THE LIBRARY OF CONGRESS, CONGRESSIONAL RESEARCH SERVICE

STATES WHICH HAVE A NONRESIDENT INCOME TAX

Alabama: Nonresidents taxed on income from property owned or business transacted in the State (Sec. 40–18–5).

Alaska: Nonresidents taxed on income attributable to Alaska sources (Sec. 43–20–035) Tax repealed Jan. 1, 1979.

Arizona: Nonresidents taxed on income from activities or sources within the State (Sec. 43–102).

Arkansas: Nonresidents taxed on income from property owned and businesses, trade or occupation transacted within the State (Sec. 84–2003).

California: Nonresidents taxed on income from sources within the State (Sec. 17951).

Colorado: Nonresidents taxed on income derived from sources within the State (Sec. 39–22–110).

Connecticut: No income tax. Tax subsequently instated. Nonresidents taxed on income derived from or connected with sources within the State.

Delaware: Nonresidents taxed on income derived from Delaware sources (Sec. 1102).

District of Columbia: Nonresidents are not taxed.

Florida: No income tax.

Georgia: Nonresidents are taxed on income derived from certain specified activities carried on in the State including from employment, business, trade (Secs. 92–3003, 92–3112).

Hawaii: Nonresidents taxed on the income derived from Hawaii sources (Sec. 235–4).

Idaho: Nonresidents taxed on income from certain specified activities within the State (Sec. 63–3027A).

Illinois: Nonresidents taxed on income attributable to certain activities within the State (Ch. 120 Sec. 3–301 through 304).

Indiana: Nonresidents taxed on income derived from Indiana sources (Sec. 6–3–2–1).

Iowa: Nonresidents taxed on income derived within the State (Sec. 442.5 and 422.6).

Kansas: Nonresidents taxed on income derived from Kansas sources (Sec.

Kentucky: Nonresidents taxed on income derived from sources within Kentucky (Sec. 141.020).

Louisiana: Nonresidents taxed on Louisiana income (Sec. 47–291, 47–293).

Maine: Nonresidents taxed on income derived from sources within Maine (Sec. 5140, 5142).

Maryland: Nonresidents taxed on income from tangible personal property permanently located in Maryland, income from a trade or business or occupation carried on the Maryland, and State lottery prizes (Sec. 287).

Massachusetts: Nonresidents taxed on income derived from sources within the State (Sec. 5A).

Michigan: Nonresidents taxed on income allocable to sources within Michigan (Sec. 206.51, 206.110).

Minnesota: Nonresidents taxed on income allocable to sources within Minnesota (Sec. 290.01).

Mississippi: Nonresidents taxed on income derived from sources within Mississippi (Sec. 27–7–5, 27–7–23).

Missouri: Nonresidents taxed on income from sources within Missouri (Sec. 143.041).

Montana: Nonresidents taxed on income derived from property owned and business carried on in Montana (Sec. 15–30–105).

Nebraska: Nonresidents taxed on income attributable to Nebraska sources (Sec. 77–2715).

Nevada: No income tax.

New Hampshire: No income tax (only interest and dividends).

New Jersey: Nonresidents taxed on certain categories of income earned or acquired in New Jersey (Sec. 54A:5–5).

New Mexico: Nonresidents taxed on income derived from property or employment in New Mexico (Sec. 7–2–3, 7–2–7).

New York: Nonresidents taxed on income derived from New York sources (Sec. 632).

North Carolina: Nonresidents taxed on income derived from North Carolina sources (Sec. 105–136).

North Dakota: Nonresidents taxed on income from property owned or business conducted in North Dakota (Sec. 57–38–03).

Ohio: Nonresidents taxed on income earned or received in Ohio (Sec. 5747.02).

Oklahoma: Nonresidents taxed on Oklahoma taxable income (Sec. 2362).

Oregon: Nonresidents taxed on income from Oregon sources (Sec. 316.037).

Pennsylvania: Nonresidents taxed on income from Pennsylvania sources (Sec. 7302).

Rhode Island: Nonresidents taxed on income from Rhode Island sources (Sec. 44–30–32 and 33).

South Carolina: Nonresidents taxed on income from property or business in South Carolina (Sec. 12–7–20 and 210).

South Dakota: No income tax.

Tennessee: No income tax (just dividends).

Texas: No income tax.

Utah: Nonresidents taxed on income from Utah sources (Sec. 59–14A–6).

Vermont: Nonresidents taxed on Vermont income (Sec. 5811, 5823).

Virginia: Nonresidents taxed on Virginia taxable income (Sec. 58–151.013).

Washington: No income tax.

West Virginia: Nonresidents taxed on income derived from West Virginia sources (Sec. 11–21–32).

Wisconsin: Nonresidents taxed on income derived from Wisconsin (Sec. 71.01).

Wyoming: No income tax.

MARINE B. MORRIS,
Legislative Attorney,
American Law Division.

[Attachment 4D]

TABLE 1.—SELECTED LARGE CITIES WITH AN INCOME TAX ON NONRESIDENTS: TAX RATE ON RESIDENTS AND NONRESIDENTS AND TYPE OF TAX BASE

[Cities listed alphabetically by state]

City	Resident rate (percent)	Nonresident rate (percent)	Tax base
Birmingham, AL	1.0	1.0	Earned income.
Los Angeles	0.825	0.825	Employer payroll or business gross receipts.
San Francisco, CA	1.50	1.50	Do.
Wilmington, DE	1.25	1.25	Payroll/earned income.
Indianapolis—Marion Co., IN.	0.7	0.175	State AGI.
Louisville, KY	2.2	1.45	Occ. lic. tax on wages and net profits.
Detroit, MI	3.0	1.5	Income earned and received in the city.
Kansas City	1.0	1.0	Nonresidents taxed on earnings or net profits from activities conducted in the city.
St. Louis, MO	1.0	1.0	Do.
Newark, NJ	1.0	1.0	Employer payroll tax.
New York	2.7–3.4	(1)	State taxable income.
Yonkers, NY	15.0	0.5	Net state tax.
Akron	2.0	2.0	(2).
Cincinnati	2.1	2.1	(2).
Cleveland	2.0	2.0	(2).
Dayton	2.25	2.25	(2).
Warren, OH	1.75	1.75	(2).
Philadelphia	4.86	4.2256	Earned income and net profits.
Pittsburgh, PA	2.875	1.0	Do.

[1] 0.45 wages/.65 self-employment.
[2] Earned compensation and net profits of unincorporated business.

Mr. JEFFORDS. There is no excuse for our inability to fulfill our responsibility to make sure that these schools are brought up to code compliance and modern standards.

I yield the floor.

Mr. GORTON. Mr. President, just a few moments ago, the manager of this bill had a vehicle for a wide-ranging debate over Federal education policy and received unanimous consent to withdraw from consideration the Gregg amendment.

Because the Gregg amendment was identical to an amendment that I offered last year in debate over the Individuals with Disabilities Education Act, and because the Gregg amendment perhaps created more interest on the part of school authorities, school board members, superintendents, principals, and teachers, than any other amendment being debated this week, it seemed important to me to explain to educators all across the country why the debate on the Gregg amendment or the Gregg-Gorton amendment will not be pursued during the course of the debate on this Coverdell A+ bill.

Violence in our schools—assaults, the carrying into schools of guns and other dangerous weapons, disruptive behavior that threatens the safety and security of the educational environment, disruptive behavior that detracts from the educational experience of all students—is an increasingly serious problem.

The Individuals with Disabilities Education Act, the purposes of which

are not only praiseworthy but in some respects essential in guaranteeing to all students, including even the most severely disabled, the opportunity for a public education that will allow them to live to the maximum of their capacities, nevertheless includes within it a set of provisions relating to safety, to discipline, and to the orderly nature of our classrooms that amounts to a clear and explicit double standard and, in an increasing number of cases, severely detracts from the educational atmosphere for all of the students of such a school.

In Seattle, late last month, a student designated "disabled" attacked other students with a knife on a schoolbus. In Louisiana, a teacher was attacked and hospitalized. In several States, as we know, assaults with guns have actually resulted in the deaths of students and of teachers. In Danbury, CT, parents picketed a school and withdrew their children from the school because two students were suspended for a mere 10 days for bringing a gun into the school atmosphere.

The Seattle Post Intelligencer, Seattle's morning newspaper—not a newspaper from which I often quote—wrote an editorial shortly after the incident that took place on that Seattle school bus that reads, in part, as follows:

Tuesday's stabbing incident involving a student aboard a Seattle school district bus has called attention to unwise provisions of Federal law that apparently require more tolerance of dangerous behavior by special education students.

If the school district really is required by law to allow students back into class who carry weapons or otherwise have demonstrated intent to harm others, that law is in error and must be changed.

. . . In this school year, there have been four or five instances in which special education students have been accepted back into school even though they had carried weapons, according to Brenda Little, an assistant legal counsel for the district.

Before a special education student can be disciplined, said Little, principals are required by Federal law to prove that the child understood the consequences of his or her behavior and that it was not related to the student's disability.

That's a prescription for disaster.

If a child carries a weapon to school, it is irrelevant whether that child understands the possible consequences of doing so.

. . . In fact, if the child doesn't understand the consequences, that's all the more reason to remove that child from situations where other children may be harmed.

Mr. President, I ask unanimous consent that the entire editorial be printed in the RECORD at this point.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

CUT NO SLACK FOR WEAPONS BEARERS

Tuesday's stabbing incident involving a student aboard a Seattle School District bus has called attention to unwise provisions of federal law that apparently require more tolerance of dangerous behavior by special education students.

If the school district really is required by law to allow students back into class who carry weapons or otherwise have demonstrated intent to harm others, that law is in error and must be changed.

The bottom line is this: There is no case to be made for extending special civil rights protections to anyone if doing so results in threats to the safety of others.

This is especially so in public schools. "Mainstreaming"—educating special education students with others—is good. But there are cases where it may have its limits, and safety is one of them.

School administrators cannot tolerate threats to children regardless of who poses that threat. There can be no double standard in this matter. It's not rational public policy to tie the hands of those who have legal responsibility for ensuring the safety of students.

A 13-year old Denny Middle School special education student has been expelled for the stabbing, but he could be back in class within 10 days despite the district's zero-tolerance for weapons. That's because the district has to jump through higher hoops to expel special education students.

"We have to take kids back that would ordinarily not be allowed to return," said Denny Middle School principal Pat Batiste-Brown, alluding to the newly tightened federal regulations for special education students who break rules. Twenty percent of the students in her school are classified as special education students.

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That's a prescription for disaster.

If a child carries a weapon to school, it is irrelevant whether that child understands the possible consequences of doing so.

In fact, if the child doesn't understand the consequences, that's all the more reason to remove that child from situations where other children may be harmed.

Mr. GORTON. Mr. President, the editorial is correct; it is correct in its understanding and it is correct in its policy judgments.

In Louisiana, the Shreveport Times reports in an article about the Gregg-Gorton amendment that Louisiana Department of Education revealed that there were 22,790 out-of-school suspensions in special education in the 1996–97 school year. . . . The Bossier Parish school board led the fight for more local control by signing a resolution last week that supports Gorton and Gregg. . . . Bossier School superintendent Jane Smith vowed that if a special education student posed a considerable safety threat, such as bringing a gun to class, the parish would treat him or her like a regular education student regardless of the Federal laws.

In other words, Mr. President, we have a law, we have a statute, we have a set of regulations that actually causes a school superintendent to say that this is so bad, this is so dangerous to the students I am attempting to educate that I will simply defy the law. The Seattle school district hasn't taken that position.

In Danbury, Connecticut, parents had to picket and take their kids out of school because of the requirements of the statute that literally sets up a double standard. School districts have plenary authority over safety and discipline and an appropriate educational atmosphere for all of their regular students. They now have almost none—very limited rights to oppose discipline on students denominated "disabled." And don't think that this country isn't full of imaginative lawyers who can come up with a plausible case to denominate a student "disabled." In fact, often they use the very violent or safety-threatening activity of the student to demonstrate that a particular student is disabled.

The Gorton-Gregg amendment was very simple and very short. I believe that our colleagues ought to be reminded of exactly what it said. I am going to read it now:

Notwithstanding any other provision of the Individuals With Disabilities Education Act, each State educational agency or local educational agency may establish and implement uniform policies with respect to discipline and order applicable to all children within its jurisdiction to ensure safety and an appropriate educational atmosphere in its schools.

That's all. That is the entire proposal.

Well, when I made this proposal last year on my own, 47 Members of this body—just 3 short of the number needed to pass it—voted in favor of it. Several members who have voted against it have come to me since then to say that the combination of the reauthorization of IDEA, and the even more prescriptive regulations now proposed by the U.S. Department of Education, and the reactions of their own school boards, have caused them to rethink the issue. As a consequence, I believe that there is a very real chance that the Gorton-Gregg amendment would have been accepted by this body had we presented it.

But I must say, in a very interesting side line, that it truly cross-pressured our school board members, our superintendents, our principals, our teachers, and our PTA members because, of course, by and large, they don't much like the Coverdell bill. They recognize that the Coverdell bill is very likely to pass, that it will be presented to the President and the President will veto it. So a combination of the proposition that the President would veto this amendment in connection with the veto of the Coverdell bill and their own opposition to Senator COVERDELL has caused them to be less than enthusiastic about pursuing it at this time.

That is a valid concern, Mr. President. Both Senator GREGG and I would

like to accomplish our goal, would like to see to it that schools have restored to them the authority to keep order and to provide for the safety and security of their students. We feel this way in spite of the fact that we are strong supporters of the Coverdell bill.

A second element is involved. The amendment can be read to cover two closely related, nonetheless distinct, subjects. One of those is the pure physical safety and security of students in schools; that is to say, allowing schools to take disciplinary measures even against those who are disabled. That will assure the safety and security of all of the rest of the students. That is what the editorial in the Seattle Post Intelligencer is about.

But the other element in this amendment has to do with an appropriate educational atmosphere in the schools. That is even more worrisome to the community advocating the rights of the disabled. They see that as authorizing school boards, or teachers, or principals to expel students who present no safety hazard to their fellow students, but can be seen by the tremendous amount of attention they require on the part of teachers severely to distract from the educational atmosphere of a particular classroom. Personally, I believe that that is an appropriate consideration for our teachers and our principals and our school board members. I believe they have a right to weigh the quality of education of all of their students in making these judgments. I do recognize, however, that that aspect of this amendment is more controversial—not only more controversial, but more arguable than the balance is. And as a result of a series of meetings during the last two-week recess at schools all across the State of Washington, in which both the amendment I will introduce tomorrow on block grants and IDEA, aforementioned, more of our time was spent on this Disability Act and safety and security in the schools than on any other subject.

At the last of those meetings when both the disability community was represented and school authorities were represented, I detected for the first time some willingness to meet on a middle ground. Whether that middle ground has to do with safety and security only, how far the disability community is willing to go in that connection, whether or not there ought to be some consideration of the educational atmosphere of all students, none of these questions were settled by any stretch of the imagination in the course of the meetings that I had, even with the education community in the State of Washington. But I do feel that it is at least possible that on this very controversial issue a bit more time may permit us to find some common ground. From my perspective at least, that is the second reason that it was appropriate that I consented to the withdrawal of the Gregg amendment at this point in the debate.

I want to make it crystal clear, however, to educators all over the country who have supported us in this cause, that this withdrawal does not mean that the debate is over by any stretch of the imagination. The present Gregg-Gorton amendment, or something very similar to it, will be presented at an early opportunity on some other bill that relates directly or indirectly to education. It will not go away. But I hope the next time that it is presented, it is presented on a bill that is almost certain to be signed by the President of the United States rather than vetoed by the President of the United States.

In addition, I hope that by that point we may have at least a partial meeting of the minds—one might hope a full meeting of the minds—between those genuinely concerned with the educational rights and civil rights of the disabled community and those genuinely concerned with the safety and security of all of our students, and on the proposition that all of our students receive their education in an atmosphere best conducive to that education for all students in the public schools of the United States.

It is with those twin hopes—that we will have a better vehicle for this debate and that perhaps we can have the debate at a somewhat more extended fashion than the very limited time on the Coverdell bill and that we might bring the two sides together to a greater extent than they have ever been in the past—that I have agreed to the withdrawal of that amendment.

It is withdrawn from this bill. It will come up again. I believe that we need to do more to empower those men and women all across the United States who provide the educational services to our children day after day, week after week, year after year because of their own professional dedication. I believe their views need to be considered, and I think that we will be able to consider them better a little later on this year. I pledge, however, that consider them we will.

MORNING BUSINESS

Mrs. HUTCHISON. Mr. President, on behalf of the majority leader, I ask unanimous consent that there now be a period for morning business with Senators permitted to speak for up to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, at the close of business yesterday, Monday, April 20, 1998, the federal debt stood at $5,514,299,725,342.15 (Five trillion, five hundred fourteen billion, two hundred ninety-nine million, seven hundred twenty-five thousand, three hundred forty-two dollars and fifteen cents).

Five years ago, April 20, 1993, the federal debt stood at $4,254,483,000,000 (Four trillion, two hundred fifty-four billion, four hundred eighty-three million).

Ten years ago, April 20, 1988, the federal debt stood at $2,512,569,000,000 (Two trillion, five hundred twelve billion, five hundred sixty-nine million).

Fifteen years ago, April 20, 1983, the federal debt stood at $1,251,499,000,000 (One trillion, two hundred fifty-one billion, four hundred ninety-nine million).

Twenty-five years ago, April 20, 1973, the federal debt stood at $454,840,000,000 (Four hundred fifty-four billion, eight hundred forty million) which reflects a debt increase of more than $5 trillion—$5,059,459,725,342.15 (Five trillion, fifty-nine billion, four hundred fifty-nine million, seven hundred twenty-five thousand, three hundred forty-two dollars and fifteen cents) during the past 25 years.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Williams, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC–4640. A communication from the Director of the Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, the cumulative report on rescissions and deferrals dated April 1, 1998; referred jointly, pursuant to the order of January 30, 1975, as modified by the order of April 11, 1986, to the Committee on Appropriations, to the Committee on the Budget, to the Committee on Agriculture, Nutrition, and Forestry, to the Committee on Commerce, Science, and Transportation, to the Committee on Energy and Natural Resources, to the Committee on Finance, to the Committee on Foreign Relations, and to the Committee on Indian Affairs.

EC–4641. A communication from the Acting Assistant Secretary of Labor for Employment and Training, transmitting, pursuant to law, the report of a rule entitled "Indian and Native American Welfare-To-Work Grants Program" (RIN1205–AB16) received on

April 2, 1998; to the Committee on Indian Affairs.

EC–4642. A communication from the Director of the Federal Judicial Center, transmitting, pursuant to law, the annual report for calendar year 1997; to the Committee on the Judiciary.

EC–4643. A communication from the Clerk of the U.S. Court of Federal Claims, transmitting, pursuant to law, a report relative to a congressional reference case; to the Committee on the Judiciary.

EC–4644. A communication from the Senior Deputy Chairman of the National Foundation On the Arts and the Humanities, transmitting, pursuant to law, the annual report for fiscal year 1997; to the Committee on Labor and Human Resources.

EC–4645. A communication from the Acting Director of Communications and Legislative Affairs, U.S. Equal Employment Opportunity Commission, transmitting, pursuant to law, the annual report for fiscal year 1995; to the Committee on Labor and Human Resources.

EC–4646. A communication from the General Counsel of the Corporation For National Service, transmitting, pursuant to law, the report of a rule entitled "Administrative Costs for Learn and Serve America and AmeriCorps Grants Programs" received on April 16, 1998; to the Committee on Labor and Human Resources.

EC–4647. A communication from the Director, Regulations Policy and Management Staff, Office of Policy, Food and Drug Administration, Department of Health and Human Services, transmitting, pursuant to law, the report of a rule entitled "Food Labeling" received on April 16, 1998; to the Committee on Labor and Human Resources.

EC–4648. A communication from the Acting Deputy Director of the National Institute of Standards and Technology and the Under Secretary of Commerce for Export Administration, transmitting jointly, pursuant to law, the report of a rule entitled "Procedures For Implementation of the Fastener Quality Act" (RIN0693–AB43) received on April 16, 1998; to the Committee on Commerce, Science, and Transportation.

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM–376. A resolution adopted by the Idaho State Grange relative to the Environmental Protection Agency; to the Committee on Agriculture, Nutrition, and Forestry.

POM–377. A resolution adopted by the Senate of the Legislature of the State of Michigan; to the Committee on Agriculture, Nutrition, and Forestry.

SENATE RESOLUTION NO. 151

Whereas, The Food Quality Protection Act of 1996 (FQPA) was signed into law on August 3, 1996, by President Clinton; and

Whereas, Among the purposes of the FQPA is to assure that pesticide tolerance decisions and policies are based upon sound science and reliable data; and

Whereas, Another purpose of the FQPA is to assure that pesticide tolerance decisions and policies are formulated in an open and transparent manner; and

Whereas, The EPA is required by the FQPA to have reviewed approximately 3,000 of the approximately 9,700 existing tolerances by August 1999 to determine whether these tolerances meet the safety standards established by the FQPA; and

Whereas, The implementation of the FQPA could have a profound negative impact on domestic agricultural production and on consumer food prices and availability. With Michigan's diverse agriculture, this impact could be especially severe on our numerous specialty crops; now, therefore, be it

Resolved by the Senate, That we memorialize the Congress of the United States to take the following actions:

1. Direct the EPA to initiate immediately appropriate administrative rulemaking to ensure that the policies and standards the agency intends to apply in evaluating pesticide tolerances are subject to thorough public notice and comment prior to final tolerance determinations being made by the agency.

2. Direct the EPA to use its authority under the FQPA to provide interested persons the opportunity to produce data needed to evaluate a pesticide tolerance so that the agency can avoid the use of unrealistic default assumptions in making pesticide tolerance decisions.

3. Direct the EPA to implement the FQPA in a manner that will not disrupt agricultural production nor have a negative impact on the availability, diversity, and affordability of food.

4. Conduct oversight hearings immediately to ensure that actions taken by the EPA are consistent with the FQPA provisions and congressional intent. If the intent of the legislation is not carried out, then Congress should postpone the August 1999 deadline. Following oversight hearings, Congress should, if necessary, take appropriate actions or amend the FQPA to correct problem areas.

5. Encourage the Secretary of Agriculture and the United States Department of Agriculture to increase its commitment of manpower and budgetary resources to work with the EPA to gather scientific data. Furthermore, Congress should encourage the United States Department of Agriculture to conduct an economic impact statement on the implementation of the FQPA.

6. Clarify the role of Section 18 of the Federal Insecticide, Fungicide, and Rodenticide Act as its provisions relate to the reestablishment of tolerances under the FQPA; and be it further

Resolved, That copies of this resolution be transmitted to the President of the United States Senate, the Speaker of the United States House of Representatives, the members of the Michigan congressional delegation, and the United States Environmental Protection Agency.

POM–378. A resolution adopted by the Board of County Commissioners of St. Johns County, Florida relative to the U.S. Army Corps of Engineers; to the Committee on Appropriations.

POM–379. A concurrent resolution adopted by the Legislature of the State of Kansas; to the Committee on Appropriations.

HOUSE CONCURRENT RESOLUTION NO. 5029

Whereas, In the span of a few years, 1971 through 1973, the Federal Courts made it clear that an appropriate education is a fundamental right of children with disabilities that is secured by the due process and equal protection clauses of the 14th Amendment to the U.S. Constitution; and

Whereas, In 1975, Congress passed Public Law 94–142, the Education for All Handicapped Children Act, known since 1990 as the Individuals with Disabilities Education Act of IDEA; and

Whereas, The IDEA requires that all children with disabilities receive a free, appropriate public education and provides a funding mechanism to assist states and local educational services agencies with the costs of maintaining programs; and

Whereas, For several years, the costs of providing special education services required under federal and state law have been escalating rapidly and have been a major concern of policymakers who have reviewed the matter studiously. To date, solutions have proven elusive; and

Whereas, All of the states have some mechanism in their school finance laws that acknowledge the additional costs of providing special education services for children with disabilities, estimated on average to be about 2.3 times greater than for general education pupils; and

Whereas, The U.S. Supreme Court has opined that the IDEA is a comprehensive scheme set up by Congress to aid the states in complying with the constitutional obligation to provide public education for children with disabilities; and

Whereas, The IDEA authorizes funding in accordance with a formula, a key variable of which is the average per pupil expenditure for general education pupils. The Act authorized Congress to appropriate a sum equal to 5 percent of this average per pupil expenditure in 1977, 10 percent in 1978, 20 percent in 1979, and 40 percent by 1980. Though the Act authorized funding according to this formula, appropriations have never approached the authorization level and remains at 10 percent or less today: Now, therefore, be it

Resolved by the House of Representatives of the State of Kansas, the Senate concurring therein, That the Legislature, in recognition that children with disabilities are endowed by the Constitution with the right to be provided with a free and appropriate public education and that the Congress of the United States has enacted the Individuals with Disabilities Education Act in order to insure that right, hereby urges the Congress to acknowledge the fact that special education services are extremely costly and should be supported by a combination of local, state, and federal funds; and be it further

Resolved, That the Legislature hereby requests the Congress to assume its fair share of the costs of special education services by increasing funding to a level more nearly approaching the level authorized by the Individuals with Disabilities Education Act; and be it further

Resolved, That the Secretary of State is hereby directed to send enrolled copies of this resolution to the President and President pro tempore of the Senate of the United States, to the Speaker of the House of Representatives of the United States, and to each member of the Kansas Congressional Delegation.

POM–380. A resolution adopted by the Senate of the General Assembly of the Commonwealth of Kentucky; to the Committee on Appropriations.

RESOLUTION

Whereas, The conditions of the roads and bridges in the states is deteriorating; and

Whereas, The demand placed upon the nation's transportation system has increased and will continue to increase into the 21st Century; and

Whereas, Safe, reliable, and cost effective movement of people, goods, and information is critical to economic development and competitiveness in the market; and

Whereas, The United States Department of Transportation has estimated that over five years, $357 billion is needed to improve the

highway system, while $39.5 billion is needed just to maintain current road conditions; and

Whereas, States need every possible unencumbered dollar to improve their roads and bridges; and

Whereas, the United States Congress is urged to focus on incentives rather than disincentives in any transportation bill; now, therefore, be it

Resolved by the Senate of the General Assembly of the Commonwealth of Kentucky:

Section 1. The Senate hereby urges the Congress of the United States to provide funding without mandates to the Transportation Cabinet.

Section 2. The Senate Clerk of the Senate is directed to submit a copy of this Resolution to each member of the United States House of Representatives and the United States Senate.

POM-381. A resolution adopted by the Senate of the Legislature of the Commonwealth of Pennsylvania; to the Committee on Appropriations.

Whereas, Transportation access and safety are essential to economic hopes in communities across Pennsylvania; and

Whereas, While Pennsylvania has taken steps to increase the amount of State transportation funding to match Federal dollars and to deal with State areas of responsibility, the list of priority projects still exceeds available funds and the State's 12-year transportation plan contains many projects for which funding is unidentified; and

Whereas, Huge increases in vehicle miles traveled and in shipping products and goods on interstate highways add significantly to maintenance needs; and

Whereas, The Federal Highway Administration periodically documents the substantial number of structurally deficient and functionally obsolete bridges in Pennsylvania; and

Whereas, Federal funding remains the most critical share of the funding for major construction and reconstruction projects, and the six-year reauthorization bill will determine the size and effectiveness of the transportation program Pennsylvania can undertake; and

Whereas, Congressman Bud Shuster, as Chairman of the Committee on Transportation and Infrastructure, and other congressional transportation advocates have proposed greatly increasing Federal funding as part of the transportation reauthorization, in the understanding that infrastructure investment is vital to the economic health of the nation and the states; and

Whereas, A long-term determination of Federal funding levels is necessary to allow for coordinated transportation planning at the State and local levels; and

Whereas, Money raised through Federal transportation taxes should be used to pay for transportation projects and enhanced motor vehicle and truck safety measures; not to cover deficits in other areas of Federal endeavor; therefore be it

Resolved, That the Senate of the Commonwealth of Pennsylvania urge the Congress of the United States to take action on the comprehensive multiyear transportation funding legislation; and be it further

Resolved, That congressional action on the transportation reauthorization include provisions for releasing trust fund moneys being withheld from transportation projects; and be it further

Resolved, That Pennsylvania support an increase in the Federal funding available to expand the array of projects that can be undertaken, which in turn will move up the completion of transportation priorities and secure the considerable job creation and highway safety benefits that will result; and be it further

Resolved, That copies of this resolution be transmitted to the presiding officers of each house of Congress and to each member of Congress from Pennsylvania.

POM-382. A concurrent resolution adopted by the Legislature of the State of West Virginia; to the Committee on Appropriations.

HOUSE CONCURRENT RESOLUTION NO. 16

Whereas, In 1977 the Surface Mining Control and Reclamation Act was enacted into law establishing an Abandoned Mine Reclamation Fund financed by a fee assessed on every ton of coal mined for the purpose of restoring previously mined but left unreclaimed lands; and

Whereas, To date over $1.1 billion has been spent nationwide from the Abandoned Mine Reclamation Fund to mitigate the hazards associated with abandoned coal mine lands such as dangerous highwalls, impoundments, open mine portals and contaminated water supplies; and

Whereas, West Virginia's share of unfunded high-priority abandoned coal mine reclamation costs are estimated to be $415 million; and

Whereas, West Virginia has received and spent almost $200 million from the Abandoned Mine Reclamation Fund to finance the reclamation of abandoned coal mine land sites in the State but is of the firm conviction that additional funding is vital to the success of future water projects within this State; and

Whereas, The discrepancy between fee collections and expenditures is widening, with approximately $285 million collected in fiscal year 1997 and only $177 million appropriated; and

Whereas, The threat to the health, safety and general welfare of coalfield citizens from the hazards associated with abandoned coal mine sites is unacceptable and must be mitigated; and

Whereas, The expenditure of funds for abandoned mine reclamation projects not only enhances the coalfield environment but creates jobs in the construction of such projects; therefore, be it

Resolved by the West Virginia Legislature, That the Committees on Appropriation of the United States House of Representatives and the United States Senate are urged to increase the annual appropriation from the Abandoned Mine Reclamation Fund to a level commensurate with annual fee collections as well as begin to draw-down the unspent balance of the fund especially for future water projects in these troubled areas; and, be it

Further Resolved, That the Clerk is hereby directed to forward a copy of this resolution to the United States House of Representatives, the Secretary of the United States Senate, and to each member of the West Virginia Congressional Delegation.

POM-383. A joint resolution adopted by the General Assembly of the State of Colorado; to the Committee on Armed Services.

HOUSE JOINT RESOLUTION NO. 98-1013

Whereas, The federal military base realignment and closure process has led to the closing of Lowry Air Force Base and the impending closure of Fitzsimons Army Garrison; and

Whereas, The exchange and commissary at the former Lowry Air Force Base has been closed, and the exchange and commissary at Fitzsimons Army Garrison is scheduled to be closed in March, 1999; and

Whereas, Over three thousand two hundred active duty military personnel with approximately six thousand eight hundred dependents are assigned to Buckley Air National Guard Base or other locations in the Denver metropolitan area; and

Whereas, Over four thousand members of the National Guard and Reserves in the Denver metropolitan area are entitled to unlimited exchange and limited commissary privileges; and

Whereas, Over nineteen thousand military retirees reside in the Denver metropolitan area; and

Whereas, The closure of the exchange and commissary at Lowry Air Force Base and the consequent increase in the number of persons using the exchange and commissary at Fitzsimons Army Garrison has resulted in the exchange and commissary at Fitzsimons being inadequate to support the needs of the persons eligible to use it; and

Whereas, The active duty military personnel, members of the National Guard and Reserves, and military retirees presently entitled to exchange and commissary privileges at Fitzsimons Army Garrison will suffer from decreased quality of life and increased financial burdens when the exchange and commissary at Fitzsimons Army Garrison is closed in March, 1999; and

Whereas, The closure of the exchange and commissary at Fitzsimons Army Garrison will eliminate over two hundred jobs; and

Whereas, The closest alternative exchange and commissary for the Denver metropolitan area is located at the United States Air Force Academy, which is over sixty miles and more than an hour's drive away from Denver; and

Whereas, Buckley Air National Guard Base is owned by the United States Air Force, but licensed to the State of Colorado; and

Whereas, Buckley Air National Guard Base and the City of Aurora, Colorado have sufficient power, water, and sewer infrastructure to support a new exchange and commissary at Buckley Air National Guard Base; and

Whereas, Roy Romer, Governor of Colorado; Major General William A. Westerdahl, Adjutant General of the Colorado National Guard; and Paul E. Tauer, Mayor of Aurora, Colorado all support the relocation of the exchange and commissary from Fitzsimons Army Garrison to new facilities to be constructed at Buckley Air National Guard Base; now, therefore, be it

Resolved by the House of Representatives of the Sixty-first General Assembly of the State of Colorado, the Senate concurring herein, That we, the members of the Sixty-first General Assembly, request that the Congress of the United States, the Secretary of Defense, and the Secretary of the Air Force take immediate action to authorize the relocation of the exchange and commissary at Fitzsimons Army Garrison to new facilities to be constructed at Buckley Air National Guard Base and to ensure that the exchange and commissary at Fitzsimons Army Garrison remains open until the new facilities are completed; and be it further

Resolved, That the new exchange and commissary to be constructed at Buckley Air National Guard Base be sized to adequately meet the needs of all persons in the Denver metropolitan area who are eligible to use it; and be it further

Resolved, That copies of this Resolution be sent to the President of the United States,

the Speaker of the United States House of Representatives, the President of the United States Senate, the Secretary of Defense, the Secretary of the Air Force, the Speaker of the House and the President of the Senate of each state's legislature of the United States of America, and Colorado's Congressional delegation.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. THOMPSON, from the Committee on Governmental Affairs, without amendment:

H.R. 2766. A bill to designate the United States Post Office located at 215 East Jackson Street in Painesville, Ohio, as the "Karl Bernal Post Office Building."

H.R. 2773. A bill to designate the facility of the United States Postal Service located at 3750 North Kedzie Avenue in Chicago, Illinois, as the "Daniel J. Doffyn Post Office Building."

H.R. 2836. A bill to designate the building of the United States Postal Service located at 180 East Kellogg Boulevard in Saint Paul, Minnesota, as the "Eugene J. McCarthy Post Office Building."

H.R. 3120. A bill to designate the United States Post Office located at 95 West 100 South Street in Provo, Utah, as the "Howard C. Nielson Post Office Building."

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. COVERDELL (for himself, Mr. ASHCROFT, and Mr. BROWNBACK):

S. 1959. A bill to prohibit the expenditure of Federal funds to provide or support programs to provide individuals with hypodermic needles or syringes for the use of illegal drugs; to the Committee on Labor and Human Resources.

By Mr. WARNER:

S. 1960. A bill to allow the National Park Service to acquire certain land for addition to the Wilderness Battlefield, as previously authorized by law, by purchase or exchange as well as by donation; to the Committee on Energy and Natural Resources.

By Mrs. FEINSTEIN:

S. 1961. A bill for the relief of Suchada Kwong; to the Committee on the Judiciary.

By Mr. FAIRCLOTH:

S. 1962. A bill to provide for an Education Modernization Fund, and for other purposes; to the Committee on Finance.

By Mr. THURMOND (for himself and Mr. COVERDELL):

S. 1963. A bill to amend title 10, United States Code, to permit certain beneficiaries of the military health care system to enroll in Federal employees health benefits plans; to the Committee on Governmental Affairs.

By Mr. REID (for himself and Mr. BRYAN):

S. 1964. A bill to provide for the sale of certain public land in the Ivanpah Valley, Nevada, to the Clark County Department of Aviation; to the Committee on Energy and Natural Resources.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. FAIRCLOTH (for himself, Mr. HELMS, Mr. LOTT, Mr. DASCHLE, Mr. ABRAHAM, Mr. AKAKA, Mr. ALLARD, Mr. ASHCROFT, Mr. BAUCUS, Mr. BENNETT, Mr. BIDEN, Mr. BINGAMAN, Mr. BOND, Mrs. BOXER, Mr. BREAUX, Mr. BROWNBACK, Mr. BRYAN, Mr. BUMPERS, Mr. BURNS, Mr. BYRD, Mr. CAMPBELL, Mr. CHAFEE, Mr. CLELAND, Mr. COATS, Mr. COCHRAN, Ms. COLLINS, Mr. CONRAD, Mr. COVERDELL, Mr. CRAIG, Mr. D'AMATO, Mr. DEWINE, Mr. DODD, Mr. DOMENICI, Mr. DORGAN, Mr. DURBIN, Mr. ENZI, Mr. FEINGOLD, Mrs. FEINSTEIN, Mr. FORD, Mr. FRIST, Mr. GLENN, Mr. GORTON, Mr. GRAHAM, Mr. GRAMM, Mr. GRAMS, Mr. GRASSLEY, Mr. GREGG, Mr. HAGEL, Mr. HARKIN, Mr. HATCH, Mr. HOLLINGS, Mr. HUTCHINSON, Mrs. HUTCHISON, Mr. INHOFE, Mr. INOUYE, Mr. JEFFORDS, Mr. JOHNSON, Mr. KEMPTHORNE, Mr. KENNEDY, Mr. KERREY, Mr. KERRY, Mr. KOHL, Mr. KYL, Ms. LANDRIEU, Mr. LAUTENBERG, Mr. LEAHY, Mr. LEVIN, Mr. LIEBERMAN, Mr. LUGAR, Mr. MACK, Mr. MCCAIN, Mr. MCCONNELL, Ms. MIKULSKI, Ms. MOSELEY-BRAUN, Mr. MOYNIHAN, Mr. MURKOWSKI, Mrs. MURRAY, Mr. NICKLES, Mr. REED, Mr. REID, Mr. ROBB, Mr. ROBERTS, Mr. ROCKEFELLER, Mr. ROTH, Mr. SANTORUM, Mr. SARBANES, Mr. SESSIONS, Mr. SHELBY, Mr. SMITH of New Hampshire, Mr. SMITH of Oregon, Ms. SNOWE, Mr. SPECTER, Mr. STEVENS, Mr. THOMAS, Mr. THOMPSON, Mr. THURMOND, Mr. TORRICELLI, Mr. WARNER, Mr. WELLSTONE, and Mr. WYDEN):

S. Res. 211. A resolution expressing the condolences of the Senate on the death of Honorable Terry Sanford, former United States Senator from North Carolina; considered and agreed to.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. COVERDELL (for himself, Mr. ASHCROFT, and Mr. BROWNBACK):

S. 1959. A bill to prohibit the expenditure of Federal funds to provide or support programs to provide individuals with hypodermic needles or syringes for the use of illegal drugs; to the Committee on Labor and Human Resources.

THE NEEDLE EXCHANGE PROGRAMS PROHIBITION ACT OF 1998

Mr. COVERDELL. Mr. President, I am today introducing, along with Senators ASHCROFT and BROWNBACK, a bill to prohibit the use of federal funds to carry out or support programs for the distribution of sterile hypodermic needles or syringes to illegal drug users.

This bill would effectively continue and make permanent the ban imposed through the appropriations process which expired at the end of March. We are pleased that the Administration has decided not to use federal tax dollars to fund needle exchanges despite the expiration of the ban. But coinciding with this announcement, Health and Human Services Secretary Donna Shalala strongly endorsed needles exchanges and encouraged local communities to use their own dollars to fund needle exchange programs. This legislation is therefore needed to foreclose any temptation the Administration may feel to federally fund needle exchanges in the future.

The Drug Czar, General Barry McCaffrey, has laid out the strong case against needle exchange programs. Handing out needles to drug users sends a message that the government is condoning drug use. It undermines our anti-drug message and undercuts all of our drug prevention efforts.

A report by General McCaffrey's office reviewed the world's largest needle exchange program in Vancouver, British Colombia, in operation since 1988. It found the program to be a failure. HIV infections were higher among users of free needles than those without access to them. The death rate from drugs jumped from 18 a year in 1988 to 150 in 1992. In addition, higher drug use followed implementation of the program.

Dr. James L. Curtis of New York, who has studied needle exchange programs was quoted in the Washington Times stating that the programs "should be recognized as reckless experimentation on human beings, the unproven hypothesis being that it prevents AIDS."

According to recent scientific studies, eight persons a day are infected with the HIV virus by using borrowed needles, while 352 people start using heroin each day and 4,000 die every year from heroin-related causes other than HIV. Far more addicts die of drug overdoses and related violence than from AIDS. It is wrong to aid and abet those deaths by handing out free needles to drug addicts. We should not be encouraging higher rates of heroin use.

Therefore, I hope my colleagues will join me in making permanent the prohibition on federal funding and support of needle giveaway programs.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1959

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

SECTION 1. PROHIBITION ON USE OF FUNDS FOR HYPODERMIC NEEDLES.

Notwithstanding any other provision of law, no Federal funds shall be made available or used to carry out or support, directly or indirectly, any program of distributing sterile hypodermic needles or syringes to individuals for the hypodermic injection of any illegal drug.

Mr. ASHCROFT. Mr. President, I rise today to introduce, along with Senator COVERDELL, a very important piece of

legislation. It is a tragedy that this legislation is necessary. However, following yesterday's announcement by the Secretary of Health and Human Services that this Administration supports giving clean needles to drug addicts, I believe that Congress must now act. Congress must act to ensure that federal funds are never used to support these programs. This decision by the Administration, to support clean needle programs—but to withhold federal funding—is an intolerable message that it's time to accept drug use as a way of life.

Not surprisingly, the American people do not want their hard earned tax dollars spent to give illegal drug users the tool to continue their habit. We already take too much money from the American people. We should not use it to subsidize a lifestyle of which the people so fundamentally disagree. When we pass this bill we will send a message that giving free needles to drug addicts is not a policy that this nation should embrace.

Federal policy should call Americans to their highest and best and not accommodate them at their lowest and least. That is exactly what needle exchange programs do. They tell drug addicts, "we know that you are too weak to beat your addiction; therefore, we are going to make the lifestyle you have chosen easier."

This approach is called "harm reduction." The Harm Reduction Coalition states on their webpage that the organization "accepts drug use as a way of life." Therefore, they support policies which make drugs as harmless as possible. There are many that are part of this harm reduction movement who believe that legalization of drugs is the appropriate policy. In fact, the logical conclusion to their belief that drug use is a way of life and that it should be made as harmless as possible is legalization. The harm reduction philosophy is the basis of needle exchange programs. They say that if we provide people with clean needles, there will be less risk involved in using drugs. I am here today to reject that view.

Since 1988, the United States Congress has banned the use of federal funds for needle exchange programs. Recognizing that government subsidies for drug addicts is bad policy, this ban consistently has been supported by both sides of the aisle. Unfortunately, the 1998 Labor and Health and Human Services Appropriations bill included language to allow the Secretary of HHS to lift the ban after March 31, 1998. Yesterday, the Administration stated—wisely—that the federal funding ban should not be lifted. However, the Administration foolishly recommended that local communities fund these programs.

This endorsement of needles on demand opens the door to a subsequent decision to fund needle exchanges with the hard-earned money of American taxpayers. Yesterday's endorsement of clean needle programs sends the intolerable message that the Administration accepts illegal drug use as a way of life. It says clearly that this Administration will give approval to taxpayer funding the moment it appears that the decision can be sneaked past Congress. That is why this legislation has become necessary.

Mr. President, needle exchange programs are touted as a way of reducing HIV rates among intravenous drug users. First, there is no sound scientific evidence to support that assertion. Second, even if there were, there are other public health and moral reasons to oppose needle exchange programs.

Experts agree that the only scientifically sound method of making an affirmative showing that NEPs reduce the rate of HIV is to withhold clean needles from one group of drug users while providing clean needles to another. Since there are obvious problems in conducting such a study, it has not been done. In fact, there are studies which find just the opposite—that there are significant increases in HIV among clean needle program participants.

Participants in the Montreal needle exchange program were two times more likely to become infected than those who did not participate in the program. Vancouver has the largest needle exchange program in North America which was started in 1988. In 1987, the estimated HIV prevalence among IV drug users was 1–2 percent, in 1997, it was 23 percent.

Even the so-called "California" study which is heavily relied upon by needle exchange proponents, merely found that it is "likely" that NEPs decrease the rate of new HIV infection in intravenous drug users.

The nation's drug czar, Gen. Barry McCaffrey agrees that studies have not yet scientifically substantiated the claims embraced by Secretary Shalala in her announcement. In an April 17, 1998, letter to my office outlining the concerns of General McCaffrey, the Office of National Drug Control policy states that "science [on needle exchange programs] is uncertain." The letter states further that "[s]upporters of needle exchange frequently gloss over gaping holes in the data—holes which leave significant doubt regarding whether needle exchanges exacerbate drug use and whether they uniformly lead to decreases in HIV transmission."

A significant concern of those of us who oppose federal funding of needle exchange programs—and I oppose all needle exchange programs, whether federally funded or not—is that they will increase drug use. That is the precise reason that the Secretary was required to show that NEPs do not increase drug use before lifting the ban. There is absolutely no data to support the Secretary's finding that NEPs do not increase drug use.

While the California study found "no evidence" of increased drug use, the conclusion was based on interviews with drug users—illegal drug users.

In Vancouver, deaths from drug overdoses have increased more than 5 times since 1988—the year the needle exchange program started. Since their needle exchange program began, hospital admissions for heroin have increased 66 percent in San Francisco. In fact, the researcher who founded the San Francisco program and the founder of the New York program have both died of heroin overdoses during the last two years.

I think the letter outlining General McCaffrey's concerns says it best. "The bottom line is that General McCaffrey believes that we need a better understanding of how needle exchange programs will impact our nation's fight against drugs before we consider altering the current policy."

I believe that needle exchange programs send the wrong message to the youth of America. To say on the one hand, that drug use is wrong, and then on the other hand—to provide the tools necessary to safely use illegal drugs—undoubtedly will confuse the nation's youth. When their parents are paying taxes to the federal government that ultimately will be used to inject heroin into an addict's arm—how do you tell them that the government thinks drug use is wrong?

According to the drug czar's office, each day over 8,000 young people will try an illegal drug for the first time. While perhaps eight persons contract HIV directly or indirectly from dirty needles, 352 people start using heroin each day. More than 4,000 people die each year from heroin/morphine related causes.

General McCaffrey, who has been entrusted by this administration to advise the President on drug policy agrees. He says: "The problem is not dirty needles, the problem is heroin addiction. . . . The focus should be on bringing help to this suffering population—not give them more effective means to continue their addiction. One does not want to facilitate this dreadful scourge on mankind."

Secretary Shalala also said that NEPs are effective when supported by the communities. I think she would be hard pressed to find a community that embraces the needle exchange program in their neighborhood. I wonder if the Secretary would like a clean needle program in her neighborhood.

As the name suggests, needle exchange programs are supposed to get a dirty needle back from an addict for every needle they hand out. The idea is that these dirty needles will not be used again or left on the streets. However, according to needle exchange

workers, an "exchange" usually does not take place.

According to the Associated Press, in Willimantic, Connecticut, "more than 350 discarded hypodermic needles were collected from the city's streets, lots, and alleys in a single week." These were found after a two year old girl found and accidentally pricked herself with a dirty needle.

One needle exchange worker, who said they got approximately one-third to one-half of the needles back, handed out 950 needles in just one night. That means that about 475 dirty needles are either being used again—defeating the stated objective of these programs—or they are lying on our cities' streets, parks and playgrounds. In response to low number of needles they get back, the worker casually said that "one-for-one exchange does not fit the reality of how injection drug users live."

Needle exchanges also turn into one-stop shopping for drug addicts. Even the needle exchange proponents recognize this and talk about it as though it were a virtue of the program. From Harm Reduction Communication—"A user might be able to do the networking needed to find good drugs in the half hour he spends at a street-based needle exchange site—networking that might otherwise have taken half a day."

There are many tragic examples all over the nation. However, one article from the Pittsburgh Post Gazette best explains what this does to America's neighborhoods. "Our community has worked hard to battle the drug problem that plagues our neighborhoods at many levels. But the needle exchange program gives dealer and users one more reason to stay here. In addition, drug users from outside our community now find reasons to frequent our neighborhood. Drug addiction is not a victimless crime. Not only does it kill the addict, but also, in the process, the addict preys on those around him. Prostitution, burglary, and now violence are an increasing problem in our community. So while the needle exchange people try to help addicts, they do so at the expense of our neighborhoods."

This legislation is simple. It says that federal funds cannot be used to support directly, or indirectly, needle exchange programs.

The Nation's drug policy should be one of zero tolerance. It should not be a policy of accommodation. Drugs are turning our once vibrant cities into the centers of despair and hopelessness. We need an Administration who has no tolerance for the drug culture. An Administration who says that America can be called to a higher standard rather then accommodated in a culture of consuming drugs.

This Administration has shown that it is willing to ignore the record, ignore sound drug policy, and ignore the will of the American people. This is just another example of Washington, D.C. attacking, through policy, American values. Giving bulletproof vests to bank robbers would make bank robbery safer and simpler, and send the message that we accept bank robbery. A free needle policy is no different. What advocates of free needles on demand would clothe in rhetoric of 'harm reduction' and 'public health' is, instead a decision to subsidize, tolerate, and facilitate the use of illegal drugs.

Mr. BROWNBACK. Mr. President, I rise today to join my colleagues Senator COVERDELL and Senator ASHCROFT in introducing legislation that would prohibit the use of federal funds for any program that gives out hypodermic needles or syringes for use with illegal drugs.

Mr. President, last Friday, the Clinton Administration announced their intention to use federal funds to distribute free drug needles. Although they abruptly reversed course this week, they have maintained their intention of encouraging state and local governments and other institutions to distribute drug needles.

This is bad policy, bad science, and bad news for our country. A comprehensive study of the needle exchange program in Vancouver, British Columbia—the city with the world's largest needle give-away program—found that drug use, crime, and HIV transmission all increased where drug needles were handed out.

This should come as no surprise. One of the primary principles of economics is that you get more of what you subsidize and less of what you tax. You do not discourage drug use by giving out free needles. You cannot reduce disease by encouraging addiction.

More than ever before, we need strong leadership in the war on drugs, and a clear message that drugs are wrong, and harmful. Consider the facts: Over the past three years, casual drug us among teens has almost doubled. A survey by the National Institute on Drug Abuse found that the proportion of eighth graders who had tried heroin had doubled between 1991 and 1996. Every year, there are thousands of young people who fall prey to drugs. We need to send the clear message that using drugs is illegal and wrong. Drug use must be stopped, not subsidized.

That is why I am proud to stand with Senators COVERDELL and ASHCROFT in introducing legislation that to prohibit spending taxpayer dollars on drug needle give-aways, and urge my colleagues to expedite passage of this legislation.

By Mrs. FEINSTEIN:

S. 1961. A bill for the relief of Suchada Kwong; to the Committee on the Judiciary.

PRIVATE RELIEF LEGISLATION

Mrs. FEINSTEIN. Mr. President, I am offering today, legislation that would provide permanent residency to Suchada Kwong, a recently widowed young mother of a U.S. citizen child who faces the devastation of being separated from her child and family here in the United States.

Suchada Kwong's U.S. citizen husband, Jimmy Kwong, was tragically killed in an automobile accident in June of 1996, leaving a 3-month-old U.S.-born son and his 29-year-old bride.

Because current law does not allow Suchada to adjust her status to permanent residency without her husband, Suchada now faces deportation.

Suchada and Jimmy Kwong met in Bangkok, Thailand, through a mutual friend in 1993. He communicated with her frequently by phone and visited her every time he was in Bangkok. They fell in love and were married in September 1995, and Suchada gave birth to Ryan Stephen Kwong in May 1996.

Suchada was supposed to have her INS interview on August 15, 1996. However, Jimmy was killed in an accident in June, less than 3 weeks after his son was born and 2 months short of the INS interview. Now, because the petitioner is deceased, Suchada is ineligible to adjust her status. While the immigration law provides for widows of U.S. citizens to self-petition, that provision is only available for people who have been married for over 2 years.

Suchada's deportation will not only cause hardship to her and her young child but to Suchada's mother-in-law, Mrs. Kwong, who faces losing her grandson, only a short time after she lost her only son.

Mrs. Kwong is elderly, and though she is financially capable, could not care for her grandson herself. Mrs. Kwong is proud to be self-supporting, having owned and worked in a small business until her retirement. The family has never used public assistance, and through Jimmy's job, the family has sufficient resources to support Suchada and Ryan. It would also be difficult for Suchada as a single mother in Thailand. Here in the United States, she has the support of Mrs. Kwong and their church.

Suchada was granted voluntary departure for one year on October 1996 to explore other options or prepare to leave the United States. During that time period, Suchada and her family have explored all options but failed. Now, the voluntary departure period has expired and Suchada must leave the country, leaving behind her young child and her family here in the United States.

Suchada has done everything she could to become a permanent resident of this country—except for the tragedy of her husband's death 2 months before she could become a permanent resident. I hope you support this bill so that we can help Suchada begin rebuilding her life in the United States.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1961

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

SECTION 1. PERMANENT RESIDENCE.

Notwithstanding any other provision of law, for purposes of the Immigration and Nationality Act (8 U.S.C. 1101 et seq.), Suchada Kwong shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act upon payment of the required visa fees.

By Mr. FAIRCLOTH:

S. 1962. A bill to provide for an Education Modernization Fund, and for other purposes; to the Committee on Finance.

THE EDUCATION MODERNIZATION FUND ACT OF 1998

Mr. FAIRCLOTH. Mr. President, today I am introducing legislation that would provide nearly $5 billion in federal loans for school modernization and construction.

Mr. President, this legislation would transfer $5 billion from the Exchange Stabilization Fund at the Treasury Department to the Department of Education and create an Education Modernization Fund.

The legislation would create a new account called the "Education Modernization Fund" that would be used to offer low interest, long term, loans to states for the purpose of building and modernizing elementary and secondary schools. The loans would be used for school districts with fast growing elementary and secondary student populations.

The GAO has estimated that one-third of all schools, housing 14 million students are in need of repair. In my home state of North Carolina—36% of schools report that they have at least one inadequate building. Fully 90% of schools report that they have some construction needs. The state estimates that $3.5 to $10 million is needed for school repair needs. North Carolina has one of the fastest growing student populations.

The purpose of my legislation Mr. President is very simple. We have a slush fund at the Treasury Department called the "Exchange Stabilization Fund." This fund is under the personal control of the Secretary of the Treasury. He can do whatever he wants with it. Over the past four years—he has used it to supplement international bailouts, which I think is very wrong.

He loaned $12 billion to Mexico. I have to ask, why not $12 billion for schools if New Mexico?

He has promised Indonesia $3 billion. Why not funds for schools in Indiana?

He has promised South Korea $5 billion. Why not $5 billion for South Carolina?

We have our priorities backwards with this Administration.

The ESF has all been used without any Congressional approval or authorization. Further, the fund has more than $30 billion available to it.

I think it is time that we transfer a small part of this money and put it to good use by using it for school construction.

Additionally, Mr. President, in my opinion, this plan is far better than the Democrat alternative that is being offered today, the one offered by Senator MOSELEY-BRAUN.

The Moseley-Braun formula is skewed so that much of the money will go to the larger cities and low income communities—whether or not there is a need for new schools. My plan is formulated for student population growth. For example, under the Coverdell, Republican bill—Rockingham County, North Carolina would be the first school district eligible for school construction bonds because of student growth.

But under the Democrats' plan, my state would receive less than its fair share. For example, North Carolina ranks 11th in national population, and Massachusetts, ranks 13th, but under the Moseley-Braun bill, Massachusetts would receive $20 million more in funds. Louisiana which ranks 22nd in population would receive nearly $90 million more than North Carolina. Of course, its no surprise that New York, California and Illinois, under their plan, receive nearly 25% of all the money.

The Democrats alternative would also put the Department of Education in charge of school districts. The DOE would have to approve any school construction plans. Schools that receive the federal benefit would have to meet certain curriculum standards and have federal mandates about graduation and employment rates.

Finally, in order to finance the government's school construction, it wipes out the increased IRA savings for education. There is no more starker contrast between two visions of education: parents being allowed to keep their money for their children's education —or the federal government taking it to enhance the power of the Department of Education.

In my view the solution is simple, we don't need to rob parents of their savings for education to pay for school construction—we need to take the foreign aid slush fund from the Treasury Department and put it to worthy domestic uses, like school construction.

By Mr. THURMOND (for himself and Mr. COVERDELL):

S. 1963, A bill to amend title 10, United States Code, to permit certain beneficiaries of the military health care system to enroll in Federal employees health benefits plans; to the Committee on Governmental Affairs.

THE MILITARY HEALTH CARE FAIRNESS ACT

Mr. THURMOND. Mr. President, I rise today to introduce the Military Health Care Fairness Act. A companion measure, H.R. 3613, was recently introduced in the House of Representatives by Congressman J.C. WATTS and 38 cosponsors. I am pleased to have Senator COVERDELL as an original cosponsor of this measure.

Mr. President, this bill allows those military retirees over the age of sixty-five to sign up for the Federal Employees Health Benefits program (FEHBP) so that they may have another option for health care coverage. It is estimated that approximately 1.3 million retirees, dependents, and survivors meet this criteria. However, it is doubtful that all of them will sign up for the FEHBP.

The recent base closures and realignments have limited the number of places where some retirees can receive health care. By joining the FEHBP, health care choices will increase. The FEHBP will probably be desirable to those retirees that do not have prescription drug plans or want to limit catastrophic out-of-pocket cost. Further, the retiree is not excluded from using the traditional military medical treatment facilities on a space available basis. When a retiree, under the FEHBP, uses a military facility, the health care plan reimburses the military for the cost of treatment.

Mr. President, during the first year of this program the costs will be capped at $100 million. This amount increases $100 million per year for five years to cap the costs at $500 million per year. The costs to the individual should be the same as to any other federal employee in a given geographical area. In order to determine the actual premiums, the health plans will be required to establish a separate risk pool to determine whether the military group's risk characteristics such as age, gender, and care-use affect the other federal employees' premiums. While I realize that some might say the costs of this measure are high, something must be done to give health care coverage to those retirees that do not have adequate coverage under the current military health care system. The many men and women who have given so much to protect our Country by serving in the military are to be commended for their sacrifices and we should acknowledge this by giving them adequate health care choices.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1963

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

SECTION 1. SHORT TITLE.

This Act may be cited as the "Military Health Care Fairness Act".

SEC. 2. INCLUSION OF CERTAIN COVERED BENEFICIARIES IN FEDERAL EMPLOYEES HEALTH BENEFITS PROGRAM.

(a) FEHBP OPTION.—(1) Chapter 55 of title 10, United States Code, is amended by inserting after section 1079a the following new section:

"§ 1079b. Health care coverage through Federal Employees Health Benefits program

"(a) FEHBP OPTION.—(1) Subject to the availability of funds to carry out this section for a fiscal year, eligible beneficiaries described in subsection (b) shall be afforded an opportunity to enroll in any health benefits plan under the Federal Employee Health Benefits program under chapter 89 of title 5, United States Code, offering medical care comparable to the care authorized by section 1077 of this title to be provided under section 1076 of this title (in this section referred to as an 'FEHBP plan').

"(2) The Secretary of Defense and the other administering Secretaries shall jointly enter into an agreement with the Director of the Office of Personnel Management to carry out paragraph (1).

"(b) ELIGIBLE BENEFICIARIES.—(1) An eligible beneficiary referred to in subsection (a) is a covered beneficiary who is a military retiree (except a military retiree retired under chapter 1223 of this title), a dependent of such a retiree described in section 1072(2)(B) or (C), or a dependent described in section 1072(2)(A), (D), or (I) of such a retiree who enrolls in an FEHBP plan, who,—

"(A) is not guaranteed access under TRICARE to health care that is comparable to the health care benefits provided under the service benefit plan offered under the Federal Employee Health Benefits program;

"(B) is eligible to enroll in the TRICARE program but is not enrolled because of the location of the beneficiary, a limitation on the total enrollment, or any other reason; or

"(C) is entitled to hospital insurance benefits under part A of title XVIII of the Social Security Act (42 U.S.C. 1395c et seq.).

"(2) In addition to the eligibility requirements described in paragraph (1), during the first two years that covered beneficiaries are offered the opportunity to enroll in an FEHBP plan under subsection (a), eligible beneficiaries shall be limited to—

"(A) except as provided in subparagraph (B), military retirees 65 years of age or older; and

"(B) military retirees retired under chapter 61 of this title.

"(3) An eligible beneficiary shall not be required to satisfy any eligibility criteria specified in chapter 89 of title 5 as a condition for enrollment in an FEHBP plan.

"(c) PRIORITY OF ENROLLMENT.—(1) Eligible beneficiaries shall be permitted to enroll in an FEHBP plan based on the order in which such beneficiaries apply to enroll in the plan.

"(2) The Secretary shall maintain a list of eligible beneficiaries who apply to enroll in an FEHBP plan, but whom the Secretary is not able to enroll because of the lack of available funds to carry out this section.

"(d) PERIOD OF ENROLLMENT.—The Secretary shall provide a period of enrollment for eligible beneficiaries in an FEHBP plan for a period of 90 days—

"(A) before implementation of the program described in subsection (a); and

"(B) each subsequent year thereafter.

"(e) TERM OF ENROLLMENT.—(1) The minimum period of enrollment in an FEHBP plan shall be three years.

"(2) A beneficiary who elects to enroll in an FEHBP plan, and who subsequently discontinues enrollment in the plan before the end of the period described in paragraph (1), shall not be eligible to reenroll in the plan.

"(f) RECEIPT OF CARE IN MTF.—(1) An eligible beneficiary enrolled in an FEHBP plan may receive care at a military medical treatment facility subject to the availability of space in such facility, except that the plan shall reimburse the facility for the cost of such treatment. The plan may adjust beneficiary copayments so that receipt of such care at a military medical treatment facility results in no additional costs to the plan, as compared with the costs that would have been incurred if care had been received from a provider in the plan.

"(g) CONTRIBUTIONS.—(1) Contributions shall be made for an enrollment of an eligible beneficiary in a plan of the Federal Employee Health Benefits program under this section as if the beneficiary were an employee of the Federal Government.

"(2) The administering Secretary concerned shall be responsible for the Government contributions that the Director of the Office of Personnel Management determines would be payable by the Secretary under section 8906 of title 5 for an enrolled eligible beneficiary if the beneficiary were an employee of the Secretary.

"(3) Each eligible beneficiary enrolled in an FEHBP plan shall be required to contribute the amount that would be withheld from the pay of a similarly situated Federal employee who is enrolled in the same health benefits plan under chapter 89 of title 5.

"(h) MANAGEMENT OF PARTICIPATION.—The Director of the Office of Personnel Management shall manage the participation of an eligible beneficiary in a health benefits plan of the Federal Employee Health Benefits program pursuant to an enrollment under this section. The Director shall maintain separate risk pools for participating eligible beneficiaries until such time as the Director determines that inclusion of participating eligible beneficiaries under chapter 89 of title 5 will not adversely affect Federal employees and annuitants enrolled in health benefits plans under such chapter.

"(i) REPORTING REQUIREMENTS.—(1) Not later than November 1 of each year, the Secretary of Defense and the Director of the Office of Personnel Management shall jointly submit to Congress a report describing the provision of health care services to enrollees under this section during the preceding fiscal year. The report shall address or contain the following:

"(A) The number of eligible beneficiaries who are participating in health benefits plans of the Federal Employee Health Benefits program pursuant to an enrollment under this section, both in terms of total number and as a percentage of all covered beneficiaries who are receiving health care through the health care system of the uniformed services.

"(B) The extent to which eligible beneficiaries use the health care services available to the beneficiaries under health benefits plans pursuant to enrollments under this section.

"(C) The cost to enrollees for health care under such health benefits plans.

"(D) The cost to the Department of Defense, the Department of Transportation, the Department of Health and Human Services, and any other departments and agencies of the Federal Government of providing care to eligible beneficiaries pursuant to enrollments in such health benefits plans under this section.

"(E) A comparison of the costs determined under paragraphs (C) and (D) and the costs that would otherwise have been incurred by the United States and enrollees under alternative health care options available to the administering Secretaries.

"(F) The effects of the exercise of authority under this section on the cost, access, and utilization rates of other health care options under the health care system of the uniformed services.

"(2) Not later than the date that is four years after the date of enactment of the National Defense Authorization Act for fiscal year 1999, the Secretary of Defense shall submit to Congress a report describing—

"(A) whether the Secretary recommends that a health care option for retired covered beneficiaries equivalent to the option described in subsection (a) be permanently offered to such beneficiaries; and

"(B) the estimated costs of offering such an option.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 1079a the following:

"1079b. Health care coverage through Federal Employees Health Benefits program.".

(b) CONFORMING AMENDMENTS.—(1) Section 8905 of title 5, United States Code, is amended—

(A) by redesignating subsections (d), (e), and (f) as subsections (e), (f), and (g), respectively; and

(B) by inserting after subsection (c) the following new subsection (d):

"(d) An individual whom the Secretary of Defense determines is an eligible beneficiary under subsection (b) of section 1079b of title 10 may enroll in a health benefits plan under this chapter in accordance with the agreement entered into under subsection (a) of such section between the Secretary and the Office and with applicable regulations under this chapter.".

(2) Section 8906 of title 5, United States Code, is amended—

(A) in subsection (b)—

(i) in paragraph (1), by striking "paragraphs (2) and (3)" and inserting in lieu thereof "paragraphs (2), (3), and (4)"; and

(ii) by adding at the end the following new paragraph:

"(4) In the case of individuals who enroll in a health plan under section 8905(d) of this title, the Government contribution shall be determined under section 1079b(g) of title 10."; and

(B) in subsection (g)—

(i) in paragraph (1), by striking "paragraph (2)" and inserting in lieu thereof "paragraphs (2) and (3)"; and

(ii) by adding at the end the following new paragraph:

"(3) The Government contribution described in subsection (b)(4) for beneficiaries who enroll under section 8905(d) of this title shall be paid as provided in section 1079b(g) of title 10.".

(c) IMPLEMENTATION.—The Secretary of Defense—

(1) shall begin to offer the health benefits option under section 1079b(a) of title 10, United States Code (as added by subsection (a)) not later than the date that is 6 months after the date of the enactment of this Act; and

(2) shall continue to offer such option through the year 2003, and to provide care to eligible covered beneficiaries under such section through the year 2005.

(d) FUNDING FROM AUTHORIZED APPROPRIATIONS.—Of the funds authorized to be appropriated for the Department of Defense for

military personnel for fiscal years 1999 through 2005, amounts shall be available for carrying out section 1079b of title 10, United States Code (as added by subsection (a)), as follows

(1) For fiscal year 1999, $100,000,000.
(2) For fiscal year 2000, $200,000,000.
(3) For fiscal year 2001, $300,000,000.
(4) For fiscal year 2002, $400,000,000.
(5) For fiscal year 2003, $500,000,000.
(6) For each of fiscal years 2004 and 2005, such sums as are necessary.

Mr. COVERDELL. Mr. President, today I am proud to join my esteemed colleague, Senator THURMOND, in introducing legislation that will address a growing crisis our nation's military retirees now face. These soldiers who all served so valiantly for our country now find it increasingly difficult to access the lifetime health care promised to them in exchange for 20 years of service. As a veteran myself, I believe that the government must honor the promises which the country made to those men and women who have served so faithfully in defense of the United States. America's veterans fulfilled their part of the bargain—now the government has a responsibility to do likewise. The legislation we introduce today is a Senate companion to House legislation introduced by Representative J.C. WATTS. Congressman WATTS has put a great deal of effort and leadership into this issue and I applaud his efforts.

Military retirees are the only Federal Government personnel who have been prevented from using their employer-provided health care once they reach Medicare-eligible age. In the past, Medicare-eligible retirees have received health care in military treatment facilities on a "space available" basis. However, cutbacks in health care funding, force reductions and base closures are forcing many Medicare-eligible retirees out of the military medical system. The legislation we have introduced today would correct this inequity by giving all military retirees health care coverage equal to our FEHBP health plan or the option to enroll in FEHBP. As you know, Mr. President, FEHBP is the same plan in which you, I, and all our colleagues and staff in the Congress, have the option of enrolling. FEHBP is a successfully administered health benefits plan. The least we can do is offer to our nation's military retirees the same choices in health care as are available to us. I dare say they deserve it.

This legislation would do more than allow access to FEHBP to retirees. It would also allow retirees experiencing difficulties with the TRICARE/CHAMPUS health plans. Due to TRICARE/CHAMPUS reimbursement rates, which are 15 percent below Medicare reimbursement rates, many doctors do not participate in TRICARE/CHAMPUS. When a military hospital has no space available for a military retiree, the retiree is referred to a private facility. If a private facility does not accept TRICARE/CHAMPUS, the retiree is left waiting for available space in a military hospital. This is unjust. Under this legislation, military retirees who cannot receive under TRICARE/CHAMPUS the same level of care provided under FEHBP have the option of enrolling in FEHBP. Again, Mr. President, these are the same options available to us as federal employees.

Mr. President, the Congress understands the need to fix the military health care system. Just last year in the 1998 Defense Authorization Act, this body recognized through an amendment I proudly cosponsored, the moral obligation we have incurred to provide health care to members and former members of the Armed Forces who are entitled to retired or retainer pay. This is a huge undertaking and important considerations such as the cost of such an endeavor must be made. While this legislation places caps on annual spending, providing those with funding concerns concrete numbers which to work, I firmly believe we can ill-afford not to honor the promises our nation made to these men and women.

Mr. President, this nation has long stood by the men and women who have fought for, and secured, our country's freedom. Without these soldiers America would not stand today as the world's example of democracy and cornerstone of freedom. We owe it to our nation, to our nation's military retirees and to ourselves to make the small sacrifice that passage of this bill would require.

By Mr. REID (for himself and Mr. BRYAN):

S. 1964. A bill to provide for the sale of certain public land in the Ivanpah Valley, Nevada, to the Clark County Department of Aviation; to the Committee on Energy and Natural Resources.

THE IVANPAH VALLEY AIRPORT PUBLIC LANDS TRANSFER ACT

Mr. REID. Mr. President, I rise to introduce The Ivanpah Valley Airport Public Lands Transfer Act for myself and Senator BRYAN, which provides for the sale of public lands in the Ivanpah Valley, Nevada, to the Clark County Department of Aviation.

Mr. President, Las Vegas Valley has the fastest growing population in the United States. Fifty percent of the visitors to Las Vegas come through McCarran Airport. This percentage is increasing as Las Vegas grows and increases in importance as an international travel destination.

Mr. President, Las Vegas Valley needs to begin developing other airports to accommodate passenger, air cargo, and charter flights. It is inevitable that McCarran Airport is reaching its capacity.

Mr. President, Las Vegas Valley has a unique opportunity to combine 6,650 acres of public land with up to $400 million in private capital to provide a new publicly-owned and operated airport for Clark County. The Ivanpah Valley Airport site is located about 30 miles south of Las Vegas and would provide a secondary, southern gateway to the Las Vegas metropolitan area. Of the total acreage, about 2,000 acres will be developed for the airport and the balance will be developed as an industrial center. The Ivanpah Valley Airport will be integrated into a global air cargo distribution network.

Mr. President, let me assure you that this is not a giveaway of public lands. My bill requires Clark County to pay fair market value for the land. Additionally, even though private dollars will be used to help develop this complex, the airport will remain publicly-owned and managed.

Mr. President, I request unanimous consent that the Ivanpah Valley Airport Public Lands Transfer Act be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1964

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

SECTION 1. SHORT TITLE.

This Act may be cited as the "Ivanpah Valley Airport Public Land Transfer Act".

SEC. 2. CONVEYANCE TO CLARK COUNTY DEPARTMENT OF AVIATION.

(a) IN GENERAL.—Notwithstanding sections 202 and 203 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1712, 1713), the Secretary of the Interior shall convey, under such terms and conditions as the Secretary considers appropriate, all right, title, and interest of the United States in and to the public land identified for disposition on the map entitled "Ivanpah Valley, Nevada-Airport Selections", numbered _____, and dated _____, to the Department of Aviation of Clark County, Nevada, for the purpose of developing an airport facility and infrastructure.

(b) AVAILABILITY OF MAP.—The Secretary shall ensure that the map described in subsection (a) is on file and available for public inspection in the offices of the Director, and the Las Vegas District, of the Bureau of Land Management.

(c) PHASED CONVEYANCE.—

(1) IN GENERAL.—The Secretary shall convey the public land described in subsection (a) in small parcels over a period of up to 20 years, as is required to carry out the phased construction and development of the airport facility and infrastructure.

(2) APPRAISAL.—Not later than 180 days after the date of enactment of this Act, the Secretary shall ensure that an appraisal of the fair market value is conducted for each parcel of public land to be conveyed.

(3) PAYMENT OF FAIR MARKET VALUE.—A parcel shall be conveyed by the Secretary on payment by the Department of Aviation of Clark County, Nevada, to the Secretary, of the fair market value of the parcel, as determined under paragraph (2).

(d) WITHDRAWAL.—The public land described in subsection (a) is withdrawn from the operation of the mining and mineral leasing laws of the United States.

ADDITIONAL COSPONSORS

S. 356

At the request of Mr. GRAHAM, the name of the Senator from Colorado (Mr. CAMPBELL) was added as a cosponsor of S. 356, a bill to amend the Internal Revenue Code of 1986, the Public Health Service Act, the Employee Retirement Income Security Act of 1974, the title XVIII and XIX of the Social Security Act to assure access to emergency medical services under group health plans, health insurance coverage, and the medicare and medicaid programs.

S. 375

At the request of Mr. MCCAIN, the name of the Senator from New Hampshire (Mr. SMITH) was added as a cosponsor of S. 375, a bill to amend title II of the Social Security Act to restore the link between the maximum amount of earnings by blind individuals permitted without demonstrating ability to engage in substantial gainful activity and the exempt amount permitted in determining excess earnings under the earnings test.

S. 772

At the request of Mr. SPECTER, the name of the Senator from Montana (Mr. BURNS) was added as a cosponsor of S. 772, a bill to establish an Office of Religious Persecution Monitoring, to provide for the imposition of sanctions against countries engaged in a pattern of religious persecution, and for other purposes.

S. 852

At the request of Mr. LOTT, the name of the Senator from Nevada (Mr. REID) was added as a cosponsor of S. 852, a bill to establish nationally uniform requirements regarding the titling and registration of salvage, nonrepairable, and rebuilt vehicles.

S. 981

At the request of Mr. THOMPSON, the name of the Senator from Wyoming (Mr. ENZI) was added as a cosponsor of S. 981, a bill to provide for analysis of major rules.

At the request of Mr. LEVIN, the name of the Senator from Virginia (Mr. WARNER) was added as a cosponsor of S. 981, supra.

S. 1080

At the request of Mr. AKAKA, the name of the Senator from North Dakota (Mr. CONRAD) was added as a cosponsor of S. 1080, a bill to amend the National Aquaculture Act of 1980 to provide for the coordination and implementation of a national aquaculture policy for the private sector by the Secretary of Agriculture, to establish an aquaculture development and research program, and for other purposes.

S. 1141

At the request of Mr. JOHNSON, the name of the Senator from North Carolina (Mr. HELMS) was added as a cosponsor of S. 1141, a bill to amend the Energy Policy Act of 1992 to take into account newly developed renewable energy-based fuels and to equalize alternative fuel vehicle acquisition incentives to increase the flexibility of controlled fleet owners and operators, and for other purposes.

S. 1255

At the request of Mr. COATS, the names of the Senator from Michigan (Mr. LEVIN) and the Senator from Minnesota (Mr. WELLSTONE) were added as cosponsors of S. 1255, a bill to provide for the establishment of demonstration projects designed to determine the social, civic, psychological, and economic effects of providing to individuals and families with limited means an opportunity to accumulate assets, and to determine the extent to which an asset-based policy may be used to enable individuals and families with limited means to achieve economic self-sufficiency.

S. 1260

At the request of Mr. GRAMM, the names of the Senator from Arizona (Mr. KYL) and the Senator from Indiana (Mr. LUGAR) were added as cosponsors of S. 1260, a bill to amend the Securities Act of 1933 and the Securities Exchange Act of 1934 to limit the conduct of securities class actions under State law, and for other purposes.

S. 1305

At the request of Mr. GRAMM, the names of the Senator from New York (Mr. MOYNIHAN) and the Senator from Illinois (Mr. DURBIN) were added as cosponsors of S. 1305, a bill to invest in the future of the United States by doubling the amount authorized for basic scientific, medical, and pre-competitive engineering research.

S. 1325

At the request of Mr. FRIST, the name of the Senator from Connecticut (Mr. DODD) was added as a cosponsor of S. 1325, a bill to authorize appropriations for the Technology Administration of the Department of Commerce for fiscal years 1998 and 1999, and for other purposes.

At the request of Mr. SPECTER, his name was added as a cosponsor of S. 1325, supra.

S. 1334

At the request of Mr. BOND, the name of the Senator from Pennsylvania (Mr. SPECTER) was added as a cosponsor of S. 1334, a bill to amend title 10, United States Code, to establish a demonstration project to evaluate the feasibility of using the Federal Employees Health Benefits program to ensure the availability of adequate health care for Medicare-eligible beneficiaries under the military health care system.

S. 1360

At the request of Mr. ABRAHAM, the names of the Senator from Hawaii (Mr. AKAKA) and the Senator from Illinois (Mr. DURBIN) were added as cosponsors of S. 1360, a bill to amend the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 to clarify and improve the requirements for the development of an automated entry-exit control system, to enhance land border control and enforcement, and for other purposes.

S. 1392

At the request of Mr. BROWNBACK, the names of the Senator from Missouri (Mr. ASHCROFT), the Senator from Arizona (Mr. KYL), and the Senator from North Carolina (Mr. HELMS) were added as cosponsors of S. 1392, a bill to provide for offsetting tax cuts whenever there is an elimination of a discretionary spending program.

S. 1406

At the request of Mr. SMITH, the names of the Senator from Kansas (Mr. ROBERTS) and the Senator from Virginia (Mr. WARNER) were added as cosponsors of S. 1406, a bill to amend section 2301 of title 38, United States Code, to provide for the furnishing of burial flags on behalf of certain deceased members and former members of the Selected Reserve.

S. 1418

At the request of Mr. AKAKA, the name of the Senator from Mississippi (Mr. LOTT) was added as a cosponsor of S. 1418, a bill to promote the research, identification, assessment, exploration, and development of methane hydrate resources, and for other purposes.

S. 1421

At the request of Mr. KENNEDY, the name of the Senator from South Carolina (Mr. HOLLINGS) was added as a cosponsor of S. 1421, a bill to amend the Public Health Service Act to provide additional support for and to expand clinical research programs, and for other purposes.

S. 1571

At the request of Mr. MCCAIN, the name of the Senator from Texas (Mrs. HUTCHISON) was added as a cosponsor of S. 1571, a bill to amend title II of the Social Security Act to eliminate the earnings test for individuals who have attained retirement age.

S. 1608

At the request of Mr. ALLARD, the name of the Senator from Missouri (Mr. ASHCROFT) was added as a cosponsor of S. 1608, a bill to provide for budgetary reform by requiring the reduction of the deficit, a balanced Federal budget, and the repayment of the national debt.

S. 1621

At the request of Mr. GRAMS, the name of the Senator from Utah (Mr. HATCH) was added as a cosponsor of S. 1621, a bill to provide that certain Federal property shall be made available to States for State use before being made available to other entities, and for other purposes.

S. 1643

At the request of Mr. KENNEDY, the name of the Senator from Georgia (Mr.

CLELAND) was added as a cosponsor of S. 1643, a bill to amend title XVIII of the Social Security Act to delay for one year implementation of the per beneficiary limits under the interim payment system to home health agencies and to provide for a later base year for the purposes of calculating new payment rates under the system.

S. 1647

At the request of Mr. SPECTER, his name was added as a cosponsor of S. 1647, a bill to reauthorize and make reforms to programs authorized by the Public Works and Economic Development Act of 1965.

S. 1677

At the request of Mr. CHAFEE, the names of the Senator from Utah (Mr. BENNETT), the Senator from South Dakota (Mr. JOHNSON), the Senator from Vermont (Mr. LEAHY), and the Senator from Maine (Ms. SNOWE) were added as cosponsors of S. 1677, a bill to reauthorize the North American Wetlands Conservation Act and the Partnerships for Wildlife Act.

S. 1758

At the request of Mr. LUGAR, the names of the Senator from Utah (Mr. HATCH), the Senator from South Dakota (Mr. DASCHLE), the Senator from Washington (Mrs. MURRAY), and the Senator from North Carolina (Mr. FAIRCLOTH) were added as cosponsors of S. 1758, a bill to amend the Foreign Assistance Act of 1961 to facilitate protection of tropical forests through debt reduction with developing countries with tropical forests.

S. 1759

At the request of Mr. HATCH, the names of the Senator from New Mexico (Mr. BINGAMAN), the Senator from Illinois (Mr. DURBIN), the Senator from California (Mrs. FEINSTEIN), the Senator from California (Mrs. BOXER), and the Senator from Nebraska (Mr. HAGEL) were added as cosponsors of S. 1759, a bill to grant a Federal charter to the American GI Forum of the United States.

S. 1825

At the request of Mrs. MURRAY, the name of the Senator from Maryland (Ms. MIKULSKI) was added as a cosponsor of S. 1825, a bill to amend title 10, United States Code, to provide sufficient funding to assure a minimum size for honor guard details at funerals of veterans of the Armed Forces, to establish the minimum size of such details, and for other purposes.

S. 1903

At the request of Mr. THOMAS, the names of the Senator from Georgia (Mr. COVERDELL), the Senator from Kansas (Mr. ROBERTS), and the Senator from Delaware (Mr. ROTH) were added as cosponsors of S. 1903, a bill to prohibit the return of veterans memorial objects to foreign nations without specific authorization in law.

S. 1957

At the request of Mr. BURNS, the names of the Senator from Hawaii (Mr. INOUYE) and the Senator from Mississippi (Mr. COCHRAN) were added as cosponsors of S. 1957, a bill to provide regulatory assistance to small business concerns, and for other purposes.

SENATE CONCURRENT RESOLUTION 65

At the request of Ms. SNOWE, the names of the Senator from Connecticut (Mr. DODD), the Senator from Illinois (Mr. DURBIN), the Senator from New York (Mr. MOYNIHAN), the Senator from California (Mrs. BOXER), the Senator from California (Mrs. FEINSTEIN), and the Senator from Wisconsin (Mr. KOHL) were added as cosponsors of Senate Concurrent Resolution 65, a concurrent resolution calling for a United States effort to end restriction on the freedoms and human rights of the enclaved people in the occupied area of Cyprus.

SENATE RESOLUTION 175

At the request of Mr. ROBB, the names of the Senator from Pennsylvania (Mr. SPECTER) and the Senator from New Jersey (Mr. LAUTENBERG) were added as cosponsors of Senate Resolution 175, a bill to designate the week of May 3, 1998 as "National Correctional Officers and Employees Week."

SENATE RESOLUTION 197

At the request of Mr. REID, the names of the Senator from Washington (Mrs. MURRAY), the Senator from South Dakota (Mr. JOHNSON), and the Senator from North Dakota (Mr. CONRAD) were added as cosponsors of Senate Resolution 197, a resolution designating May 6, 1998, as "National Eating Disorders Awareness Day" to heighten awareness and stress prevention of eating disorders.

SENATE RESOLUTION 199

At the request of Mr. TORRICELLI, the names of the Senator from Alaska (Mr. MURKOWSKI), the Senator from Indiana (Mr. LUGAR), and the Senator from Georgia (Mr. COVERDELL) were added as cosponsors of Senate Resolution 199, a resolution designating the last week of April of each calendar year as "National Youth Fitness Week."

SENATE RESOLUTION 211—EXPRESSING THE CONDOLENCES OF THE SENATE

Mr. FAIRCLOTH (for himself, Mr. HELMS, Mr. LOTT, Mr. DASCHLE, Mr. ABRAHAM, Mr. AKAKA, Mr. ALLARD, Mr. ASHCROFT, Mr. BAUCUS, Mr. BENNETT, Mr. BIDEN, Mr. BINGAMAN, Mr. BOND, Mrs. BOXER, Mr. BREAUX, Mr. BROWNBACK, Mr. BRYAN, Mr. BUMPERS, Mr. BURNS, Mr. BYRD, Mr. CAMPBELL, Mr. CHAFEE, Mr. CLELAND, Mr. COATS, Mr. COCHRAN, Ms. COLLINS, Mr. CONRAD, Mr. COVERDELL, Mr. CRAIG, Mr. D'AMATO, Mr. DEWINE, Mr. DODD, Mr. DOMENICI, Mr. DORGAN, Mr. DURBIN, Mr. ENZI, Mr. FEINGOLD, Mrs. FEINSTEIN, Mr. FORD, Mr. FRIST, Mr. GLENN, Mr. GORTON, Mr. GRAHAM, Mr. GRAMM, Mr. GRAMS, Mr. GRASSLEY, Mr. GREGG, Mr. HAGEL, Mr. HARKIN, Mr. HATCH, Mr. HOLLINGS, Mr. HUTCHINSON, Mrs. HUTCHISON, Mr. INHOFE, Mr. INOUYE, Mr. JEFFORDS, Mr. JOHNSON, Mr. KEMPTHORNE, Mr. KENNEDY, Mr. KERREY, Mr. KERRY, Mr. KOHL, Mr. KYL, Ms. LANDRIEU, Mr. LAUTENBERG, Mr. LEAHY, Mr. LEVIN, Mr. LIEBERMAN, Mr. LUGAR, Mr. MACK, Mr. MCCAIN, Mr. MCCONNELL, Ms. MIKULSKI, Ms. MOSELEY-BRAUN, Mr. MOYNIHAN, Mr. MURKOWSKI, Mrs. MURRAY, Mr. NICKLES, Mr. REED, Mr. REID, Mr. ROBB, Mr. ROBERTS, Mr. ROCKEFELLER, Mr. ROTH, Mr. SANTORUM, Mr. SARBANES, Mr. SESSIONS, Mr. SHELBY, Mr. SMITH of New Hampshire, Mr. SMITH of Oregon, Ms. SNOWE, Mr. SPECTER, Mr. STEVENS, Mr. THOMAS, Mr. THOMPSON, Mr. THURMOND, Mr. TORRICELLI, Mr. WARNER, Mr. WELLSTONE, and Mr. WYDEN) submitted the following resolution; which was considered and agreed to:

S. RES. 211

Whereas Terry Sanford served his country with distinction and honor for all of his adult life;

Whereas Terry Sanford served his country in World War II, where he saw action in 5 European campaigns and was awarded a Bronze Star and a Purple Heart;

Whereas as Governor of North Carolina from 1961 to 1965, Terry Sanford was a leader in education and racial tolerance and was named by Harvard University as 1 of the top 10 Governors of the 20th Century;

Whereas as President of Duke University, Terry Sanford made the University into a national leader in higher education that is today recognized as one of the finest universities in the United States; and

Whereas Terry Sanford served with honor in the United States Senate from 1987 to 1993 and championed the solvency of the social security system: Now, therefore, be it

Resolved, That the Senate—

(1) has heard with profound sorrow the announcement of the death of the Honorable Terry Sanford and expresses its condolences to the Sanford family, especially Margaret Rose, his wife of over 55 years; and

(2) expresses its profound gratitude to the Honorable Terry Sanford and his family for the service that he rendered to his country.

SEC. 2. TRANSMITTAL.

The Secretary of the Senate shall transmit an enrolled copy of this resolution to the family of the Honorable Terry Sanford.

AMENDMENTS SUBMITTED

THE EDUCATION SAVINGS ACT FOR PUBLIC AND PRIVATE SCHOOLS

MOSELEY-BRAUN (AND OTHERS) AMENDMENT NO. 2292

Ms. MOSELEY-BRAUN (for herself, Mr. MOYNIHAN, Mr. DASCHLE, Mr. KENNEDY, Mrs. MURRAY, Mr. DODD, Mr. BINGAMAN, Mr. LAUTENBERG, Ms. MIKULSKI, Mr. REED, Mr. ROBB, Mr.

GLENN, Mr. REID, Mr. LEVIN, Mr. KERRY, Mrs. FEINSTEIN, Mr. DURBIN, Mr. KERREY, and Mr. HARKIN) proposed an amendment to the bill (H.R. 2646) to amend the Internal Revenue Code of 1986 to allow tax-free expenditures from education individual retirement accounts for elementary and secondary school expenses, to increase the maximum annual amount of contributions to such accounts, and for other purposes; as follows:

Strike all after "**SECTION**", and insert the following:

1. SHORT TITLE; AMENDMENT TO 1986 CODE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Public School Improvement Tax Act of 1998".

(b) AMENDMENT TO 1986 CODE.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

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

Sec. 1. Short title; amendment to 1986 Code; table of contents.

TITLE I—TAX INCENTIVES FOR EDUCATION

Sec. 101. Expansion of incentives for public schools.

Sec. 102. Exclusion from gross income of education distributions from qualified State tuition programs.

Sec. 103. Extension of exclusion for employer-provided educational assistance.

Sec. 104. Additional increase in arbitrage rebate exception for governmental bonds used to finance education facilities.

Sec. 105. Exclusion of certain amounts received under the National Health Corps Scholarship program.

Sec. 106. Treatment of qualified public educational facility bonds as exempt facility bonds.

TITLE II—REVENUE

Sec. 201. Clarification of deduction for deferred compensation.

Sec. 202. Modification to foreign tax credit carryback and carryover periods.

Sec. 203. Certain taxpayers precluded from prematurely claiming losses or from creating reserves for bad debts from receivables.

Sec. 204. Application of environmental income tax.

Sec. 205. Excise tax on purchase of structured settlement agreements.

Sec. 206. Property subject to a liability treated in same manner as assumption of liability.

Sec. 207. Clarification and expansion of mathematical error assessment procedures.

Sec. 208. Clarification of definition of specified liability loss.

Sec. 209. Modification of depreciation method for tax-exempt use property.

TITLE I—TAX INCENTIVES FOR EDUCATION

SEC. 101. EXPANSION OF INCENTIVES FOR PUBLIC SCHOOLS.

(a) IN GENERAL.—Part IV of subchapter U of chapter 1 (relating to incentives for education zones) is amended to read as follows:

"PART IV—INCENTIVES FOR QUALIFIED PUBLIC SCHOOL MODERNIZATION BONDS

"Sec. 1397E. Credit to holders of qualified public school modernization bonds.

"Sec. 1397F. Qualified zone academy bonds.

"Sec. 1397G. Qualified school construction bonds.

"SEC. 1397E. CREDIT TO HOLDERS OF QUALIFIED PUBLIC SCHOOL MODERNIZATION BONDS.

"(a) ALLOWANCE OF CREDIT.—In the case of a taxpayer who holds a qualified public school modernization bond on the credit allowance date of such bond which occurs during the taxable year, there shall be allowed as a credit against the tax imposed by this chapter for such taxable year the amount determined under subsection (b).

"(b) AMOUNT OF CREDIT.—

"(1) IN GENERAL.—The amount of the credit determined under this subsection with respect to any qualified public school modernization bond is the amount equal to the product of—

"(A) the credit rate determined by the Secretary under paragraph (2) for the month in which such bond was issued, multiplied by

"(B) the face amount of the bond held by the taxpayer on the credit allowance date.

"(2) DETERMINATION.—During each calendar month, the Secretary shall determine a credit rate which shall apply to bonds issued during the following calendar month. The credit rate for any month is the percentage which the Secretary estimates will on average permit the issuance of qualified public school modernization bonds without discount and without interest cost to the issuer.

"(c) LIMITATION BASED ON AMOUNT OF TAX.—

"(1) IN GENERAL.—The credit allowed under subsection (a) for any taxable year shall not exceed the excess of—

"(A) the sum of the regular tax liability (as defined in section 26(b)) plus the tax imposed by section 55, over

"(B) the sum of the credits allowable under part IV of subchapter A (other than subpart C thereof, relating to refundable credits).

"(2) CARRYOVER OF UNUSED CREDIT.—If the credit allowable under subsection (a) exceeds the limitation imposed by paragraph (1) for such taxable year, such excess shall be carried to the succeeding taxable year and added to the credit allowable under subsection (a) for such taxable year.

"(d) QUALIFIED PUBLIC SCHOOL MODERNIZATION BOND; CREDIT ALLOWANCE DATE.—For purposes of this section—

"(1) QUALIFIED PUBLIC SCHOOL MODERNIZATION BOND.—The term 'qualified public school modernization bond' means—

"(A) a qualified zone academy bond, and

"(B) a qualified school construction bond.

"(2) CREDIT ALLOWANCE DATE.—The term 'credit allowance date' means, with respect to any issue, the last day of the 1-year period beginning on the date of issuance of such issue and the last day of each successive 1-year period thereafter.

"(e) OTHER DEFINITIONS.—For purposes of this part—

"(1) LOCAL EDUCATIONAL AGENCY.—The term 'local educational agency' has the meaning given to such term by section 14101 of the Elementary and Secondary Education Act of 1965. Such term includes the local educational agency that serves the District of Columbia but does not include any other State agency.

"(2) BOND.—The term 'bond' includes any obligation.

"(3) STATE.—The term 'State' includes the District of Columbia and any possession of the United States.

"(4) PUBLIC SCHOOL FACILITY.—The term 'public school facility' shall not include any stadium or other facility primarily used for athletic contests or exhibitions or other events for which admission is charged to the general public.

"(f) CREDIT INCLUDED IN GROSS INCOME.—Gross income includes the amount of the credit allowed to the taxpayer under this section and the amount so included shall be treated as interest income.

"(g) BONDS HELD BY REGULATED INVESTMENT COMPANIES.—If any qualified public school modernization bond is held by a regulated investment company, the credit determined under subsection (a) shall be allowed to shareholders of such company under procedures prescribed by the Secretary.

"SEC. 1397F. QUALIFIED ZONE ACADEMY BONDS.

"(a) QUALIFIED ZONE ACADEMY BOND.—For purposes of this part—

"(1) IN GENERAL.—The term 'qualified zone academy bond' means any bond issued as part of an issue if—

"(A) 95 percent or more of the proceeds of such issue are to be used for a qualified purpose with respect to a qualified zone academy established by a local educational agency,

"(B) the bond is issued by a State or local government within the jurisdiction of which such academy is located,

"(C) the issuer—

"(i) designates such bond for purposes of this section,

"(ii) certifies that it has written assurances that the private business contribution requirement of paragraph (2) will be met with respect to such academy, and

"(iii) certifies that it has the written approval of the local educational agency for such bond issuance, and

"(D) the term of each bond which is part of such issue does not exceed 15 years.

"(2) PRIVATE BUSINESS CONTRIBUTION REQUIREMENT.—

"(A) IN GENERAL.—For purposes of paragraph (1), the private business contribution requirement of this paragraph is met with respect to any issue if the local educational agency that established the qualified zone academy has written commitments from private entities to make qualified contributions having a present value (as of the date of issuance of the issue) of not less than 10 percent of the proceeds of the issue.

"(B) QUALIFIED CONTRIBUTIONS.—For purposes of subparagraph (A), the term 'qualified contribution' means any contribution (of a type and quality acceptable to the local educational agency) of—

"(i) equipment for use in the qualified zone academy (including state-of-the-art technology and vocational equipment),

"(ii) technical assistance in developing curriculum or in training teachers in order to promote appropriate market driven technology in the classroom,

"(iii) services of employees as volunteer mentors,

"(iv) internships, field trips, or other educational opportunities outside the academy for students, or

"(v) any other property or service specified by the local educational agency.

"(3) QUALIFIED ZONE ACADEMY.—The term 'qualified zone academy' means any public school (or academic program within a public school) which is established by and operated under the supervision of a local educational agency to provide education or training below the postsecondary level if—

"(A) such public school or program (as the case may be) is designed in cooperation with business to enhance the academic curriculum, increase graduation and employment rates, and better prepare students for the rigors of college and the increasingly complex workforce,

"(B) students in such public school or program (as the case may be) will be subject to the same academic standards and assessments as other students educated by the local educational agency,

"(D) the comprehensive education plan of such public school or program is approved by the local educational agency, and

"(E)(i) such public school is located in an empowerment zone or enterprise community (including any such zone or community designated after the date of the enactment of this section), or

"(ii) there is a reasonable expectation (as of the date of issuance of the bonds) that at least 35 percent of the students attending such school or participating in such program (as the case may be) will be eligible for free or reduced-cost lunches under the school lunch program established under the National School Lunch Act.

"(4) QUALIFIED PURPOSE.—The term 'qualified purpose' means, with respect to any qualified zone academy—

"(A) constructing, rehabilitating, or repairing the public school facility in which the academy is established,

"(B) providing equipment for use at such academy,

"(C) developing course materials for education to be provided at such academy, and

"(D) training teachers and other school personnel in such academy.

"(5) TEMPORARY PERIOD EXCEPTION.—A bond shall not be treated as failing to meet the requirement of paragraph (1)(A) solely by reason of the fact that the proceeds of the issue of which such bond is a part are invested for a reasonable temporary period (but not more than 36 months) until such proceeds are needed for the purpose for which such issue was issued. Any earnings on such proceeds during such period shall be treated as proceeds of the issue for purposes of applying paragraph (1)(A).

"(b) LIMITATIONS ON AMOUNT OF BONDS DESIGNATED.—

"(1) IN GENERAL.—There is a national zone academy bond limitation for each calendar year. Such limitation is—

"(A) $400,000,000 for 1998,

"(B) $700,000,000 for 1999,

"(C) $700,000,000 for 2000,

"(D) $700,000,000 for 2001,

"(C) $700,000,000 for 2002, and

"(D) except as provided in paragraph (3), zero after 2002.

"(2) ALLOCATION OF LIMITATION.—

"(A) ALLOCATION AMONG STATES.—

"(i) 1998 LIMITATION.—The national zone academy bond limitation for calendar year 1998 shall be allocated by the Secretary among the States on the basis of their respective populations of individuals below the poverty line (as defined by the Office of Management and Budget).

"(ii) LIMITATION AFTER 1998.—The national zone academy bond limitation for any calendar year after 1998 shall be allocated by the Secretary among the States in the manner prescribed by section 1397G(d); except that, in making the allocation under this clause, the Secretary shall take into account Basic Grants attributable to large local educational agencies (as defined in section 1397G(e)).

"(B) ALLOCATION TO LOCAL EDUCATIONAL AGENCIES.—The limitation amount allocated to a State under subparagraph (A) shall be allocated by the State education agency to qualified zone academies within such State.

"(C) DESIGNATION SUBJECT TO LIMITATION AMOUNT.—The maximum aggregate face amount of bonds issued during any calendar year which may be designated under subsection (a) with respect to any qualified zone academy shall not exceed the limitation amount allocated to such academy under subparagraph (B) for such calendar year.

"(3) CARRYOVER OF UNUSED LIMITATION.—If for any calendar year—

"(A) the limitation amount under this subsection for any State, exceeds

"(B) the amount of bonds issued during such year which are designated under subsection (a) with respect to qualified zone academies within such State,

the limitation amount under this subsection for such State for the following calendar year shall be increased by the amount of such excess. The preceding sentence shall not apply if such following calendar year is after 2004.

"SEC. 1397G. QUALIFIED SCHOOL CONSTRUCTION BONDS.

"(a) QUALIFIED SCHOOL CONSTRUCTION BOND.—For purposes of this part, the term 'qualified school construction bond' means any bond issued as part of an issue if—

"(1) 95 percent or more of the proceeds of such issue are to be used for the construction, rehabilitation, or repair of a public school facility,

"(2) the bond is issued by a State or local government within the jurisdiction of which such school is located,

"(3) the issuer designates such bond for purposes of this section, and

"(4) the term of each bond which is part of such issue does not exceed 15 years.

Rules similar to the rules of section 1397F(a)(5) shall apply for purposes of paragraph (1).

"(b) LIMITATION ON AMOUNT OF BONDS DESIGNATED.—The maximum aggregate face amount of bonds issued during any calendar year which may be designated under subsection (a) by any issuer shall not exceed the sum of—

"(1) the limitation amount allocated under subsection (d) for such calendar year to such issuer, and

"(2) if such issuer is a large local educational agency (as defined in subsection (e)) or is issuing on behalf of such an agency, the limitation amount allocated under subsection (e) for such calendar year to such agency.

"(c) NATIONAL LIMITATION ON AMOUNT OF BONDS DESIGNATED.—

"(1) IN GENERAL.—There is a national qualified school construction bond limitation for each calendar year equal to the dollar amount specified in paragraph (2) for such year, reduced, in the case of calendar years 1999 and 2000, by 1.5 percent of such amount.

"(2) DOLLAR AMOUNT SPECIFIED.—The dollar amount specified in this paragraph is—

"(A) $9,700,000,000 for 1999,

"(B) $9,700,000,000 for 2000, and

"(C) except as provided in subsection (f), zero after 2000.

"(d) 65-PERCENT OF LIMITATION ALLOCATED AMONG STATES.—

"(1) IN GENERAL.—Sixty-five percent of the limitation applicable under subsection (c) for any calendar year shall be allocated among the States under paragraph (2) by the Secretary. The limitation amount allocated to a State under the preceding sentence shall be allocated by the State education agency to issuers within such State and such allocations may be made only if there is an approved State application.

"(2) ALLOCATION FORMULA.—The amount to be allocated under paragraph (1) for any calendar year shall be allocated among the States in proportion to the respective amounts each such State received for Basic Grants under subpart 2 of part A of title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6331 et seq.) for the most recent fiscal year ending before such calendar year. For purposes of the preceding sentence, Basic Grants attributable to large local educational agencies (as defined in subsection (e)) shall be disregarded.

"(3) MINIMUM ALLOCATIONS TO STATES.—

"(A) IN GENERAL.—The Secretary shall adjust the allocations under this subsection for any calendar year for each State to the extent necessary to ensure that the sum of—

"(i) the amount allocated to such State under this subsection for such year, and

"(ii) the aggregate amounts allocated under subsection (e) to large local educational agencies in such State for such year,

is not less than an amount equal to such State's minimum percentage of 65 percent of the national qualified school construction bond limitation under subsection (c) for the calendar year.

"(B) MINIMUM PERCENTAGE.—A State's minimum percentage for any calendar year is the minimum percentage described in section 1124(d) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6334(d)) for such State for the most recent fiscal year ending before such calendar year.

"(4) ALLOCATIONS TO CERTAIN POSSESSIONS.—The amount to be allocated under paragraph (1) to any possession of the United States other than Puerto Rico shall be the amount which would have been allocated if all allocations under paragraph (1) were made on the basis of respective populations of individuals below the poverty line (as defined by the Office of Management and Budget). In making other allocations, the amount to be allocated under paragraph (1) shall be reduced by the aggregate amount allocated under this paragraph to possessions of the United States.

"(5) APPROVED STATE APPLICATION.—For purposes of paragraph (1), the term 'approved State application' means an application which is approved by the Secretary of Education and which includes—

"(A) the results of a recent publicly-available survey (undertaken by the State with the involvement of local education officials, members of the public, and experts in school construction and management) of such State's needs for public school facilities, including descriptions of—

"(i) health and safety problems at such facilities,

"(ii) the capacity of public schools in the State to house projected enrollments, and

"(iii) the extent to which the public schools in the State offer the physical infrastructure needed to provide a high-quality education to all students, and

"(B) a description of how the State will allocate to local educational agencies, or otherwise use, its allocation under this subsection to address the needs identified under subparagraph (A), including a description of how it will—

"(i) give highest priority to localities with the greatest needs, as demonstrated by inadequate school facilities coupled with a low level of resources to meet those needs,

"(ii) use its allocation under this subsection to assist localities that lack the fiscal capacity to issue bonds on their own, including the issuance of bonds by the State on behalf of such localities, and

"(iii) ensure that its allocation under this subsection is used only to supplement, and not supplant, the amount of school construction, rehabilitation, and repair in the State that would have occurred in the absence of such allocation.

Any allocation under paragraph (1) by a State education agency shall be binding if such agency reasonably determined that the allocation was in accordance with the plan approved under this paragraph.

"(e) 35-PERCENT OF LIMITATION ALLOCATED AMONG LARGEST SCHOOL DISTRICTS.—

"(1) IN GENERAL.—Thirty-five percent of the limitation applicable under subsection (c) for any calendar year shall be allocated under paragraph (2) by the Secretary among local educational agencies which are large local educational agencies for such year. No qualified school construction bond may be issued by reason of an allocation to a large local educational agency under the preceding sentence unless such agency has an approved local application.

"(2) ALLOCATION FORMULA.—The amount to be allocated under paragraph (1) for any calendar year shall be allocated among large local educational agencies in proportion to the respective amounts each such agency received for Basic Grants under subpart 2 of part A of title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6331 et seq.) for the most recent fiscal year ending before such calendar year.

"(3) LARGE LOCAL EDUCATIONAL AGENCY.—For purposes of this section, the term 'large local educational agency' means, with respect to a calendar year, any local educational agency if such agency is—

"(A) among the 100 local educational agencies with the largest numbers of children aged 5 through 17 from families living below the poverty level, as determined by the Secretary using the most recent data available from the Department of Commerce that are satisfactory to the Secretary, or

"(B) 1 of not more than 25 local educational agencies (other than those described in clause (i)) that the Secretary of Education determines (based on the most recent data available satisfactory to the Secretary) are in particular need of assistance, based on a low level of resources for school construction, a high level of enrollment growth, or such other factors as the Secretary deems appropriate.

"(4) APPROVED LOCAL APPLICATION.—For purposes of paragraph (1), the term 'approved local application' means an application which is approved by the Secretary of Education and which includes—

"(A) the results of a recent publicly-available survey (undertaken by the local educational agency with the involvement of school officials, members of the public, and experts in school construction and management) of such agency's needs for public school facilities, including descriptions of—

"(i) the overall condition of the local educational agency's school facilities, including health and safety problems,

"(ii) the capacity of the agency's schools to house projected enrollments, and

"(iii) the extent to which the agency's schools offer the physical infrastructure needed to provide a high-quality education to all students,

"(B) a description of how the local educational agency will use its allocation under this subsection to address the needs identified under subparagraph (A), and

"(C) a description of how the local educational agency will ensure that its allocation under this subsection is used only to supplement, and not supplant, the amount of school construction, rehabilitation, or repair in the locality that would have occurred in the absence of such allocation.

A rule similar to the rule of the last sentence of subsection (d)(5) shall apply for purposes of this paragraph.

"(f) CARRYOVER OF UNUSED LIMITATION.—If for any calendar year—

"(1) the amount allocated under subsection (d) to any State, exceeds

"(2) the amount of bonds issued during such year which are designated under subsection (a) pursuant to such allocation,

the limitation amount under such subsection for such State for the following calendar year shall be increased by the amount of such excess. A similar rule shall apply to the amounts allocated under subsection (e). The subsection shall not apply if such following calendar year is after 2002.

"(g) SET-ASIDE ALLOCATED AMONG INDIAN TRIBES.—

"(1) IN GENERAL.—The 1.5 percent set-aside applicable under subsection (c)(1) for any calendar year shall be allocated under paragraph (2) among Indian tribes for the construction, rehabilitation, or repair of tribal schools. No allocation may be made under the preceding sentence unless the Indian tribe has an approved application.

"(2) ALLOCATION FORMULA.—The amount to be allocated under paragraph (1) for any calendar year shall be allocated among Indian tribes on a competitive basis by the Secretary of Education, in consultation with the Secretary of the Interior—

"(A) through a negotiated rulemaking procedure with the tribes in the same manner as the procedure described in section 106(b)(2) of the Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. 4116(b)(2)), and

"(B) based on criteria described in paragraphs (1), (3), (4), (5), and (6) of section 12005(a) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8505(a)).

"(3) APPROVED APPLICATION.—For purposes of paragraph (1), the term 'approved application' means an application submitted by an Indian tribe which is approved by the Secretary of Education and which includes—

"(A) the basis upon which the applicable tribal school meets the criteria described in paragraph (2)(B), and

"(B) an assurance by the Indian tribe that such tribal school will not receive funds pursuant to allocations described in subsection (d) or (e).

"(4) DEFINITIONS.—For purposes of this subsection—

"(A) INDIAN TRIBE.—The term 'Indian tribe' has the meaning given such term by section 45A(c)(6).

"(B) TRIBAL SCHOOL.—The term 'tribal school' means a school that is operated by an Indian tribe for the education of Indian children with financial assistance under grant under the Tribally Controlled Schools Act of 1988 (25 U.S.C. 2501 et seq.) or a contract with the Bureau of Indian Affairs under the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450f et seq.)."

(b) REPORTING.—Subsection (d) of section 6049 (relating to returns regarding payments of interest) is amended by adding at the end the following new paragraph:

"(8) REPORTING OF CREDIT ON QUALIFIED PUBLIC SCHOOL MODERNIZATION BONDS.—

"(A) IN GENERAL.—For purposes of subsection (a), the term 'interest'includes amounts includible in gross income under section 1397E(f) and such amounts shall be treated as paid on the credit allowance date (as defined in section 1397E(d)(2)).

"(B) REPORTING TO CORPORATIONS, ETC.—Except as otherwise provided in regulations, in the case of any interest described in subparagraph (A) of this paragraph, subsection (b)(4) of this section shall be applied without regard to subparagraphs (A), (H), (I), (J), (K), and (L)(i).

"(C) REGULATORY AUTHORITY.—The Secretary may prescribe such regulations as are necessary or appropriate to carry out the purposes of this paragraph, including regulations which require more frequent or more detailed reporting."

(c) CLERICAL AMENDMENTS.—

(1) The table of parts for subchapter U of chapter 1 is amended by striking the item relating to part IV and inserting the following new item:

"Part IV. Incentives for qualified public school modernization bonds."

(2) Part V of subchapter U of chapter 1 is amended by redesignating both section 1397F and the item relating thereto in the table of sections for such part as section 1397H.

(d) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall apply to obligations issued after December 31, 1998.

(2) REPEAL OF RESTRICTION ON ZONE ACADEMY BOND HOLDERS.—The repeal of the limitation of section 1397E of the Internal Revenue Code of 1986 (as in effect on the day before the date of the enactment of this Act) to eligible taxpayers (as defined in subsection (d)(6) of such section) shall apply to obligations issued after December 31, 1997.

SEC. 102. EXCLUSION FROM GROSS INCOME OF EDUCATION DISTRIBUTIONS FROM QUALIFIED STATE TUITION PROGRAMS.

(a) IN GENERAL.—Section 529(c)(3)(B) (relating to distributions) is amended to read as follows:

"(B) DISTRIBUTIONS FOR QUALIFIED HIGHER EDUCATION EXPENSES.—

"(i) IN GENERAL.—No amount shall be includible in gross income under subparagraph (A) if the qualified higher education expenses of the designated beneficiary during the taxable year are not less than the aggregate distributions during the taxable year.

"(ii) DISTRIBUTIONS IN EXCESS OF EXPENSES.—If such aggregate distributions exceed such expenses during the taxable year, the amount otherwise includible in gross income under subparagraph (A) shall be reduced by the amount which bears the same ratio to the amount so includible (without regard to this subparagraph) as such expenses bear to such aggregate distributions.

"(iii) ELECTION TO WAIVE EXCLUSION.—A taxpayer may elect to waive the application of this subparagraph for any taxable year.

"(iv) IN-KIND DISTRIBUTIONS.—Any benefit furnished to a designated beneficiary under a qualified State tuition program shall be

treated as a distribution to the beneficiary for purposes of this paragraph.

"(v) DISALLOWANCE OF EXCLUDED AMOUNTS AS CREDIT OR DEDUCTION.—No deduction or credit shall be allowed to the taxpayer under any other section of this chapter for any qualified higher education expenses to the extent taken into account in determining the amount of the exclusion under this paragraph."

(b) DEFINITION OF QUALIFIED HIGHER EDUCATION EXPENSES.—Section 529(e)(3)(A) (defining qualified higher education expenses) is amended to read as follows:

"(A) IN GENERAL.—The term 'qualified higher education expenses' means expenses for tuition, fees, academic tutoring, special needs services, books, supplies, computer equipment (including related software and services), and other equipment which are incurred in connection with the enrollment or attendance of the designated beneficiary at an eligible educational institution."

(c) COORDINATION WITH EDUCATION CREDITS.—Section 25A(e)(2) (relating to coordination with exclusions) is amended—

(1) by inserting "a qualified State tuition program or" before "an education individual retirement account", and

(2) by striking "section 530(d)(2)" and inserting "section 529(c)(3)(B) or 530(d)(2)".

(d) TECHNICAL CORRECTION.—Section 529(c)(3)(A) is amended by striking "section 72(b)" and inserting "section 72".

(e) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall apply to taxable years beginning after December 31, 1998.

(2) TECHNICAL CORRECTION.—The amendment made by subsection (d) shall take effect as if included in the amendments made by section 211 of the Taxpayer Relief Act of 1997.

SEC. 103. EXTENSION OF EXCLUSION FOR EMPLOYER-PROVIDED EDUCATIONAL ASSISTANCE.

(a) IN GENERAL.—Section 127(d) (relating to termination of exclusion for educational assistance programs) is amended by striking "May 31, 2000" and inserting "December 31, 2002".

(b) REPEAL OF LIMITATION ON GRADUATE EDUCATION.—The last sentence of section 127(c)(1) (defining educational assistance) is amended by striking ", and such term also does not include any payment for, or the provision of any benefits with respect to, any graduate level course of a kind normally taken by an individual pursuing a program leading to a law, business, medical, or other advanced academic or professional degree".

(c) EFFECTIVE DATES.—

(1) EXTENSION.—The amendment made by subsection (a) shall apply to expenses paid with respect to courses beginning after May 31, 2000.

(2) GRADUATE EDUCATION.—The amendment made by subsection (b) shall apply to expenses paid with respect to courses beginning after December 31, 1997.

SEC. 104. ADDITIONAL INCREASE IN ARBITRAGE REBATE EXCEPTION FOR GOVERNMENTAL BONDS USED TO FINANCE EDUCATION FACILITIES.

(a) IN GENERAL.—Section 148(f)(4)(D)(vii) (relating to increase in exception for bonds financing public school capital expenditures) is amended by striking "$5,000,000" the second place it appears and inserting "$10,000,000".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to obligations issued after December 31, 1998.

SEC. 105. EXCLUSION OF CERTAIN AMOUNTS RECEIVED UNDER THE NATIONAL HEALTH CORPS SCHOLARSHIP PROGRAM.

(a) IN GENERAL.—Section 117(c) (relating to the exclusion from gross income amounts received as a qualified scholarship) is amended—

(1) by striking "Subsections (a)" and inserting the following:

"(1) IN GENERAL.—Except as provided in paragraph (2), subsections (a)"; and

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

"(2) NATIONAL HEALTH CORPS SCHOLARSHIP PROGRAM.—Paragraph (1) shall not apply to any amount received by an individual under the National Health Corps Scholarship Program under section 338A(g)(1)(A) of the Public Health Service Act."

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to amounts received in taxable years beginning after December 31, 1993.

SEC. 106. TREATMENT OF QUALIFIED PUBLIC EDUCATIONAL FACILITY BONDS AS EXEMPT FACILITY BONDS.

(a) TREATMENT AS EXEMPT FACILITY BOND.—Subsection (a) of section 142 (relating to exempt facility bond) is amended by striking "or" at the end of paragraph (11), by striking the period at the end of paragraph (12) and inserting ", or", and by adding at the end the following:

"(13) qualified public educational facilities."

(b) QUALIFIED PUBLIC EDUCATIONAL FACILITIES.—Section 142 is amended by adding at the end the following:

"(k) QUALIFIED PUBLIC EDUCATIONAL FACILITIES.—

"(1) IN GENERAL.—For purposes of subsection (a)(13), the term 'qualified public educational facility' means any school facility which is—

"(A) part of a public elementary school or a public secondary school,

"(B) except as provided in paragraph (6)(B)(iii), located in a high-growth school district, and

"(C) owned by a private, for-profit corporation pursuant to a public-private partnership agreement with a State or local educational agency described in paragraph (2).

"(2) PUBLIC-PRIVATE PARTNERSHIP AGREEMENT DESCRIBED.—A public-private partnership agreement is described in this paragraph if it is an agreement—

"(A) under which the corporation agrees—

"(i) to do 1 or more of the following: construct, rehabilitate, refurbish, or equip a school facility, and

"(ii) at the end of the contract term, to transfer the school facility to such agency for no additional consideration, and

"(B) the term of which does not exceed the term of the underlying issue.

"(3) SCHOOL FACILITY.—For purposes of this subsection, the term 'school facility' means—

"(A) school buildings,

"(B) functionally related and subordinate facilities and land with respect to such buildings, including any stadium or other facility primarily used for school events, and

"(C) any property, to which section 168 applies (or would apply but for section 179), for use in the facility.

"(4) PUBLIC SCHOOLS.—For purposes of this subsection, the terms 'elementary school' and 'secondary school' have the meanings given such terms by section 14101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8801), as in effect on the date of the enactment of this subsection.

"(5) HIGH-GROWTH SCHOOL DISTRICT.—For purposes of this subsection, the term 'high-growth school district' means a school district established under State law which had an enrollment of at least 5,000 students in the second academic year preceding the date of the issuance of the bond and an increase in student enrollment of at least 20 percent during the 5-year period ending with such academic year.

"(6) ANNUAL AGGREGATE FACE AMOUNT OF TAX-EXEMPT FINANCING.—

"(A) IN GENERAL.—An issue shall not be treated as an issue described in subsection (a)(13) if the aggregate face amount of bonds issued by the State pursuant thereto (when added to the aggregate face amount of bonds previously so issued during the calendar year) exceeds an amount equal to the greater of—

"(i) $10 multiplied by the State population, or

"(ii) $5,000,000.

"(B) ALLOCATION RULES.—

"(i) IN GENERAL.—Except as otherwise provided in this subparagraph, the State may allocate in a calendar year the amount described in subparagraph (A) for such year in such manner as the State determines appropriate.

"(ii) RULES FOR CARRYFORWARD OF UNUSED AMOUNT.—With respect to any calendar year, a State may make an election under rules similar to the rules of section 146(f), except that the sole carryforward purpose with respect to such election is the issuance of exempt facility bonds described in section 142(a)(13).

"(iii) SPECIAL ALLOCATION RULE FOR SCHOOLS OUTSIDE HIGH-GROWTH SCHOOL DISTRICTS.—A State may elect to allocate an aggregate face amount of bonds not to exceed $5,000,000 from the amount described in subparagraph (A) for each calendar year for qualified public educational facilities without regard to the requirement under paragraph (1)(A)."

(c) EXEMPTION FROM GENERAL STATE VOLUME CAPS.—Paragraph (3) of section 146(g) (relating to exception for certain bonds) is amended—

(1) by striking "or (12)" and inserting "(12), or (13)", and

(2) by striking "and environmental enhancements of hydroelectric generating facilities" and inserting "environmental enhancements of hydroelectric generating facilities, and qualified public educational facilities".

(d) EXEMPTION FROM LIMITATION ON USE FOR LAND ACQUISITION.—Section 147(h) (relating to certain rules not apply) is amended—

(1) by adding at the end the following:

"(3) EXEMPT FACILITY BONDS FOR QUALIFIED PUBLIC EDUCATIONAL FACILITIES.—Subsection (c) shall not apply to any exempt facility bond issued as part of an issue described in section 142(a)(13) (relating to qualified public educational facilities).", and

(2) by striking "MORTGAGE REVENUE BONDS, QUALIFIED STUDENT LOAN BONDS, AND QUALIFIED 501(c)(3) BONDS" in the heading and inserting "CERTAIN BONDS".

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to bonds issued after December 31, 1998.

TITLE II—REVENUE

SEC. 201. CLARIFICATION OF DEDUCTION FOR DEFERRED COMPENSATION.

(a) IN GENERAL.—Section 404(a) (relating to deduction for contributions of an employer to an employee's trust or annuity plan and compensation under a deferred-payment plan) is amended by adding at the end the following new paragraph:

"(11) DETERMINATIONS RELATING TO DEFERRED COMPENSATION.—For purposes of determining under this section—

"(A) whether compensation of an employee is deferred compensation, and

"(B) when deferred compensation is paid,

no amount shall be treated as received by the employee, or paid, until it is actually received by the employee."

(b) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendment made by subsection (a) shall apply to taxable years ending after the date of the enactment of this Act except with respect to compensation relating to severance pay, which shall apply to taxable years beginning after December 31, 2000.

(2) CHANGE IN METHOD OF ACCOUNTING.—In the case of any taxpayer required by the amendment made by subsection (a) to change its method of accounting for its first taxable year ending after the date of the enactment of this Act—

(A) such change shall be treated as initiated by the taxpayer,

(B) such change shall be treated as made with the consent of the Secretary of the Treasury, and

(C) the net amount of the adjustments required to be taken into account by the taxpayer under section 481 of the Internal Revenue Code of 1986 shall be taken into account in such first taxable year.

SEC. 202. MODIFICATION TO FOREIGN TAX CREDIT CARRYBACK AND CARRYOVER PERIODS.

(a) IN GENERAL.—Section 904(c) (relating to limitation on credit) is amended—

(1) by striking "in the second preceding taxable year,", and

(2) by striking "or fifth" and inserting "fifth, sixth, or seventh".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to credits arising in taxable years beginning after December 31, 1998.

SEC. 203. CERTAIN TAXPAYERS PRECLUDED FROM PREMATURELY CLAIMING LOSSES OR FROM CREATING RESERVES FOR BAD DEBTS FROM RECEIVABLES.

(a) REPEAL OF NON-ACCRUAL EXPERIENCE METHOD FOR SERVICE PROVIDERS.—Section 448(d) (relating to definitions and special rules) is amended by striking paragraph (5) and by redesignating paragraphs (6), (7), and (8) as paragraphs (5), (6), and (7), respectively.

(b) CERTAIN RECEIVABLES NOT ELIGIBLE FOR MARK TO MARKET.—Section 475(c) (relating to definitions) is amended by adding at the end the following new paragraph:

"(4) SPECIAL RULES FOR CERTAIN RECEIVABLES.—

"(A) IN GENERAL.—Paragraph (2)(C) shall not include any note, bond, debenture, or other evidence of indebtedness which is nonfinancial customer paper.

"(B) NONFINANCIAL CUSTOMER PAPER.—For purposes of subparagraph (A), the term 'nonfinancial customer paper' means any receivable—

"(i) arising out of the sale of goods or services by a person the principal activity of which is the selling or providing of nonfinancial goods and services, and

"(ii) held by such person or a related person at all times since issue."

(c) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall apply to taxable years beginning after December 31, 2002.

(2) CHANGE IN METHOD OF ACCOUNTING.—In the case of any taxpayer required by the amendments made by this section to change its method of accounting for its first taxable year beginning after December 31, 2000—

(A) such change shall be treated as initiated by the taxpayer,

(B) such change shall be treated as made with the consent of the Secretary of the Treasury, and

(C) the net amount of the adjustments required to be taken into account by the taxpayer under section 481 of the Internal Revenue Code of 1986 shall be taken into account ratably over the 4-taxable year period beginning with such first taxable year.

SEC. 204. APPLICATION OF ENVIRONMENTAL INCOME TAX.

(a) EXTENSION OF TAX.—Section 59A(e) (relating to application of tax) is amended to read as follows:

"(e) APPLICATION OF TAX.—The tax imposed by this section shall apply to taxable years beginning after December 31, 1986, and before January 1, 1996, and to taxable years beginning after December 31, 2003."

(b) COORDINATION WITH EXCEPTION OF CERTAIN SMALL CORPORATIONS FROM ALTERNATIVE MINIMUM TAX.—Section 59A(a) (relating to imposition of tax) is amended by adding at the end the following flush sentence:

"Such tax shall not be imposed on a corporation for any taxable year if such corporation is exempt under section 55(e)(1) for the taxable year."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2003.

SEC. 205. EXCISE TAX ON PURCHASE OF STRUCTURED SETTLEMENT AGREEMENTS.

(a) IN GENERAL.—Subtitle D (relating to miscellaneous excise taxes) is amended by adding at the end the following new chapter:

"CHAPTER 48—STRUCTURED SETTLEMENT AGREEMENTS

"Sec. 5000A. Tax on purchases of structured settlement agreements.

"SEC. 5000A. TAX ON PURCHASES OF STRUCTURED SETTLEMENT AGREEMENTS.

"(a) IMPOSITION OF TAX.—There is hereby imposed on any person who purchases the right to receive payments under a structured settlement agreement a tax equal to 20 percent of the amount of the purchase price.

"(b) EXCEPTION FOR COURT-ORDERED PURCHASES.—Subsection (a) shall not apply to any purchase which is pursuant to a court order which finds that such purchase is necessary because of the extraordinary and unanticipated needs of the individual with the personal injuries or sickness giving rise to the structured settlement agreement.

"(c) STRUCTURED SETTLEMENT AGREEMENT.—For purposes of this section, the term 'structured settlement agreement' means—

"(1) any right to receive (whether by suit or agreement) periodic payments as damages on account of personal injuries or sickness, or

"(2) any right to receive periodic payments as compensation for personal injuries or sickness under any workmen's compensation act.

"(d) PURCHASE.—For purposes of this section, the term 'purchase' has the meaning given such term by section 179(d)(2)."

(b) CONFORMING AMENDMENT.—The table of chapters for subtitle D is amended by adding at the end the following new item:

"CHAPTER 48. Structured settlement agreements.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to purchases after the date of the enactment of this Act.

SEC. 206. PROPERTY SUBJECT TO A LIABILITY TREATED IN SAME MANNER AS ASSUMPTION OF LIABILITY.

(a) REPEAL OF PROPERTY SUBJECT TO A LIABILITY TEST.—

(1) SECTION 357.—Section 357(a) (relating to assumption of liability) is amended by striking ", or acquires from the taxpayer property subject to a liability" in paragraph (2).

(2) SECTION 358.—Section 358(d)(1) (relating to assumption of liability) is amended by striking "or acquired from the taxpayer property subject to a liability".

(3) SECTION 368.—

(A) Section 368(a)(1)(C) is amended by striking ", or the fact that property acquired is subject to a liability,".

(B) The last sentence of section 368(a)(2)(B) is amended by striking ", and the amount of any liability to which any property acquired from the acquiring corporation is subject,".

(b) CLARIFICATION OF ASSUMPTION OF LIABILITY.—Section 357(c) is amended by adding at the end the following new paragraph:

"(4) DETERMINATION OF AMOUNT OF LIABILITY ASSUMED.—For purposes of this section, section 358(d), section 368(a)(1)(C), and section 368(a)(2)(B)—

"(A) a liability shall be treated as having been assumed to the extent, as determined on the basis of facts and circumstances, the transferor is relieved of such liability or any portion thereof (including through an indemnity agreement or other similar arrangement), and

"(B) in the case of the transfer of any property subject to a nonrecourse liability, unless the facts and circumstances indicate otherwise, the transferee shall be treated as assuming with respect to such property a ratable portion of such liability determined on the basis of the relative fair market values (determined without regard to section 7701(g)) of all assets subject to such liability.

(c) APPLICATION TO PROVISIONS OTHER THAN SUBCHAPTER C.—

(1) SECTION 584.—Section 584(h)(3) is amended—

(A) by striking ", and the fact that any property transferred by the common trust fund is subject to a liability," in subparagraph (A),

(B) by striking clause (ii) of subparagraph (B) and inserting:

"(ii) ASSUMED LIABILITIES.—For purposes of clause (i), the term 'assumed liabilities' means any liability of the common trust fund assumed by any regulated investment company in connection with the transfer referred to in paragraph (1)(A).

"(C) ASSUMPTION.—For purposes of this paragraph, in determining the amount of any liability assumed, the rules of section 357(c)(4) shall apply."

(2) SECTION 1031.—The last sentence of section 1031(d) is amended—

(A) by striking "assumed a liability of the taxpayer or acquired from the taxpayer property subject to a liability" and inserting "assumed (as determined under section 357(c)(4)) a liability of the taxpayer", and

(B) by striking "or acquisition (in the amount of the liability)".

(d) CONFORMING AMENDMENTS.—

(1) Section 351(h)(1) is amended by striking ", or acquires property subject to a liability,".

(2) Section 357 is amended by striking "or acquisition" each place it appears in subsection (a) or (b).

(3) Section 357(b)(1) is amended by striking "or acquired".

(4) Section 357(c)(1) is amended by striking ", plus the amount of the liabilities to which the property is subject,".

(5) Section 357(c)(3) is amended by striking "or to which the property transferred is subject".

(6) Section 358(d)(1) is amended by striking "or acquisition (in the amount of the liability)".

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to transfers after the date of the enactment of this Act.

SEC. 207. CLARIFICATION AND EXPANSION OF MATHEMATICAL ERROR ASSESSMENT PROCEDURES.

(a) TIN DEEMED INCORRECT IF INFORMATION ON RETURN DIFFERS WITH AGENCY RECORDS.—Section 6213(g)(2) (defining mathematical or clerical error) is amended by adding at the end the following flush sentence:

"A taxpayer shall be treated as having omitted a correct TIN for purposes of the preceding sentence if information provided by the taxpayer on the return with respect to the individual whose TIN was provided differs from the information the Secretary obtains from the person issuing the TIN."

(b) EXPANSION OF MATHEMATICAL ERROR PROCEDURES TO CASES WHERE TIN ESTABLISHES INDIVIDUAL NOT ELIGIBLE FOR TAX CREDIT.—Section 6213(g)(2) is amended by striking "and" at the end of subparagraph (I), by striking the period at the end of the first subparagraph (J) (relating to higher education credit) and inserting a comma, by redesignating the second subparagraph (J) (relating to earned income credit) as subparagraph (K) and by striking the period at the end and inserting ", and", and by adding at the end the following new subparagraph:

"(L) the inclusion of a TIN on a return with respect to an individual for whom a credit is claimed under section 21, 24, or 32 if, on the basis of data obtained by the Secretary from the person issuing the TIN, it is established that the individual does not meet any applicable age requirements for such credit."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years ending after the date of the enactment of this Act.

SEC. 208. CLARIFICATION OF DEFINITION OF SPECIFIED LIABILITY LOSS.

(a) IN GENERAL.—Subparagraph (B) of section 172(f)(1) (defining specified liability loss) is amended to read as follows:

"(B) Any amount (not described in subparagraph (A)) allowable as a deduction under this chapter which is attributable to a liability—

"(i) under a Federal or State law requiring the reclamation of land, decommissioning of a nuclear power plant (or any unit thereof), dismantlement of an offshore drilling platform, remediation of environmental contamination, or payment of workmen's compensation, and

"(ii) with respect to which the act (or failure to act) giving rise to such liability occurs at least 3 years before the beginning of the taxable year."

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to net operating losses for taxable years beginning after the date of the enactment of this Act.

SEC. 209. MODIFICATION OF DEPRECIATION METHOD FOR TAX-EXEMPT USE PROPERTY.

(a) IN GENERAL.—Subparagraph (A) of section 168(g)(3) (relating to tax-exempt use property subject to lease) is amended to read as follows:

"(A) TAX-EXEMPT USE PROPERTY.—In the case of any tax-exempt use property, the recovery period used for purposes of paragraph (2) shall be equal to 150 percent of the class life of the property determined without regard to this subparagraph."

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to property—

(1) placed in service after December 31, 1998, and

(2) placed in service on or before such date which—

(A) becomes tax-exempt use property after such date, or

(B) becomes subject to a lease after such date which was not in effect on such date.

In the case of property to which paragraph (2) applies, the amendment shall only apply with respect to periods on and after the date the property becomes tax-exempt use property or subject to such a lease.

NOTICE OF HEARING

PERMANENT SUBCOMMITTEE ON INVESTIGATIONS

Ms. COLLINS. Mr. President, I would like to announce for the information of the Senate and the public that the Permanent Subcommittee on Investigations of the Committee on Governmental Affairs, will hold a hearing on "The Exploding Problem of Telephone Slamming In America."

This hearing will take place on Thursday, April 23, 1998, at 9:30 a.m., in room 342 of the Dirksen Senate Office Building. For further information, please contact Timothy J. Shea of the subcommittee staff at 224-3721.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ARMED SERVICES

Mr. COVERDELL. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet on Tuesday, April 21, 1998, at 10:30 a.m. in closed session, to consider S. 1873, a bill to state the policy of the United States regarding the deployment of a missile defense system capable of defending the territory of the United States against limited ballistic missile attack.

The PRESIDING OFFICER. Without objection, it is so ordered.

SELECT COMMITTEE ON INTELLIGENCE

Mr. COVERDELL. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Tuesday, April 21 at 2:20 p.m. to hold a joint closed hearing with the Judiciary Committee and on Wednesday, April 22, 1998 at 2:30 p.m. to hold a joint open hearing with the Judiciary Committee.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON VETERANS' AFFAIRS

Mr. COVERDELL. Mr. President, the Committee on Veterans' Affairs requests unanimous consent to hold a hearing on ionizing radiation, veterans' health care, and related issues.

The hearing will take place on Tuesday, April 21, 1998, at 10 a.m., in room 418 of the Russell Senate Office Building.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON SURFACE TRANSPORTATION AND MERCHANT MARINE

Mr. COVERDELL. Mr. President, I ask unanimous consent that the Subcommittee on Surface Transportation and Merchant Marine of the Senate Committee on Commerce, Science, and Transportation be authorized to meet on Tuesday, April 21, 1998, at 2:30 p.m. on carriage of goods by sea/death on the high seas.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON TECHNOLOGY, TERRORISM, AND GOVERNMENT INFORMATION

Mr. COVERDELL. Mr. President, I ask unanimous consent that the Subcommittee on Technology, Terrorism, and Government Information, of the Senate Judiciary Committee, be authorized to meet during the session of the Senate on Tuesday, April 21, 1998 at 2:30 p.m. to hold a classified briefing in room 219, Senate Hart Office Building, on: "Chemical and Biological Weapons Threats to America."

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON TRADE

Mr. COVERDELL. Mr. President, the Finance Committee Subcommittee on Trade requests unanimous consent to conduct a hearing on Tuesday, April 21, 1998, beginning at 9:30 a.m. in room 215, Dirksen.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

WE THE PEOPLE . . . 1998 NATIONAL FINALS

• Mr. CRAIG. Mr. President, on May 2-4, 1998, more than 1,200 students will participate in the national finals of the We the People . . . The Citizen and the Constitution Program. This is a three day academic competition on the Constitution and Bill of Rights here in Washington, D.C. I am proud to acknowledge students from Les Bois High School in Boise, Idaho, who have achieved the great honor of participating in this outstanding program. Under the direction of their teachers, Dan Prinzing and Janet Adams, these students have worked diligently to reach the national finals by winning competitions in Idaho.

Administered by the Center for Civic Education, the primary goal of the We the People . . . program, is to promote civic competence and responsibility among the nation's elementary and secondary students. This instructional program is designed to increase the students' understanding of American constitutional democracy. By providing firsthand experience, students are able to witness the relevance of the Constitution and Bill of Rights in dealing with contemporary issues.

Participation in the national finals requires that the students demonstrate their knowledge of constitutional principles and their relevance to current issues before a simulation of congressional committees composed of constitutional scholars, lawyers, journalists, and government leaders. Here the students will have the opportunity to scrutinize and take or defend positions on issues placed before them.

This program provides an excellent opportunity for these students to increase their knowledge of our nation's government and legislative procedure. This is an experience that will benefit both these students and the nation, as it provides an excellent hands-on course in preparing our young Americans for future leadership.

I commend these students from Les Bois High School for this outstanding achievement, and wish them luck in the National competition. I am proud to have them represent the great state of Idaho.

Mr. President, I ask unanimous consent that a list of student names from Les Bois High School who will be competing be printed in the RECORD.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

Students from Les Bois Junior High (Boise, Idaho) participating in the We the People program:

Ryan Abo, Kyle Anderson, Sean Beaver, Heather Birkinshaw, Michelle Blank, Megan Campbell, Elly Davis, Jordan DeLange, Jesika Groves, Patrick Hanks, Julia Holz, Michelle Howland, Justin Hunter, Jaime Jacobson, Chris Johnson, Jesse Judd, Julie Larson, Kellee Matsko, Ellen Misner, Amber Moss-Jensen, Niki O'Neal, Shannon Otte, Louis Poppler, Britanie Poreba, Barbara Sabo, Nicholai Salovich, Melissa Schurger, Bryan Sharmon, Marc Therrien, and David Wymond.•

CELEBRATE TUFTONIA'S DAY

• Mr. MOYNIHAN. Mr. President, I rise today to mark a very important event to the 78,000 plus other graduates of Tufts University—Tuftonia's Day. Tuftonia's day marks the anniversary of Tufts University on this date in 1852 (It is the second oldest college in the Boston area). It is a time for all Tufts students, alumni, professors, and friends of the university to turn their thoughts to Tufts and their fellow Tuftonians. Tufts is my alma mater. I graduated from the university and received both my masters degree and my doctorate from the Fletcher School of Law and Diplomacy.

Tufts, a school of 7,800 students, is one of the finest universities in the country and is rated as such by the most recent U.S. News and World Report survey. The main campus is located in Medford, Massachusetts and is home to the Tufts College of Liberal Arts, Jackson College, the College of Engineering, the Boston School of Occupational Therapy, and the Fletcher School. The Dental and Medical schools are downtown on the Boston campus and the School of Veterinary Medicine, the only such school in New England, is located in Grafton, Massachusetts.

When Charles Tufts founded the college, it is said he wanted to found a "light on the hill." The first rate education, the wonderful experiences, the enduring friendships, and the values instilled in Tufts students during their years on the hill, shows that Charles Tufts' dream has been realized.

Mr. President, Tufts University is a wonderful place, and Tuftonia's Day is a special time for all Jumbos (our mascot) to think about our days at Tufts and to pay tribute to our alma mater, the dear old brown and blue. I join with my fellow Tufts alumni in doing so and in recognizing Tuftonia's day.•

VICKI DONOVAN: 1998 NEW HAMPSHIRE TEACHER OF THE YEAR

• Mr. SMITH of New Hampshire. Mr. President, I rise today to honor Vicki Donovan for being named the 1998 New Hampshire Teacher of the Year. Vicki is a fourth grade teacher at Belmont Elementary School in Belmont, New Hampshire, and is being recognized for her excellence in teaching and leadership in innovative curriculum reform.

As a teacher for over 15 years, Vicki has proven her dedication to her students and her community, going far beyond her classroom duties. As a member of the Belmont Elementary Language Arts Curriculum Committee, Vicki facilitated a pilot program in their new language arts curriculum. She is involved in Belmont Elementary School's extracurricular activities, and has always displayed an avid interest in the lives and well-being of her students. She is a member of the newly formed Health Fair Committee that involves school staff and local health care officials in providing resources and information to students and families. She is an elected member of the Government Study Committee that has done exhaustive work in attempting to restructure and improve the Belmont town government, and she is involved with the Youth and Education Committee of the Belmont Civic Pride Organization. This is just a sampling of Vicki's professional and civic involvements; her contributions to Belmont Elementary School and the Town of Belmont are immeasurable.

Vicki's own educational record proves the value that she places in learning. She has continued to take professional courses throughout her teaching career, and in 1996 completed her Masters degree in Education. She has supported future teachers by supervising student teachers, and helped improve herself and other teachers through her participation at professional workshops. She has previously been recognized in "Who's Who Among America's Teachers" and with the Academy of Applied Science and Central New Hampshire Educational Collaborative Award.

Mr. President, as a former teacher myself, I recognize the challenges, responsibilities and dedication involved in teaching. Teachers are entrusted with the enormous responsibility of preparing our youth to be active and responsible citizens. I am very honored to have Vicki Donovan as a teacher in the Granite State, and it is with great pride that I represent her in the U.S. Senate.•

PRESIDENTIAL TAX CHECK-OFF

• Mr. BIDEN. Mr. President, I rise today to call my colleagues' attention to a guest editorial by a long-time friend of mine, Mr. Sam Shipley, which recently appeared in the Wilmington News Journal. I think he makes some very important points about the presidential tax check-off box, and I commend the article to my colleagues. I ask that it be printed in the RECORD.

The editorial follows:

[From the Wilmington (DE) News Journal, Mar. 11, 1998]

$3 ELECTION CHECK-OFF CAN ADD UP

(By Samuel L. Shipley)

The presidential tax check-off needs promoting by the Federal Election Commission. It's been a secret to most Americans. One of the most effective strategies to increase taxpayer awareness would be through public service announcements in the news media, particularly national television.

And there would be no better time to air them than now, when Americans have their 1040 forms in hand, complete with instructions on making the check-off.

This year, the 1040 forms for 1997 taxes will allow each taxpayer to check off $3 as a matching contribution to the presidential campaign. This can be doubled to $6 on joint tax returns, even if only one spouse is employed.

The money from the presidential campaign check-off on Form 1040 is allocated equally among presidential candidates, after they raise a certain amount of funds on their own.

In the 1990s, despite a national decline in voting participation, more than 100 million Americans turned out to cast ballots for president. No doubt the overwhelming majority of these people file annual income tax returns.

This means that this year alone, there is the potential for hundreds of millions of dollars from citizens of all walks of life to be set aside for the 2000 elections.

It has been estimated that $1 billion or more was spent on the 1996 presidential election by the respective candidates and their parties. If taxpaying Americans would begin using the presidential campaign funding check-off this year and next, federal election funds to presidential races could replace a large percentage of the money that candidates see fit to seek from the special interests.

As a Delaware state Democratic Party chairman for many years and participant in many national political activities and campaigns, I am absolutely convinced of one

point. The overwhelming majority of candidates for high national office do not like to go, hat in hand, asking people—particularly special interests—for money. Some absolutely detest it. But with the high cost of staff, organization and particularly media, they see no other alternative.

The American people have it in their hands, now more than ever, to give presidential candidates the opportunity to back off from special interests—if they will only use the voluntary $3 tax check-off. This would go a long way to let presidential contenders campaign and serve with honor and dignity. This is the beginning of an answer to the cancer of politics, if only the people will take a scalpel to sleazy special-interest money. This could act as a catalyst to pressure on Congress to overhaul campaign spending practices.•

TRIBUTE TO EXERCISE TIGER WAR VETERANS

• Mr. BOND. Mr. President, on April 23, in a ceremony held in Kings Bay, Georgia on the U.S.S. *Maine*, Exercise Tiger veterans will be honored. Following the dockside ceremony, there will be a 24 hour embark on the nuclear missile submarine of the United States Navy's Sub Group 10. In addition, my home State of Missouri will receive a memorial anchor commemorating the D-day dress rehearsal turned battle that took place during World War II.

This week in 1944, German "E" boats, patrolling the English Channel attacked Eight American tank landing ships near the Devon coast killing 749 United States Army and United States Navy soldiers. Of Tiger's death toll, 201 men were from the 3206th Quartermaster Company in my home State of Missouri. Due to the secrecy of this mission, to see the soldiers, who fought so bravely, finally received the acknowledgment they deserve.

Knowing that I cannot adequately express my admiration and respect, I join in the opportunity to say thank you. I hope the raising of the anchor memorial will in some way compensate the brave soldiers who risked or lost their lives during this crucial exercise. This week will be a great occasion for the survivors of Exercise Tiger and I pay tribute to their courage and service to the United States of America.•

MORE QUESTIONS ON GLOBAL WARMING

• Mr. ABRAHAM. Mr. President, last year the Senate passed a bipartisan resolution, S. Res. 98, which expressed the Sense of the Senate that the United States should not enter into any global warming treaty unless developing nations joined in the effort by agreeing to emission limits. This resolution passed by a vote of 95–0.

Despite this clear and specific resolution, the Administration negotiated and agreed to a treaty in Kyoto which sets binding limits on carbon emissions by developed nations, but which compels no similar participation from the developing world. Clearly, the Kyoto treaty fails to meet the criteria established by S. Res. 98.

To date, China, India, Brazil, Mexico, South Korea and other emerging trading partners have no obligations under the Kyoto Treaty. Since signing the agreement, the Administration has worked to secure some level of participation by these nations with the intention of amending the Treaty. Of course, these countries understand the economic impact of emissions limits, so it is not surprising that the United States is having a difficult time convincing these governments that their participation is necessary.

Recently, however, the State Department reports that it has reached "a conceptual agreement" with some countries to "pursue an umbrella group to trade emissions permits." No details about the nature or design of the agreement have been released, so it is difficult to judge the success of the recent efforts. A few questions come to mind however. What limits would these nations agree to? Would this be a part of the Protocol or a separate agreement outside the Protocol? How would this "umbrella group" even be recognized by the Protocol Parties? Finally, what is the U.S. offering to entice this group?

Mr. President, the Administration's actions and comments since Kyoto raise many questions but provide few answers. I hope the delegation will be more forthcoming in the next few months and allow Congress and the public an opportunity to comment on the U.S. proposals prior to the June and November sessions.•

RECOGNIZING MICHAEL TODD

• Mr. MACK. Mr. President, I rise today to recognize and congratulate Michael Todd, an Army Veteran and fellow Floridian who was recently selected by the Jewish War Veterans Organization to participate as a non-Jewish delegate on the Allied Veterans' Mission to Israel. Nominated by the Oskar Schindler Post of the Jewish War Veterans in Port Charlotte, Mr. Todd was West Coast Florida's only representative on the goodwill trip to Israel from April 5–April 13, 1998.

As a U.S. Army combat soldier, Mr. Todd was wounded four times and highly decorated for his valor and meritorious service during the Vietnam War. Since his return from Vietnam in 1974, Mr. Todd has volunteered on behalf of veterans throughout Florida and the nation. He founded and is the current President of both the National Veterans for America, and the South Gulf Coast Regional Veterans Council of Florida. Furthermore, Mr. Todd is an active member of various veterans organizations, ranging from the American Legion to the Vietnam Veterans of America.

In addition, the Charlotte County, Florida Board of County Commissioners has issued a proclamation declaring April 21, 1998 as "Michael Todd Day." In the proclamation, the County Commissioners praised Mr. Todd's efforts to improve the lives of veterans of the armed forces and their family members.

Mr. Todd's tireless volunteer service deserves the respect and admiration of Congress, the Country and Charlotte County. I am proud to offer my congratulations and look forward to hearing about his experiences while on his mission to Israel. I have no doubt he will continue to represent the Jewish War Veterans and the United States of America with honor.

Mr. President, I ask that the text of Charlotte County's Proclamation designating today as "Michael Todd Day" be printed in the RECORD.

The proclamation follows:

PROCLAMATION

Whereas, the national organization of the Jewish War Veterans of the United States of America in Washington, D.C., provides a program entitled the Annual Allied Veterans' Mission to Israel, under which non-Jewish select veteran leaders from throughout the United States are nominated by local posts and state councils and selected as delegates to visit Israel and learn about its history and people and to act as ambassadors of good will for their state and local communities; and

Whereas, a highly decorated local U.S. Army combat Vietnam veteran (wounded four times), Michael Todd, has brought honor and recognition to himself, the State of Florida, Charlotte County, and the City of Punta Gorda by being nominated by the Oakar Schindler Post of the Jewish War Veterans in Port Charlotte and its State Council and subsequently selected as a delegate and an ambassador of good will representing the State of Florida, Charlotte County, and the City of Punta Gorda, to participate in the Jewish War Veterans' Annual Allied Veterans' Mission to Israel from April 5 to April 13, 1998; and

Whereas, the honor bestowed on Michael Todd provides recognition to Mr. Todd for his tireless efforts as a veterans' advocate and leader, and his devoted service to his community as President of So. Gulf Coast Regional Veterans Council of Florida, National President of Veterans for America, President of Veterans Outreach and Assistance, as a member of the American Legion 110, DAV 154, VFW 5690, and Charlotte County Community Projects Council, as Vice President of the Vietnam Veterans of America, as advisor on veterans affairs for the State of Florida and legislative liaison to the State of Florida and Washington, D.C., and as a past representative for American Ligion Post 110 to the executive board of the Charlotte County Veterans Council; now, therefore, be it

Proclaimed, That, in recognition of the time and effort provided by Michael Todd to improve the community and the lives of the veterans of the armed forces and their family members, April 21, 1998, be declared Michael Todd Day in Charlotte County.•

ORDERS FOR WEDNESDAY, APRIL 22, 1998

Mrs. HUTCHISON. Mr. President, I ask unanimous consent that when the

Senate completes its business today it stand in adjournment until the hour of 9:30 a.m. on Wednesday, April 22. I further ask that on Wednesday, immediately following the prayer, the routine requests through the morning hour be granted and the Senate immediately resume consideration of H.R. 2646, the A+education bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mrs. HUTCHISON. I further ask that at 9:30 a.m. Senator GORTON be recognized to offer an amendment regarding block grants.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mrs. HUTCHISON. I further ask that following debate on the Gorton amendment, it be temporarily set aside, and Senator MURRAY be immediately recognized to offer her amendment; further, that following the debate on the Murray amendment, it be set aside and Senator COATS be recognized to offer an amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mrs. HUTCHISON. Tomorrow morning, the Senate will resume consideration of the Coverdell A+education bill. Amendments will be offered and debated throughout Wednesday's session in an attempt to finish that legislation.

I also inform my colleagues that funeral services will be held for former Senator Terry Sanford tomorrow in Durham, NC. Therefore, any votes ordered tomorrow morning in respect to amendments to the Coverdell bill would be stacked to occur at approximately 3 p.m. Members will be notified of the exact voting schedule when that becomes available.

ADJOURNMENT UNTIL 9:30 A.M. TOMORROW

Mrs. HUTCHISON. Mr. President, I now ask unanimous consent that the Senate stand in adjournment under the previous order.

There being no objection, the Senate, at 6:10 p.m., adjourned until Wednesday, April 22, 1998, at 9:30 a.m.

NOMINATIONS

Executive nominations received by the Senate April 21, 1998:

EXECUTIVE OFFICE OF THE PRESIDENT

NEAL F. LANE, OF OKLAHOMA, TO BE DIRECTOR OF THE OFFICE OF SCIENCE AND TECHNOLOGY POLICY, VICE JOHN HOWARD GIBBONS, RESIGNED.

DEPARTMENT OF LABOR

HENRY L. SOLANO, OF COLORADO, TO BE SOLICITOR OF THE DEPARTMENT OF LABOR, VICE THOMAS S. WILLIAMSON, JR.

UNITED STATES INFORMATION AGENCY

JONATHAN H. SPALTER, OF THE DISTRICT OF COLUMBIA, TO BE AN ASSOCIATE DIRECTOR OF THE UNITED STATES INFORMATION AGENCY, VICE ROBERT B. FULTON, RESIGNED.

PUBLIC HEALTH SERVICE

THE FOLLOWING CANDIDATES FOR PERSONNEL ACTION IN THE REGULAR COMPONENT OF THE PUBLIC HEALTH SERVICE SUBJECT TO QUALIFICATIONS THEREFOR AS PROVIDED BY LAW AND REGULATIONS:

1. FOR APPOINTMENT

To be medical director

ROBERT W. AMLER
RONALD G. BANKS
DAVID M. BELL
RUTH L. BERKELMAN
JAMES W. BUEHLER
STEPHEN L. COCHI
D. PETER DROTMAN
PATRICIA M. GRIFFIN
JAMES L. HOFF
ROBERT J. KIM-FARLEY
RICHARD D. KLAUSNER
RICHARD D. MANDSAGER
EDWARD E. MAX
RICHARD D. OLSON
JOHN E. PARKER
HAROLD J. PAULSEN
MARTHA F. ROGERS
KENNETH A. SCHACHTER
STEVEN L. SOLOMON

To be senior surgeon

ALVIN ABRAMS
JANET ARROWSMITH-LOWE
ANITA W. BATMAN
SUZANNE BINDER
EDWARD A. BRANN
KENNETH G. CASTRO
JOANNE C. CHINNICI
TERENCE L. CHORBA
ROBERT B. CRAVEN
THOMAS J. CREELMAN
DEAN F. EFFLER
DELORES A. ENDRES
MARIO E. FAJARDO
HELENE D. GAYLE
THOMAS P. GROSS
HARRY W. HAVERKOS
MARK B. HORTON
HOWARD S. KRUTH
SCOTT R. LILLIBRIDGE
THURMA MCCANN GOLDMAN
RICHARD J. MILLER
RICHARD W. NISKA
STEPHEN M. OSTROFF
THOMAS A. PETERMAN
ROSSANNE M. PHILEN
LAWRENCE D. ROBERTSON, JR.
WILLIAM M. SAPPENFIELD
PAUL J. SELIGMAN
PHILIP H. SHERIDAN
PATRICK W. STENGER
ROBERT V. TAUXE
TIMOTHY J. UNGS
DONNA L. VOGEL
SCOTT F. WETTERHALL

To be surgeon

KELLY J. ACTON
ARTHUR V. BERMISA
CHARLES H. BEYMER
ROBERT T. CHEN
GEORGE A. CONWAY
THERESA DIAZ VARGAS
HERMAN A. DOBBS III
MICHAEL M. ENGELGAU
LUIS G. ESCOBEDO
STEVEN H. FOX
RICHARD L. HAYS
CLARE HELMINIAK
KATHLEEN L. IRWIN
MARTIN J. KILEEN
EVE M. LACKRITZ
DAVID M. NANNINO III
ELAINE MILLER
DOUGLAS S. MITCHELL
BERNARD L. NAHLEN

To be senior assistant surgeon

ANNA L. MILLER
NARAYAN NAIR
MICHAEL T. STEIN
LORI A. WILLINGHURST

To be dental director

DALE P. ARMSTRONG
STANFORD M. BASTACKY
ERIC D. BOTHWELL
BETTY DEBERRY-SUMNER
SUZANNE EBERLING
PHILIP C. FOX
JAMES E. HAUBENREICH
JOHN R. MEETH
JOHN P. ROSSETTI
ROBERT A. SAPPINGTON
FRED B. SKREPCINSKI
DAVID B. SYNDER
SARAH E. VALWAY
CHARLES R. WANNER

To be senior dental surgeon

MICHAEL J. ALPERT
JOHN F. ANTON
TED W. BENGTSON
JOHN W. BERRIDGE
ROBERT A. BEST
STEVEN M. BOE
JOHN W. BROWN III
JOHN L. BUCHANAN III
PAUL A. BUONVIRI
MAUREEN P. CLEARY
KEVIN C. CRAIG
MICHAEL N. GABOR
HORACE HARRIS
ROBERT W. HENDRICKS, JR.
KENNETH E. HOFFMAN
DERRICK T. JOHNSTON
GARY J. KAPLOWITZ
JAMES M. LOGAN
PATRICK D. MCDERMOTT
ROBERT J. MORK
MARK E. NEHRING
CATHERINE A. PHILLIPS
ROBERT H. SELWITZ
CAROL E. SHERMAN

To be dental surgeon

ARLAN K. ANDREWS
MICHAEL C. ARNOLD
THOMAS L. BERMEL
TIMOTHY S. BISHOP
ARTURO BRAVO
HERMAN J. CAMPBELL
CLAY D. CROSSETT
SCOTT K. DUBOIS
JANIE G. FULLER
GEORGE HADDY
LINDA A. JACKSON
KENT K. KENYON
RONNIE D. MCCUAN
AARON R. MEANS, SR.
MARY G. MURPHY
RONALD J. NAGEL
THOMAS R. PALANDECH
SAMUEL J. PETRIE
RICHARD G. SCHRAGE
STEPHEN B. SCUTARI
JAMES N. SUTHERLAND

To be nurse director

NANCY J. DEVLIN
RICHARD I. GERBER
K. LOTHSCHUETZ MONTGOMERY
HELEN J. WOOTON
JABO I. ZELONIS

To be senior nurse officer

WILLIAM S. CAMPBELL
THEODORE W. CURRIER III
CATHERINE R. ESBENSHADE
SUSAN L. FIFER
NORMA J. HATOT
GALE L. HEAVNER
NARY D. HUTTON
MARY R. INGRAM
JAMES C. MCCANN
DEBORAH L. PARHAM
ROSALIE K. PHILLIPS
PAUL A. SATTLER
ANDREW G. SPARBER
REBECCA S. STANEVICH
STEVEN N. THOMPSON
MARILYN J. VRANAS
KATHLEEN L. WALKER
MELINDA WEISSER-LEE

To be nurse officer

GARY W. BANGS
ROBYN G. BROWN-DOUGLAS
MARY E. BRUK
CHERYL P. CHAPMAN
BRENDA L. CHARLEY
PATSY J. CLARK-ANDERSON
THOMAS M. CONRAD
ANNETTE C. CURRIER
THOMAS E. DALY
NANCY L. EGBERT
JOSEPH P. FINK
LAVERNE G. FRAZIER
JEAN FROST
MARGARET A. HOEFT
MARVIN A. HOLCOMB
KIMBERLAE A. HOUK
INDIA L. HUNTER
LAURIE S. IRWIN-PINKLEY
BARBARA A. ISAACS
EVA L. JONES
DEBORAH KLEINFELD
MARY M. LEEMHUIS
MICHAEL D. LYMAN
REBECCA P. MANLEY
CALVIN J. MARSHALL
ROBERT W. MAYES
JUANITA J. MELLUM
SHARON D. MURRAIN-ELLERBE
JOHN D. ORELLA
STEVEN R. OVERSBY
MICHAEL J. PAPANIA
SANDRA D. PATTEA
MONIQUE V. PETROFSKY
HAROLD W. PITT
GILBERT P. ROSE
JEFF M. SKELTON
ERNESTINE T. SMARTT
JERILYN A. THORNBURG
BERNADINE L. TOYA
ELLEN D. WOLFE

To be senior assisant nurse officer

SANDRA A. CHATFIELD
SUSAN Z. MATHEW
JAMES M. SIMMERMAN

To be engineer director

MARC R. ALSTON
WILLIAM E. ENGLE
JAMES A. HEIDMAN
DANIEL L. HIGHTOWER
PAUL F. KANITZ
CHARLES S. MCCAMMON, JR.
MARTIN D. MCCARTHY
MICHAEL E. PETERSON
LAURENCE D. REED
LEO H. STANDER, JR.

To be senior engineer officer

ROBER A. ANDERSON
STEPHEN S. AOYAMA
ALBERT J. BERRETH
THOMAS F. BLOOM
ERNEST W. BRODT, JR.
DANIEL J. CARPENTER
JAMES J. CHERNIACK
JAMES A. DINOVO
ROBERT W. FAALAND
DOUGLAS C. JENSEN
WILLIAM B. KNIGHT
ERNEST L. LEPORINI
DOUGLAS C. OTT
LOUIS D. SMITH
CARL E. SULLENGER, JR.
WILLIAM M. VATAVUK
RODNEY LEE VYFF
MARVIN L. WEBER

To be engineer officer

JAMES W. COLLINS
RANDY J. CORRELL
ROBIN A. DALTON
BRYAN L. FISCHER
STEVEN J. FORTHUN
ALLEN K. JARRELL
DANIEL G. MCLAUGHLIN
JOEL A. NEIMEYER
JEFFREY J. NOLTE
KENNETH E. OLSON II
ROBERT J. REISS
ROSS D. SCHROEDER
TODD M. SCOFIELD
KEITH P. SHORTALL
GEORGE F. SMITH

To be senior assistant engineer officer

NATHAN D. GJOVIK
JAMES H. LUDINGTON

To be scientist director

DONNA K. CHANDLER
MICHAEL J. COLLIGAN
ROBERT A. HAHN
HUGH J. HANSEN
DANIEL M. LEWIS
MELODY Y. LIN
WALTER L. SCOTT

To be senior scientist

LESLIE P. BOSS
WILLIAM G. BROGDON
PETER I. HARTSOCK
DELORIS L. HUNTER
SCOTT R. RIPPEY
JOHN M. SPAULDING
CHING-LONG J. SUN
RANDY L. TUBBS

To be scientist

LORRAINE L. CAMERON
DEBRA G. DEBORD
JAMES E. HOADLEY
MAHENDRA H. KOTHARY
HELENA O. MISHOE
PAUL D. SIEGEL
WILLIAM H. TAYLOR III

To be sanitarian director

GEORGE E. BYRNS
ALAN M. CROFT
LARRY M. SOLOMAN

To be senior sanitarian

PIERRE L. BELANGER
JACK L. CHRISTY
JON S. PEABODY
PAUL D. PRYOR
GERALD W. SHIPPS
RALPH T. TROUT
DONALD J. VESPER

To be sanitarian

GAIL G. BUONVIRI
ALAN S. ECHT
RUSSELL E. ENSCORE
MARK A. HAMILTON
MICHAEL E. HERRING
STEVEN G. INSERRA
LYNN E. JENKINS
MARTHA D. KENT
WALTER M. SNESKO
RICHARD E. TURNER
REBECCA L. WEST

To be senior veterinary officer

ROBERT J. CAROLAN
CYNTHIA L. POND
RICHARD E. RACE

To be veterinary officer

SHANNA L. NESBY-ODELL

To be pharmacist director

LARRY D. CROLL
RODNEY W. HILL
JANET M. JONES
WILLIAM H. KEHOE, JR.
DIANNE L. KENNEDY
JOHN W. LEVCHUK
ALFREDO MATIELLA, JR.
WILLIAM L. MATTHEWS, JR.
PAUL V. MCSHERRY
ROBIN M. NIGHSWANDER
KARL W. SCHILLING
KENNETH L. SPEAR
FRANKLIN D. STOTTLEMYER
JOSEPH A. TANGREA
ALAN M. YAMASHITA

To be senior pharmacist

RICHARD L. ABEL
DENNIS M. ALDER
JANET L. ANDERSON
MARK D. ANDERSON
JOHN T. BABB
MARION T. BEARDEN
JAMES P. COBB
PATRICK O. COX
GALEN R. GOEDEN
PATRICK S. HOGAN
ANDREW G. JANCOSEK
PAUL F. JAROSINSKI
GARY R. LAWLESS
KEVIN M. LEMIEUX
DELBERT G. MARTIN
YANA R. MILLE
JAMES W. MOORE
ROBERT B. OSHIDA
LARRY A. PFEIFER
GLEN M. PREWETT
MARK E. RAMEY
WELDON B. ROBERTS
DONOVAN J. SAUTER
JAMES M. THOMPSON
CHARLES A. TRIMMER
DENNIS J. VETTESE
MARILEE J. WHITE
DANIEL P. WILLIAMS
MICHAEL W. WOODFORD

To be pharmacist

DAVID B. BAKKEN
LISA D. BECKER
CHARLES C. BRUNER
NARY A. FONG
BEN GLIDEWELL
GEORGE J. HAVENS III
CARL W. HUNTLEY
CAROLYN J. JOHNSON
MICHAEL D. JONES
ANTHONY E. KELLER
ALICE D. KNOBEN
DENNIS L. LIVINGSTON
AMY L. MINNICK
JAMES M. MOORE
CLAIRE L. NEALLY
NICHOLAS A. QUAGLIETTA
BRIAN D. SCHAFER
WILLIAM I. SCHUMAN
MARGARET A. SIMONEAU
JAMES E. TEAGUE
VIRGINIA A. TIBBETTS

To be senior assistant pharmacist

JAMES A. GOOD
VALERIE E. JENSEN
KIMBERLY D. KNUTSON
DAVID A. KONIGSTEIN
JILL A. SANDERS
PAMELA STEWART-KUHN

To be dietitian director

MARK S. SIEGEL

To be senior dietitian

CYNTHIA L. W. CHUNG
JOHN E. FINN
PATSY R. HENDERSON

To be dietitian

GLORIA J. STABLES

To be therapist director

JIMMY R. JONES

To be senior therapist

BEVERLY J. BELL
KEITH E. VARVEL

To be therapist

DAVID J. BRUEGGEMANN
SUSANNE E. PICKERING
MICHAELE R. SMITH

To be senior assistant therapist

MARK T. MELANSON

To be health services director

MARTIN T. ABELL
GLORIA N. AMES
WILLIAM S. COLLINS
ELMON S. CRUMPLER
LELAND D. FREIDENBURG, JR.
ROLLAN J. GONGWER
HENRY H. KNOX
KURT R. MAURER
ROBERT W. MILLER
FRED M. RANDALL
MELVIN E. SEGAL
CHARLES K. SHOWALTER
JACOB E. TENENBAUM
GEORGE H. WALTER
JOHN J. WHALEN

To be senior health services officer

EDITH M. BAILEY
PATRICIA E. BROOKS
HAMILTON L. BROWN
GUY E. BURROUGHS, JR.
CONSTANCE M. BURTOFF
WESLEY W. CHARLTON
RAYMOND L. CLARK
MICHAEL L. DAVIS
RONNIE L. DAVIS
PETER A. DOOB
ANN B. FAGAN
JAMES W. GARVIE
PAUL HEWETT
KENT E. JAFFE
THOMAS M. JAKUB
WILLIAM G. JONES
MICHAEL O. KENEALLY
PAUL T. KIRKHAM
BRUCE E. LEONARD
PAUL W. LICHTENSTEIN
ARNULFO MANANGAN
BOBBY L. MASON
MARTIN A. OBERLY
JOHNNY R. RAINEY
STEPHEN A. SOUZA
EDWIN S. SPIRER
WENDELL E. WAINWRIGHT
HENRY J. WIRTH III
JON P. YEAGLEY

To be health services officer

FRANKLIN D. CROOKS
WILLIAM M. GOSMAN
JANET S. HARRISON
PAUL W. HOLLAND
GREG A. KETCHER
EDWARD M. MCNERNEY
BARRY A. MILLER
MICHAEL R. MILNER
SUSAN D. TELLER
GENE W. WALTERS
RAY J. WEEKLY

To be senior assistant health services officer

CAROL E. AUTEN
CHERYL A. WISEMAN

IN THE AIR FORCE

THE FOLLOWING AIR NATIONAL GUARD OF THE UNITED STATES OFFICER FOR APPOINTMENT IN THE RESERVE OF THE AIR FORCE TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 12203:

To be brigadier general

COL. DANIEL JAMES III, [redacted]

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES AIR FORCE TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 624:

To be brigadier general

COL. LEE P. RODGERS, [redacted]

IN THE ARMY

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT IN THE RESERVE OF THE ARMY TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 12203:

To be major general

BRIG. GEN. DANIEL C. BALOUGH, [redacted]
BRIG. GEN. ROGER L. BRAUTIGAN, [redacted]
BRIG. GEN. THOMAS A. WESSELS, [redacted]

To be brigadier general

COL. BRUCE A. ADAMS, [redacted]
COL. MICHAEL B. BARRETT, [redacted]
COL. LOWELL C. DETAMORE, JR., [redacted]
COL. KENNETH D. HERBST, [redacted]
COL. KENNETH L. PENTTILA, [redacted]

IN THE NAVY

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT IN THE UNITED STATES NAVY TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 624:

To be rear admiral

REAR ADM. (LH) JEFFREY A. COOK, [redacted]

IN THE AIR FORCE

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES AIR FORCE AND FOR REGULAR APPOINTMENT (IDENTIFIED BY AN ASTERISK (*)) UNDER TITLE 10, U.S.C., SECTIONS 624 AND 531:

To be major

PHILIP M. ARMSTRONG, [redacted]
PHILIP A. BARKER, [redacted]
ELWOOD M. BARNES, [redacted]
*ROBERT PATRICK BECK, [redacted]
OLEDIA P. BELL, [redacted]
ERNEST H. BERTHELETTE, [redacted]
JIMMY M. BROWNING, [redacted]
*ELIEZER CASTANON, [redacted]
DONOVAN V.C. GAFFNEY, [redacted]
RONALD M. HARVELL, [redacted]
RAYMOND L. JOHNSON, [redacted]
THOMAS D. KELLY, [redacted]
JOHN M. KINNEY, [redacted]
PHILIP S. LLANOS, [redacted]
STEVEN P. MCCAIN, [redacted]
DANIEL H. NELMS, [redacted]
STEVEN J. NICOLAI, [redacted]
ROBERT E. ODELL, JR., [redacted]
SCOTT A. OFSDAHL, [redacted]
ROBERT N. PHILLIPS, [redacted]
PATRICK J. RYAN, [redacted]
PAUL L. SHEROUSE, [redacted]
DOUGLAS J. SLATER, SR., [redacted]
WILLIAM T. TOGUCHI, [redacted]
VICTOR J. TONEY, [redacted]
TIMOTHY P. WAGONER, [redacted]
*REX A. WILLIAMS, [redacted]

IN THE ARMY

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT AS A PERMANENT PROFESSOR OF THE UNITED STATES MILITARY ACADEMY IN THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 4333(B):

To be lieutenant colonel

GARY W. KRAHN, [redacted]

IN THE MARINE CORPS

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE RESERVE OF THE UNITED STATES MARINE CORPS UNDER TITLE 10, U.S.C., SECTION 12203:

To be colonel

RICHARD D. COULTER, [redacted]
MICHAEL J. HOBBS, [redacted]
DAVID D. KENDRICK, [redacted]
MOSE A. MCWHORTER, [redacted]
DANTE L. PETRIZZO, [redacted]
KARIM SHIHATA, [redacted]

IN THE NAVY

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES NAVY UNDER TITLE 10, U.S.C., SECTION 624:

To be commander

MICHALE D. COBB, [redacted]
FRANK A. LINDELL, [redacted]
RAYMOND B. ROLL, [redacted]

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES NAVY UNDER TITLE 10, U.S.C., SECTION 624:

To be captain

DANIEL D. THOMPSON, [redacted]

HOUSE OF REPRESENTATIVES—*Tuesday, April 21, 1998*

The House met at 12:30 p.m. and was called to order by the Speaker pro tempore (Mr. NETHERCUTT).

DESIGNATION OF SPEAKER PRO TEMPORE

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

WASHINGTON, DC,
April 21, 1998.

I hereby designate the Honorable George R. Nethercutt, Jr. to act as Speaker pro tempore on this day.

NEWT GINGRICH,
Speaker of the House of Representatives.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Lundregan, one of its clerks, announced that the Senate had passed with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H.R. 629. An act to grant the consent of the Congress to the Texas Low-Level Radioactive Waste Disposal Compact.

H.R. 3130. An act to provide for an alternative penalty procedure for States that fail to meet Federal child support data processing requirements, to reform Federal incentive payments for effective child support performance, to provide for a more flexible penalty procedure for States that violate interjurisdictional adoption requirements, to amend the Immigration and Nationality Act to make certain aliens determined to be delinquent in the payment of child support inadmissible and ineligible for naturalization, and for other purposes.

The message also announced that pursuant to Public Law 105–78, the Chair, on behalf of the Democratic Leader, appoints Dr. Robert C. Talley, of South Dakota, as a member of the National Health Museum Commission.

MORNING HOUR DEBATES

The SPEAKER pro tempore. Pursuant to the order of the House of January 21, 1997, the Chair will now recognize Members from lists submitted by the majority and minority leaders for morning hour debates. The Chair will alternate recognition between the parties, with each party limited to 30 minutes, and each Member, except the majority leader, the minority leader, or the minority whip, limited to 5 minutes.

The Chair recognizes the gentleman from Illinois (Mr. WELLER) for 5 minutes.

UNFAIRNESS IN TAX CODE: MARRIAGE TAX PENALTY

Mr. WELLER. Mr. Speaker, I represent a very, very diverse district. I represent the south side of Chicago, the south suburbs, as well as a lot of bedroom and rural communities southwest of the city of Chicago. There is a common series of questions being asked, and these questions really illustrate why passage of the Marriage Tax Elimination Act is so very important to this Congress.

These questions are pretty simple, and that is do Americans feel that it is fair that a married working couple with two incomes pays more in taxes just because they are married? Do Americans feel that it is fair that 21 million married working couples pay an average of $1,400 more in higher taxes just because they are married than an identical couple that lives together outside of marriage? Do Americans feel it is fair that our Tax Code actually provides an incentive to get divorced?

It is clear that the marriage tax penalty is not only wrong; frankly, it is immoral that our Tax Code punishes our society's most basic institution.

This past year, the Congressional Budget Office in a report detailed the facts that the marriage penalty is suffered by 21 million married working couples to the tune of $1,400 each. Of course, that tax is caused because when a married couple chooses to get married, they file jointly, and their combined tax income pushes them into a higher tax bracket, of course, causing that marriage tax penalty.

Let me give you an example of a married couple in the 11th Congressional District in the south suburbs of Chicago. This particular gentleman is a machinist who works at Caterpillar making the heavy equipment that builds our roads and bridges. This particular machinist makes $30,500 a year.

If he is single, after standard deductions and exemptions on his taxes, he pays the 15 percent rate. But say he meets a gal, she is a tenured schoolteacher at the Joliet public schools. She is making an identical amount of money, $30,500 a year. They choose to get married.

Under our current Tax Code, because of the way our Tax Code is currently structured, as a married couple with two incomes, they file jointly, they are pushed into a higher tax bracket producing almost $1,400 more in taxes, just because they chose to get married.

That is wrong. If you think about it for this married couple in Joliet, this machinist and this schoolteacher, $1,400 is a lot of money. It is real money for real people. $1,400 is one year's tuition at Joliet Junior College. It is several months of car payments. It is 3 months' worth of child care in a local day care center in Joliet. That is important to working families.

Of course, the President has talked about helping working couples with expanding the child care tax credit, and that is a good idea. Of course, we should look at what that means in comparing expanding the child tax credit to eliminating the marriage penalty, and how this machinist and schoolteacher will benefit.

Under the Marriage Tax Elimination Act, of course, this machinist and schoolteacher will save $1,400 by eliminating the marriage tax penalty. Under the President's proposal on child care, they would be able to save $358 in higher take-home pay.

So the question is, which is better? One thousand four hundred dollars, which is 3 months' worth of day care in Joliet, or the President's proposal for $358, which is 3 weeks? Which is better, three weeks or three months, when it comes to helping working families?

Clearly, elimination of the marriage tax penalty will help 21 million married working couples. I am pleased to tell you the Marriage Tax Elimination Act now has 238 cosponsors. And what is the bottom line? We should make elimination of the marriage tax penalty our Number 1 priority as we work to provide greater tax relief and work to help working families keep more of what they earn, because we believe that working families should be able to keep more of what they earn, because you can spend it so much better back home than we can for you here in Washington.

When the Tax Code is unfair, just as the marriage tax penalty is unfair, we should eliminate it. We should eliminate it now.

If we look back at this Congress over the last several years, we have helped families in 1996 with the adoption tax credit to help families provide a loving home for a child in need of adoption. In 1997, we, of course, created the $500 per child tax credit, which is going to benefit 3 million Illinois children $1.50 in higher take-home pay, that will stay in Illinois rather than come to Washington.

In 1998, let us stop punishing marriage. In 1998, let's help this machinist and this schoolteacher in Joliet, and the other 21 million working married

couples with two incomes who pay more in taxes just because they are married.

Mr. Speaker, let us stop punishing marriage. Let us make elimination of the marriage tax penalty our top priority, the centerpiece of this year's budget agreement. Let us eliminate the marriage tax penalty and let us eliminate it now.

PROVIDING TRANSIT PASSES TO HOUSE EMPLOYEES

The SPEAKER pro tempore. Under the Speaker's announced policy of January 21, 1997, the gentleman from Oregon (Mr. BLUMENAUER) is recognized during morning hour debates for 5 minutes.

Mr. BLUMENAUER. Mr. Speaker, in honor of tomorrow being Earth Day, I think it appropriate for us to pause for a moment and consider one of these pictures that is worth 1,000 words.

This photo of the block above the Metro South Station immediately behind the Cannon Building makes crystal clear how we in the House of Representatives can use our resources to improve the environment around us.

Tens of millions of dollars are being proposed right now to help the District of Columbia, an area that is in decline, that is fighting road congestion, air pollution, with some rather elaborate proposals. Yet each day 5,000 people exit this transit station on their way to work in and around Capitol Hill, and it suggests a simple solution to encourage less traffic, less sprawl, and revitalize Washington, D.C.

Consider for a moment the over 6,000 parking spaces the House reserves for those employees who drive. These spots are on hold, guarded, secure 24 hours a day. They cost the taxpayer approximately $1,500 a year per employee per parking space. On the other hand, employees who use public transportation are totally on their own. They have to meet the costs of their transportation, even though they work side-by-side with employees for whom the $1,500 per year worth of transportation costs are covered by the House.

Now, I have no problem with people who want to or must drive to work. I do find it odd, however, that we encourage it over taking public transit, particularly after we have invested over $10 billion for the transit program here in Washington, D.C. As an employer, we are sending hardly an Earth friendly message to our employees that we will only help them if they drive their car to work. We are ignoring those who take transit, the MARC train, Virginia Rail Express; you are out of luck.

Imagine for a moment what this would look like if 312 drivers did not park their cars, and instead it could be used for a park, an expansion of the Library of Congress, for that visitors center that we talk about.

For years, we have encouraged in the Federal Government, the private sector to join in the fight for cleaner air by reducing single-occupant vehicle trips. In and around the District of Columbia alone, over 1,000 businesses are members of the Washington Metro Transit Authority's Metro Pool Program that provides a Metro check. Over 50,000 public and private sector employees in D.C. regularly use this service. Yet while we have encouraged private businesses to offer transit benefits, the House of Representatives is one of the few, and certainly the most visible Federal office not to offer transit benefits to its employees. It sounds a little bit hypocritical to me.

The following Federal Agencies do offer these benefits: The Senate, the Senate of the United States Congress, the Office of the Architect of the Capitol, the Congressional Budget Office, the Bureau of Public Debt, the Supreme Court. Did I mention the Senate? One hundred thirty-four other Federal employers provide over 30,000 employees benefits for the metropolitan area.

I think it is time that we give House Members the same option that the United States Senate has had for its employees for over 5 years. I think we in the House are smart enough to do it, our employees deserve this modest tax benefit, and it is a low-cost option that will improve the livability for our Nation's Capital.

I would suggest that it is time for us to look back here for a moment and imagine what would happen if we have only 5 percent of our employees who take advantage of this opportunity. We could have an opportunity to improve the environment, use our resources more effectively, and, in the long term, it would make a big difference in the budget of the House of Representatives.

I would urge strongly my colleagues to join with me and over 150 other cosponsors to add their name to House Resolution 37 that would provide an optional transportation benefit for House offices; that would provide the same $21 per month tax benefit to our employees that has been given to the Senate. It was based on entirely using existing office funds; no additional requirement is necessary.

I hope that this is something that we can take a small step to recognize our obligation to the environment.

CUTTING EXPENSES AT THE UNITED NATIONS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 21, 1997, the gentleman from Florida (Mr. STEARNS) is recognized during morning hour debates for 5 minutes.

Mr. STEARNS. Mr. Speaker, I rise today to call the House's attention to a very interesting article that appeared in the current issue of the National Review. The article is entitled "Unreformed United Nations," and it is written by Stephen Halper, who is a former White House and State Department official. He writes a syndicated column and anchors Radio America's "This Week From Washington."

Many of the comments he had in this article, I think, are appropriate to bring to the attention of my colleagues. Many of us here in Congress believe we need major reform in the United Nations, and the time is now.

Boutros-Ghali, who was the former head of the United Nations, once told the Washington Post "perhaps half the U.N. Staff does nothing useful." That is a staggering statement. Mr. Halper's argument is that Mr. Annan, who is the present head of the United Nations, is more tied to the U.N. bureaucracy, is a defender of the faith of the United Nations, and appears to be not committed to real reform. I hope this is not true.

Mr. Speaker, Congress has demanded reductions in the United Nations' worldwide staff of 53,000 people. Now, this does not include 10,000 consultants or the peacekeeping forces which reached 80,000 people in 1993 and reductions in the most generous salary and benefit package in public life. These are sort of simple things that I think most Members would agree with.

Mr. Annan, who is the leader of the United Nations, has put forward his own reform plan, and let me quote from his plan. "Consolidate 12 secretarial departments into five, but without cutting any of the 9,000 strong secretarial staff."

□ 1245

Now, if you cut 10 percent, that would be 900. If you cut 1 percent, that would be 90. So, really, not even being able to cut 1 percent is surprising.

I go on with what he suggests his reform plan includes: "Three economic development departments, representing $122 million of the Secretary's budget and employing 700 people, are reduced to one." That sounds like an efficient approach but, again, without reduction in any personnel, without reduction in any expenditures.

Also, he has two human rights offices in Geneva that are going to be merged into one; again, without any reduction in personnel or expenditures.

Anan's reform plan does not address salary issues or the lack of an independent Inspector General. Last year, a mid-level U.N. accountant made $84,000 a year, as opposed to an average of $41,962 for his private sector counterpart. An assistant secretary general made $190,250. Now, this is an assistant secretary general. Do we know what the mayor of New York City makes? He makes $130,000.

Most U.N. salaries are tax-free. Many employees have rent subsidies of up to $3,800. To put that in perspective, we, as Members of Congress, have no rent

subsidies. They also have annual educational grants of $12,675 per child. Again, Mr. Anan does not propose any changes in any of these salary arrangements.

So I agree with some of the conclusions from Mr. Halper's article. He sets forth certain conditions that must be met before anybody in this Congress agrees to vote for payment of back U.N. dues: First, payment of past dues should hinge on a tangible reform in four clear, distinct categories. Again, Mr. Speaker, we are going to be voting on past dues this week, so it is appropriate that I talk about it.

We need to reduce bureaucracy, reduce salaries and perks for those who remain. We need the creation, once and for all, of an Inspector General, independent of the Secretary General; and, fourthly, a shift in priorities to humanitarian assistance programs and not to military intervention.

Mr. Speaker, I am beginning to draft a concurrent resolution that I will introduce shortly to the House that would state that the Congress will not approve any back dues until there is veritable proof that the United Nations has achieved the previously mentioned four simple conditions. I believe the United States and Congress must draw the line to force real and substantive reform at the U.N. before the U.N. receives one past dime of any financial obligation.

DR. BERTHA O. PENDLETON: A LEGACY OF EXCELLENCE

The SPEAKER pro tempore (Mr. NETHERCUTT). Under the Speaker's announced policy of January 21, 1997, the gentleman from California (Mr. FILNER) is recognized during morning hour debates for 5 minutes.

Mr. FILNER. Mr. Speaker, I rise today to recognize Dr. Bertha Ousley Pendleton and her 40-year legacy to San Diego on the occasion of her retirement as Superintendent of the San Diego Unified School District.

Dr. Pendleton, as the superintendent of one of the Nation's largest school districts, leaves a legacy of excellence. She is a professional in the best sense of the word, a woman of strength, resilience, humor, honor and, above all, dedication to her profession and to the children whom she serves.

She is determined that our schools care about all children and that no child is left behind. She is determined that it is not only the squeaky wheel that gets the attention.

Her 5 years as superintendent capped a career that began as a classroom teacher in 1957 at Memorial Junior High School in San Diego. Following 11 years in this position, she served as a parent counselor at Morse High School, vice principal of Crawford High, principal at Lincoln High, coordinator and then director of compensatory education for the San Diego Unified School District, assistant superintendent, and deputy superintendent. She also serves as adjunct professor at Point Loma Nazarene College in San Diego and leads monthly television panel discussions on school issues.

Dr. Pendleton has participated in the U.S. Information Agency's AMPART program, lecturing to officials in South Africa on educational issues. She was a member of the U.S. delegation participating in the Urban Education Exchange in London. She has served on visitation teams to review Department of Defense schools in Japan and in England. She hosted President Clinton at the San Diego school where he signed the Goals 2000 bill into law.

Dr. Pendleton received her education at Knoxville College, San Diego State University, and USIU, culminating with a doctorate in education leadership from the University of San Diego in 1989.

Her contributions in the field of education outside of her own school district and in countless other community organizations is a further testament to her dedication. She served as co-chair of the Advisory Committee for the Danforth Foundation and on the Advisory Council on Dependents' Education in the Department of Defense. She was founder of the Association of African American Educators and was president of the Alpha Kappa Alpha Sorority. She was a member of the American Association of School Administrators-Urban Schools Committee, the Association of California School Administrators, and the San Diego Association of Administrative Women in Education.

The list goes on and on. She was a member of the Boards of Directors of Children's Hospital, the College of Retailing, the Natural History Museum, New Standards, Rolling Readers, the San Diego Chamber of Commerce, United Way of San Diego County, and the YMCA. She was on the executive boards of the Children's Initiative, the Council of Great City Schools, and School-to-Career.

Dr. Pendleton is also a member of the San Diego Rotary and an elder, treasurer, and member of the Chancel Choir at Christ United Presbyterian Church.

Her awards list leaves me breathless. Highlights include recognition by the United Negro College Fund, the University of San Diego, the San Diego Urban League, the California State Assembly, Point Loma College, the San Diego Press Club, the Salvation Army, the National Council of Negro Women, the San Diego Administrators Association, the San Diego City Club, the San Diego Jaycees, the Girls Club of San Diego, the Association of California School Administrators, the National Association of Negro Women, the San Diego Union, and the YWCA.

She was selected as Who's Who Among San Diego Women, as one of the 87 people to watch in 1987 by San Diego Magazine, as a recipient of the California Women in Government Award, as Woman of the Year by the President's Council of Professional Women, as Educator of the Decade by Phi Delta Kappa, and as Mother of the Year by the Christ United Presbyterian Church.

As impressive as this list is, it really does not do justice to Dr. Bertha Pendleton. She believes that extraordinary measures are sometimes called for in order to help our children reach their potential. She works to instill hope and pride in all of our children. She strives to educate each and every child, so success and contributions to society will follow. She dares to keep alive the dream of freedom for all children.

Dr. Pendleton is being honored at a gala event on May 2, 1998, in San Diego, sponsored by the Association of African American Educators. All proceeds from this event will benefit the Bertha O. Pendleton Scholarship to provide financial assistance to graduating high school seniors who pursue a teaching career.

As a former president of the Board of Education of the San Diego Unified School District, I am privileged to count Bertha as a friend and trusted associate, and it is my honor to add my congratulations to the many that she is receiving upon her retirement. Her contributions to the San Diego School District and to its children and teachers will live on for decades to come.

CONGRATULATIONS TO EDWARD LARSON ON A PULITZER PRIZE FOR BEST WORK OF HISTORY

The SPEAKER pro tempore. Under the Speaker's announced policy of January 21, 1997, the gentleman from Washington (Mr. METCALF) is recognized during morning hour debates for 5 minutes.

Mr. METCALF. Mr. Speaker, I am pleased to have this opportunity to extend my congratulations to Edward Larson, recipient of a Pulitzer Prize for the "Best Work of History" for his book, Summer for the Gods: The Scopes Trial and America's Continuing Debate over Science and Religion.

Edward Larson teaches law and history at the University of Georgia, but for 7 months of the year does all his writing in Snohomish County as a resident of Washington's Second Congressional District, with his wife and two children.

Summer for the Gods is Larson's fourth book and focuses on the 1925 trial of John Thomas Scopes, a Tennessee high school biology teacher charged with breaking the State law which prohibited teaching Darwin's theory of evolution in public schools.

Edward Larson has a Ph.D. in the history of science and a law degree. He is a senior fellow at the Discovery Institute in Seattle and teaches science

history. He will receive his Pulitzer Prize on May 28 at a ceremony at Columbia University in New York.

I am sure all of my colleagues join me in extending warmest congratulations to Edward Larson and his Pulitzer Prize-winning work.

RECESS

The SPEAKER pro tempore. There being no further requests for morning hour debates, pursuant to clause 12 of rule I, the House will stand in recess until 2 p.m. today.

Accordingly (at 12 o'clock and 54 minutes p.m.), the House stood in recess until 2 p.m.

□ 1400

AFTER RECESS

The recess having expired, the House was called to order by the Speaker at 2 p.m.

PRAYER

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

We testify with the Psalmist of old when we say "how good and pleasant it is when kindred live together in unity."

We are eternally grateful, O God, that the gift of unity comes from Your hand and from the bounty of Your blessings. As we share one Creator, we are committed to each other. As we share responsibility for the welfare of the world, we depend on each other. As we live and work in our communities, we must respect our shared aspirations and our hopes. Remembering our own personal traditions with gratitude, in this prayer we celebrate the unity and common heritage that is Your wonderful gift to us and to every person. In Your name we pray. Amen.

THE JOURNAL

The SPEAKER. 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. Will the gentleman from Mississippi (Mr. WICKER) come forward and lead the House in the Pledge of Allegiance.

Mr. WICKER 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.

COMMUNICATION FROM THE CLERK OF THE HOUSE

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

OFFICE OF THE CLERK,
U.S. HOUSE OF REPRESENTATIVES,
Washington, DC, April 2, 1998.

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

DEAR MR. SPEAKER: Pursuant to the permission granted in Clause 5 of Rule III of the Rules of the U.S. House of Representatives, the Clerk received the following message from the Secretary of the Senate on Thursday, April 2, 1998:

H.R. 1116, passed without amendment.
S. 493, agreed to House amendments.
S. 1178, agreed to House amendments.

With warm regards,

ROBIN H. CARLE,
Clerk, House of Representatives.

COMMUNICATION FROM THE CLERK OF THE HOUSE

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

OFFICE OF THE CLERK,
U.S. HOUSE OF REPRESENTATIVES,
Washington, DC, April 3, 1998.

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

DEAR MR. SPEAKER: Pursuant to the permission granted in Clause 5 of Rule III of the Rules of the U.S. House of Representatives, the Clerk received the following message from the Secretary of the Senate on Friday, April 3, 1998:

H.R. 2400 passed with amendment requested conference.

With warm regards,

ROBIN H. CARLE,
Clerk, House of Representatives.

COMMUNICATION FROM THE CLERK OF THE HOUSE

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

OFFICE OF THE CLERK,
U.S. HOUSE OF REPRESENTATIVES,
Washington, DC, April 6, 1998.

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

DEAR MR. SPEAKER: Pursuant to the permission granted in Clause 5 of Rule III of the Rules of the U.S. House of Representatives, the Clerk received the following message from the Secretary of the Senate on Friday, April 3, 1998:

H.R. 2843 passed without amendment.
H.R. 3226 passed without amendment.

With warm regards,

ROBIN H. CARLE,
Clerk, House of Representatives.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair desires to announce that pursuant to clause 4 of rule I, Speaker Pro Tempore MORELLA signed the following enrolled bills on Wednesday, April 8, 1998:

H.R. 1116, to provide for the conveyance of the reversionary interest of the United States in certain lands to the Clinton Independent School District and the Fabens Independent School District;

H.R. 2843, to direct the administrator of the Federal Aviation Administration to reevaluate the equipment in medical kits carried on, and to make a decision regarding requiring automatic external defibrillators to be carried on, aircraft operated by air carriers, and for other purposes;

H.R. 3226, to authorize the Secretary of Agriculture to convey certain lands and improvements in the State of Virginia, and for other purposes;

S. 419, to provide surveillance, research, and services aimed at prevention of birth defects, and for other purposes;

S. 493, to amend Title 18, United States Code, with respect to scanning receivers and similar devices; and

S. 1178, to amend the Immigration and Nationality Act to modify and extend the visa waiver pilot program, and to provide for the collection of data with respect to the number of nonimmigrants who remain in the United States after the expiration of the period of stay authorized by the Attorney General.

APPOINTMENT OF MEMBER TO UNITED STATES CAPITOL PRESERVATION COMMISSION

The SPEAKER. Pursuant to the provisions of section 801(b) of Public Law 100-696 and the order of the House of Wednesday, April 1, 1998, the Chair announces the Speaker's appointment of the following Member of the House to the United States Capitol Preservation Commission:

Mr. DAVIS of Virginia.

COMMUNICATION FROM HON. RICHARD A. GEPHARDT, DEMOCRATIC LEADER

The Speaker laid before the House the following communication from RICHARD A. GEPHARDT, Democratic Leader:

OFFICE OF THE DEMOCRATIC LEADER,
Washington, DC, April 8, 1998.

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

DEAR MR. SPEAKER: Pursuant to section 801(b) (6) and (8) of Public law 100-696, I hereby appoint the following individual to the United States Capitol Preservation Commission: Mr. Serrano, NY.

Yours Very Truly,

RICHARD A. GEPHARDT.

COMMUNICATION FROM HON. RICHARD A GEPHARDT, DEMOCRATIC LEADER

The Speaker laid before the House the following communication from

RICHARD A. GEPHARDT, Democratic Leader:

OFFICE OF THE DEMOCRATIC LEADER,
Washington, DC, April 7, 1998.

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

DEAR MR. SPEAKER: Pursuant to section 704(b)(1) of Public Law 105–78, I hereby appoint the following individual to the National Health Museum Commission: Dr. H. Richard Nesson, M.D. of Brookline, MA.

Yours Very Truly,
RICHARD A. GEPHARDT.

COMMUNICATION FROM CHAIRMAN OF COMMITTEE ON HOUSE OVERSIGHT

The Speaker laid before the House the following communication from the chairman of the Committee on House Oversight:

COMMITTEE ON HOUSE OVERSIGHT,
Washington, DC, April 1, 1998.

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

DEAR NEWT: Pursuant to Public Law 101–696 section 801 (40 USC §188a) the Chairman of the Committee on House Oversight and the Chairman of the Joint Committee on the Library are provided positions on the Capitol Preservation Commission.

Since I currently serve as Chairman for both Committees, I am appointing Mr. John Mica of Florida to serve on the Commission in the position reserved for the Chairman of the Joint Committee on the Library.

Thank you for your attention to this matter.

Best regards,
BILL THOMAS,
Chairman.

POSTPONING CALL OF PRIVATE CALENDAR

Mr. DELAY. Mr. Speaker, I ask unanimous consent that the call of the Private Calendar be postponed until 5 p.m. today.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

VICE PRESIDENT HAS NEW IDEA ON HOW TO WASTE TAXPAYER DOLLARS

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

Mr. DELAY. Mr. Speaker, according to press accounts, Vice President AL GORE has a new idea on how to raise taxpayer dollars.

Apparently, he awoke from a very deep sleep at 3 in the morning and came up with this new innovation for the Internet. He wants to send up a satellite whose only job is to beam back pictures of Earth. Now, these pictures would be placed on the Internet so that people all across the world would always have access to the Earth. Now, imagine that, live pictures of the Earth turning on its little axis.

This may sound like a great idea at 3 o'clock in the morning, Mr. Speaker, but it is a dumb idea during the rest of the day. The cost of this project would be about $50 million, and it already occupies the time of two NASA scientists. $50 million would buy 50,000 computers for our Nation's students.

I have a better idea, Mr. Speaker. Let us give the Vice President some sleeping pills so that his nighttime dreams will not cost the taxpayers millions of dollars.

EXPANDING NAFTA TO CENTRAL AMERICA

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

Mr. TRAFICANT. Mr. Speaker, somebody is inhaling. Since NAFTA, American TVs and typewriters are made in Mexico; American telephones are made in Singapore; computers are made in China and Japan. And after all this, the White House wants to expand this NAFTA madness to all of Central America.

Now, here is how I predict it will work. Central America will get jobs and investment. Uncle Sam will get a pink slip, training voucher, and two free lunches to Taco Bell. Beam me up. This is not free trade. This is a joke, a dirty joke on American workers.

I yield back another record trade deficit and 1.4 million American workers who filed individual bankruptcy in America last year, another record I might add. Think about it.

TAX LIMITATION AMENDMENT

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

Mr. BOEHNER. Mr. Speaker, Washington has imprisoned the hopes and dreams of Americans in a cell known as the United States Tax Code. Last Wednesday, April 15, Americans got a harsh reminder that parole could still be a long way off.

Instead of expanding freedom for its citizens, Washington has expanded power for the Government by raising taxes again, and again, and again. And four of the last five major Federal tax hikes passed with less than a two-thirds majority of Congress voting for them.

Tax reform starts with the things like we are doing in Congress right now, like reforming IRS, having nationwide debates about the flat tax and national retail sales tax. But, most of all, Mr. Speaker, tax reform starts with not raising taxes.

The tax limitation amendment is a weapon in our hands in the war for a fairer and flatter Federal Tax Code. This amendment will make it tougher to raise taxes, period. It is a bipartisan step toward the fairer, flatter, simpler Code Americans want and deserve. It deserves to pass.

REBUILDING AMERICAN SCHOOLS

(Ms. JACKSON-LEE of Texas asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. JACKSON-LEE of Texas. Mr. Speaker, I think on this very bright and sunny spring day I am delighted to associate myself with a forward-thinking Democratic agenda that says that we must come back to this House and stand on the side of our young people, and that means that we must go full speed ahead on rebuilding America's schools.

The question is, why are we stalled with legislation that allows a certain amount of money to provide for the failing and falling infrastructure, the leaking roofs, the many scatter-site trailer homes that schoolchildren are having to learn in? Why should we not, the American government, stand on the side of educating our children? Why should we not provide for 100,000 teachers to go into the classrooms with their talent and enthusiasm and teach our children?

Then, Mr. Speaker, I would like to say that I want to stand on the side of science, understanding how difficult it is for us to understand needle exchange. This is not part of the Democratic agenda. I think it makes common sense that we recognize that the science says that we will decrease HIV by the needle exchange. Let us get common sense and stop, and stop, and stop the tragedy of HIV.

TAX LIMITATION AMENDMENT

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

Mr. GIBBONS. Mr. Speaker, I rise today in support of House Joint Resolution 111, the tax limitation amendment.

In 1994, as a citizen of Nevada, I led an effort to amend our State Constitution with this very same language. I am proud to say that Nevada voters on two consecutive elections voted overwhelmingly to pass the measure. The Gibbons Tax Restraint Initiative, as it is referred to, has now become law in the State of Nevada. By passing this law, the citizens of Nevada declared in a loud and clear voice that they want to put a leash on runaway spending and tax increases.

States with similar initiatives on supermajority requirements for tax increases experience greater economic growth, lower taxes, and reduced growth in government spending. The Federal Government needs to be put on the same fat-free diet by making it

more difficult to raise taxes on hard-working men and women and thereby shifting the congressional focus to the bloated spending programs of the Federal bureaucracy.

Mr. Speaker, the facts speak for themselves. I urge my colleagues to join me in supporting the tax limitation amendment.

AMERICA NEEDS STRONG TOBACCO LEGISLATION

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

Mr. ALLEN. Mr. Speaker, there are those here in Washington who believe that we do not need strong tobacco legislation. The other day the tobacco industry announced that it was withdrawing from settlement negotiations. But we need strong legislation because what is happening back at home is criminal.

Let me give my colleagues an example. I am proud of my home State of Maine, but back in Maine we have a smoking problem. We just did a survey in Maine, and it shows that teenage girls are smoking at a higher rate than boys and that the smoking rate of young girls has increased by 30 percent since 1993.

As one of our officials said, "Now the slogan 'you've come a long way, baby' has different meaning in Maine." As our Human Services Commissioner said, we would call out the Marines, the National Guard and the Border Patrol if we thought that the Colombian drug cartel was on their way to addicting one-quarter of America's youths, but the tobacco industry has free reign.

It is time to call a halt. It is time in this session for strong tobacco legislation.

□ 1415

FREE IV NEEDLES TO ILLEGAL DRUG USERS IS NOT COMMON SENSE

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

Mr. WICKER. Mr. Speaker, every so often we notice that the President cannot manage to keep his liberal demons away. In the early days, it was gays in the military and socialized medicine. Now the President has decided it is a good idea to provide free IV needles to illegal drug users, free IV needles to illegal drug users.

I am just wondering what polling the President has been doing lately, because the moms and dads I talk to are very worried about illegal drugs. Most Americans do not have a Ph.D. in psychology, but they do have a lot of common sense. Many of them know what happens to an addict surrounded by enablers.

Now we have the mother of all enablers, the Federal Government, encouraging the use of needles to drug abusers so that they might continue abusing drugs "safely." Maybe that is what passes for common sense in this administration.

SUPPORT THE TWO-THIRDS TAX LIMITATION AMENDMENT

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

Mr. BARTON of Texas. Mr. Speaker, tomorrow we are going to have the tax limitation amendment to the Constitution on the floor of the House for a vote. It is a pretty straightforward amendment. It says, to raise your taxes, it will take a two-thirds vote of the House and a two-thirds vote of the Senate.

For those of you that had fractions in elementary school, you know that two-thirds is a larger fraction than one-half. If you translate that into math, it means, in the House, it will take 292 votes to raise your taxes and, in the Senate, it will take 67 votes to raise your taxes.

The tax burden on the American people has gone up from 1 percent on the first $3,000 of net income in 1914 to over, if you are a senior citizen, over 85 percent of any income if you are filing jointly with a spouse of over $34,000 in income. That is an increase of the marginal tax rate of over 4,000 percent in the last 75 years. It is time to stop that.

Let us pass the two-thirds tax limitation amendment to the Constitution of the United States tomorrow afternoon on this floor and send it to the Senate; and, hopefully, they will pass it and send it to the States.

REDUCE TAX BURDEN FOR HARD-WORKING AMERICANS

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

Mr. THUNE. Mr. Speaker, last week when I was in South Dakota, I stopped at a gas station in Aberdeen. The woman working behind the counter there gave me a clear message. As I was paying for my gas, she looked me in the eye and said, Congressman, working families need lower taxes.

This woman is one of the unsung heroes in America today. She works. Her husband works. Together, they are trying to make a car payment, a house payment and a day care payment and put food on the table.

She is not asking for a new government program to help or do any of these things. She is just asking the government to take less of her paycheck.

I think that is a pretty reasonable request because, right now, the tax burden of this country is 38 percent; and 38 percent of that hard-working woman's pay is going to the government at the State, local, and Federal level. That is inexcusable.

We need to lighten the load carried by taxpayers and reduce the overall tax burden to only 25 percent. God only asked for 10 percent. Surely the government can get by with 2½ times that amount.

TOBACCO ADVERTISING IN THE MOVIES

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

Mr. HANSEN. Mr. Speaker, what do Kermit the Frog, Rocky Balboa, Superman, and James Bond have in common? They have each played the main character in movies that advertise tobacco.

That is right. Big tobacco has paid millions of dollars to place their deadly products in films like The Muppet Movie, Rocky II, and Superman. Philip Morris even paid $350,000 so that James Bond would light up in License to Kill.

Have your children or grandchildren ever seen Disney movies like Who Framed Roger Rabbit or Honey, I Shrunk the Kids? What about Kevin Costner's Field of Dreams? More tobacco advertising.

These are things we hardly notice, but tobacco companies pay millions of dollars to have their products in movies for one purpose, to get anyone who views the movies, including children and teenagers, to smoke that brand of cigarette.

Let me give you an example. Clint Eastwood's Bridges of Madison County, Robert Redford's A River Runs Through It, Paul Hogan's Crocodile Dundee, Rick Moranis' Little Shop of Horrors, Michael Keaton's Mr. Mom, Kenny Rogers' Coward of the County, and John Travolta's Grease, all full of paid advertising from the tobacco industry.

Mr. Speaker, this has got to stop somewhere. When will the people of America wake up and see where they are getting had on this deal?

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. LAHOOD). Pursuant to the provisions of clause 5 of rule I, the Chair announces that he will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered or on which the vote is objected to under clause 4 of rule XV.

Such roll call votes, if postponed, will be taken after debate has concluded on all motions to suspend the rules, but not before 5 p.m. today.

CARE FOR POLICE SURVIVORS ACT OF 1998

Mr. McCOLLUM. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3565) to amend Part L of the Omnibus Crime Control and Safe Streets Act of 1968.

The Clerk read as follows:

H.R. 3565

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

SECTION 1. SHORT TITLE.

This Act may be cited as the "Care for Police Survivors Act of 1998".

SEC. 2. AMENDMENTS TO PUBLIC SAFETY OFFICERS' DEATH BENEFITS.

(a) NATIONAL PROGRAMS FOR FAMILIES OF PUBLIC SAFETY OFFICERS WHO HAVE DIED IN THE LINE OF DUTY.—Section 1203 of Part L of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3796a–1) is amended to read as follows: "The Director is authorized to use no less than $150,000 of the funds appropriated for this part to maintain and enhance national peer support and counseling programs to assist families of public safety officers who have died in the line of duty.".

(b) ADMINISTRATIVE PROVISION.—Section 1205 of Part L of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3796c) is amended by adding at the end the following new subsection:

"(c) Notwithstanding any other provision of law, the Bureau is authorized to use appropriated funds to conduct appeals of public safety officers' death and disability claims.".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Florida (Mr. McCOLLUM) and the gentlewoman from Texas (Ms. JACKSON-LEE) each will control 20 minutes.

The Chair recognizes the gentleman from Florida (Mr. McCOLLUM).

GENERAL LEAVE

Mr. McCOLLUM. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the bill under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

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

Mr. Speaker, on May 15, less than a month from now, the families of police officers who died in the line of duty will gather on the west front of the Capitol and remember the courage and sacrifice of their fallen loved ones at the 17th annual National Peace Officers' Memorial Service. These grief-stricken survivors will be joined by thousands of police officers and distinguished guests from around this nation. This solemn event marks the conclusion of National Police Week.

Among the most important activities occurring during Police Week are special seminars and programs for the families of police officers killed in the line of duty, including a day of fun for their children at the FBI's training academy at Quantico, Virginia.

I mention this, Mr. Speaker, because it is directly related to the legislation we are considering today, H.R. 3565, the Care for Police Survivors Act of 1998. This bill will, among other things, enhance the programs available to the families of fallen police officers during National Police Week. It will allow groups like Concerns for Police Survivors, or COPS, as it is called, to expand their current services to these families in crisis. COPS sponsors the Police Week seminars that I just mentioned.

Mr. Speaker, H.R. 35675 makes two simple but important amendments to the Public Safety Officers' Benefits Act which was signed into law more than 20 years ago. The bill will substantially improve the way the families of police officers and firefighters who die in the line of duty are cared for during the most difficult moments of their grief.

First, the bill authorizes the Director of the Bureau of Justice Assistance to expend not less than $150,000 out of the Public Safety Officers' Benefits program to maintain and enhance national peer support and counseling programs to assist families of public safety officers who have died in the line of duty.

Current law limits or caps the amount the Director can spend for this purpose to $150,000. This change will not require any new funding. It simply allows the Justice Department to spend more of the funding it now receives on these support services.

The need to assist the families of fallen police officers and firefighters is far greater than the cap will allow. Organizations such as Concerns for Police Survivors and the National Fallen Firefighters Foundation are attempting to reach hundreds of family members each year who suffer the horrible tragedy of losing a loved one employed in public safety. Among the many services provided by Concerns for Police Survivors are grief seminars, training for line-of-duty death notification, and special programs for the children of fallen police officers.

H.R. 3565 will reduce the current backlog of cases pending before the Public Safety Officers' Benefits Office by authorizing the expenditure of PSOB program funds on outside hearing officers. Under current law, the PSOB Office must wait an unreasonably long period of time for the availability of a Justice Department hearing officer to hear the appeal of a family member whose application has been turned down.

By permitting the PSOB Office to use its program funds to pay various expenses related to the appeals of rejected death and disability claims, we will shorten the agonizing wait of family members attempting to be heard on their claims. Again, this change does not increase the overall cost of the PSOB program.

Mr. Speaker, as I said in the committee markup, there is nothing that we can do to fully heal the emotional wounds of husbands, wives, children, moms, and dads caused by a police officer's or firefighter's death in the line of duty. It is a crushing blow. With this legislation, we can only hope that there might be greater solace found in the most severe moments of otherwise very severe pain. Given the sacrifice public safety officers willingly make in the devotion to their communities, we can do nothing less.

I wanted to thank the gentleman from New York (Mr. SCHUMER), the ranking member of the Subcommittee on Crime, and the other original cosponsors of this bill for their support. This bill was approved unanimously by both the Subcommittee on Crime and the full Committee on the Judiciary.

It is my hope and expectation that the House will approve this bill today and that the other body will work quickly so that the President can put a signature on it in time for National Police Week and the National Peace Officers' Memorial Service. This would be a small but meaningful demonstration of this Congress' support for our Nation's public safety officers and their family.

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

Ms. JACKSON-LEE of Texas. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I appreciate the work of the gentleman from Florida (Mr. McCOLLUM) on this legislation, along with the gentleman from New York (Mr. SCHUMER), the ranking member.

So many of us are familiar with the line, "a thin blue line" and the words "an officer down," striking words that we have heard either by way of fiction or fact, tragic words when we hear that someone who has put their life on the line for so many of us has been injured or killed.

I believe H.R. 3565, the Care for Police Survivors Act, is the right way to go. I hope not only do we move this legislation expeditiously but we are able to stand along with those officers as we commemorate this time in May when we commemorate and acknowledge those officers who have given their lives, that we, too, in the Federal Government care about police officers.

I rise, therefore, in strong support of H.R. 3565. This bill would amend a very important and valuable program that pays benefits to the families of public safety officers who are killed or totally disabled in the line of duty.

Mr. Speaker, when I go home to the district, many times I meet with friends of mine who are police officers, many of whom I work with as a member of the City Council of the City of Houston and also as a municipal court judge.

Many times, some of them would say, we have not seen you in some of the tragedies where we would come together and worship, commemorating

the loss of life. Certainly that is not a time when I would like to see my friends. But I also have shared with them the agony of funeralizing those men and women who have lost their lives in the line of duty or tragically been injured.

I would like to be able to go home now, Mr. Speaker, and say to them that we are concerned and considerate about those tragic losses. Therefore, in supporting the Care for Police Survivors Act, in addition to cash benefits, we would have, as this program includes, counseling available to these families.

Under current law, there is a cap on the amount that can be spent for such counseling. The demand for counseling services is greater than can be met under the cap, and so this bill lifts the cap.

There is already sufficient money in the Department of Justice budget to pay for counseling for all affected families, so this bill will not require any additional appropriations. The bill is supported by the Department of Justice as well as by the National Association of Police Officers, which represents nearly 300,000 police officers, and the American Federation of State, County, and Municipal Employees, which represents more than 100,000 local correctional officers.

These brave men and women put their lives at risk to protect the rest of us, and the benefits provided under this program are the least we can do in return.

Just a couple weeks ago, one of our deputy sheriffs, a woman, lost her life. A few weeks ago as well, Officer Higgins was shot and was down. She survived, but she is now in a rehabilitation process. I would like to think that this bill would help her and her family go through the next couple of months of her rehabilitation and, yes, her coming back into full force, full activity, and a good quality of life. We must recognize those and those left behind.

So, therefore, I commend the gentleman from Florida (Mr. MCCOLLUM) the chairman, and the gentleman from New York (Mr. SCHUMER), the ranking member, for their sponsorship of this bill, and I urge my colleagues to support it.

Mr. Speaker, I rise in strong support of H.R. 3565. This bill would amend a very important and valuable program that pays benefits to the families of public safety officers who are killed or totally disabled in the line of duty.

In addition to cash benefits, this program makes counseling available to these families—however, under current law, there is a cap on the amount that can be spent for such counseling. The demand for counseling services is greater than can be met under the cap, and so this bill lifts the cap. There is already sufficient money in the Department of Justice budget to pay for counseling for all affected families, so this bill will not require any additional appropriations.

The bill is supported by the Department of Justice, as well as by the National Association of Police Officers, which represents nearly 300,000 police officers, and the American Federation of State, County and Municipal Employees (AFSCME), which represents more than 100,000 local correctional officers. These brave men and women put their lives at risk to protect the rest of us, and the benefits provided under this program are the least we can do in return.

I commend Chairman MCCOLLUM and ranking member SCHUMER for their sponsorship of this bill, and I urge my colleagues to support it.

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

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

Mr. Speaker, I simply want to acknowledge what the gentlewoman has said about listing the strong support the police officer organizations have for this bill. I think the one she did not mention that I want to add to the list, maybe it is a neglect on your list there, is the Fraternal Order of Police. They also have strongly endorsed this bill.

Mr. Speaker, I have no further request for time.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, let me simply say that I am glad that the gentleman from Florida added the Fraternal Order of Police. I think we are safe to say that this bill is supported by a multitude of police and law enforcement agencies and certainly our local communities.

Mr. ETHERIDGE. Mr. Speaker, I rise today in support of this important legislation that will benefit the survivors of public safety officers who have been killed in the line of duty.

Sadly, my state of North Carolina has experienced a rash of violence against our brave men and women in law enforcement. In recent months, five officers have been killed in and around my Second Congressional District. These tragic crimes have occurred in our smallest towns and in our biggest cities. It is an outrage that those whose service keeps our streets and communities safe and protects our citizens must pay the ultimate price in the line of duty.

To honor their sacrifices and assist their families, last year I established the North Carolina Law Enforcement Survivors Scholarship Fund to assist the families of my state's officers who fall in service to the people. I strongly opposed the Congressional pay raise this House passed last year, and I donated the raise I would have received to create this fund. The scholarship will help cover costs such as books and room and board for higher education for the children and spouses of these local heroes who make the ultimate sacrifice. This scholarship is the least we can do to honor their memories.

H.R. 3565 represents an appropriate action by Congress to assist the families of public safety officers who have been killed in the line of duty. This bill authorizes the Bureau of Justice Assistance (BJA) to spend no less than $150,000 each year to provide counseling and peer support programs for victims' families. The measure also permits BJA to use funds in its mandatory appropriation to administer the appeals of claims for benefits by the family members of slain officers. I urge the House to pass H.R. 3565.

Mr. Speaker, law enforcement officers put their lives on the line each and every day to provide us with safe streets and communities. Our values demand that we tend to the families of those heroes who sacrifice so much for the greater good.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I have no further speakers, and I am happy to yield back the balance of my time.

□ 1430

Mr. MCCOLLUM. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. LAHOOD). The question is on the motion offered by the gentleman from Florida (Mr. MCCOLLUM) that the House suspend the rules and pass the bill, H.R. 3565.

The question was taken.

Mr. MCCOLLUM. Mr. Speaker, on that, I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 5, rule I, and the Chair's prior announcement, further proceedings on this motion will be postponed.

ALTERNATIVE DISPUTE RESOLUTION ACT OF 1998

Mr. COBLE. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3528) to amend title 28, United States Code, with respect to the use of alternative dispute resolution processes in United States district courts, and for other purposes, as amended.

The Clerk read as follows:

H.R. 3528

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

SECTION 1. SHORT TITLE.

This Act may be cited as the "Alternative Dispute Resolution Act of 1998".

SEC. 2. ALTERNATIVE DISPUTE RESOLUTION PROCESSES TO BE AUTHORIZED IN ALL DISTRICT COURTS.

Section 651 of title 28, United States Code, is amended to read as follows:

"§ 651. Authorization of alternative dispute resolution

"(a) DEFINITION.—For purposes of this chapter, an alternative dispute resolution process includes any process or procedure, other than an adjudication by a presiding judge, in which a neutral third party participates to assist in the resolution of issues in controversy, through processes such as early neutral evaluation, mediation, minitrial, and arbitration as provided in sections 654 through 658.

"(b) AUTHORITY.—Each United States district court shall authorize, by local rule adopted under section 2071(b), the use of alternative dispute resolution processes in all civil actions, including adversary proceedings in bankruptcy, in accordance with

this chapter, except that the use of arbitration may be authorized only as provided in section 654. Each United States district court shall devise and implement its own alternative dispute resolution program, by local rule adopted under section 2071(b), to encourage and promote the use of alternative dispute resolution in its district.

"(c) EXISTING ALTERNATIVE DISPUTE RESOLUTION PROGRAMS.—In those courts where an alternative dispute resolution program is in place on the date of the enactment of the Alternative Dispute Resolution Act of 1998, the court shall examine the effectiveness of that program and adopt such improvements to the program as are consistent with the provisions and purposes of this chapter.

"(d) ADMINISTRATION OF ALTERNATIVE DISPUTE RESOLUTION PROGRAMS.—Each United States district court shall designate an employee, or a judicial officer, who is knowledgeable in alternative dispute resolution practices and processes to implement, administer, oversee, and evaluate the court's alternative dispute resolution program. Such person may also be responsible for recruiting, screening, and training attorneys to serve as neutrals and arbitrators in the court's alternative dispute resolution program.

"(e) TITLE 9 NOT AFFECTED.—This chapter shall not affect title 9.

"(f) PROGRAM SUPPORT.—The Federal Judicial Center and the Administrative Office of the United States Courts are authorized to assist the district courts in the establishment and improvement of alternative dispute resolution programs by identifying particular practices employed in successful programs and providing additional assistance as needed and appropriate.".

SEC. 3. JURISDICTION.

Section 652 of title 28, United States Code, is amended to read as follows:

"§ 652. Jurisdiction

"(a) CONSIDERATION OF ALTERNATIVE DISPUTE RESOLUTION IN APPROPRIATE CASES.—Notwithstanding any provision of law to the contrary and except as provided in subsections (b) and (c), each district court shall, by local rule adopted under section 2071(b), require that litigants in all civil cases consider the use of an alternative dispute resolution process at an appropriate stage in the litigation. Each district court shall provide litigants in all civil cases with at least one alternative dispute resolution process, including, but not limited to, mediation, early neutral evaluation, minitrial, and arbitration as authorized in sections 654 through 658. Any district court that elects to require the use of alternative dispute resolution in certain cases may do so only with respect to mediation, early neutral evaluation, and, if the parties consent, arbitration.

"(b) ACTIONS EXEMPTED FROM CONSIDERATION OF ALTERNATIVE DISPUTE RESOLUTION.—Each district court may exempt from the requirements of this section specific cases or categories of cases in which use of alternative dispute resolution would not be appropriate. In defining these exemptions, each district court shall consult with members of the bar, including the United States Attorney for that district.

"(c) AUTHORITY OF THE ATTORNEY GENERAL.—Nothing in this section shall alter or conflict with the authority of the Attorney General to conduct litigation on behalf of the United States, with the authority of any Federal agency authorized to conduct litigation in the United States courts, or with any delegation of litigation authority by the Attorney General.

"(d) CONFIDENTIALITY PROVISIONS.—Until such time as rules are adopted under chapter 131 of this title providing for the confidentiality of alternative dispute resolution processes under this chapter, each district court shall, by local rule adopted under section 2071(b), provide for the confidentiality of the alternative dispute resolution processes and to prohibit disclosure of confidential dispute resolution communications.".

SEC. 4. MEDIATORS AND NEUTRAL EVALUATORS.

Section 653 of title 28, United States Code, is amended to read as follows:

"§ 653. Neutrals

"(a) PANEL OF NEUTRALS.—Each district court that authorizes the use of alternative dispute resolution processes shall adopt appropriate processes for making neutrals available for use by the parties for each category of process offered. Each district court shall promulgate its own procedures and criteria for the selection of neutrals on its panels.

"(b) QUALIFICATIONS AND TRAINING.—Each person serving as a neutral in an alternative dispute resolution process should be qualified and trained to serve as a neutral in the appropriate alternative dispute resolution process. For this purpose, the district court may use, among others, magistrate judges who have been trained to serve as neutrals in alternative dispute resolution processes, professional neutrals from the private sector, and persons who have been trained to serve as neutrals in alternative dispute resolution processes. Until such time as rules are adopted under chapter 131 of this title relating to the disqualification of neutrals, each district court shall issue rules under section 2071(b) relating to the disqualification of neutrals (including, where appropriate, disqualification under section 455 of this title, other applicable law, and professional responsibility standards).".

SEC. 5. ACTIONS REFERRED TO ARBITRATION.

Section 654 of title 28, United States Code, is amended to read as follows:

"§ 654. Arbitration

"(a) REFERRAL OF ACTIONS TO ARBITRATION.—Notwithstanding any provision of law to the contrary and except as provided in subsections (b) and (c) of section 652 and subsection (d) of this section, a district court may allow the referral to arbitration of any civil action (including any adversary proceeding in bankruptcy) pending before it, except that referral to arbitration may not be made where—

"(1) the action is based on an alleged violation of a right secured by the Constitution of the United States;

"(2) jurisdiction is based in whole or in part on section 1343 of this title; or

"(3) the relief sought consists of money damages in an amount greater than $150,000.

"(b) SAFEGUARDS IN CONSENT CASES.—Until such time as rules are adopted under chapter 131 of this title relating to procedures described in this subsection, the district court shall, by local rule adopted under section 2071(b), establish procedures to ensure that any civil action in which arbitration by consent is allowed under subsection (a)—

"(1) consent to arbitration is freely and knowingly obtained; and

"(2) no party or attorney is prejudiced for refusing to participate in arbitration.

"(c) PRESUMPTIONS.—For purposes of subsection (a)(3), a district court may presume damages are not in excess of $150,000 unless counsel certifies that damages exceed such amount.

"(d) EXISTING PROGRAMS.—Nothing in this section is deemed to affect any action in which arbitration is conducted pursuant to section 906 of the Judicial Improvements and Access to Justice Act (Public Law 100–102), as in effect prior to the date of its repeal.".

SEC. 6. ARBITRATORS.

Section 655 of title 28, United States Code, is amended to read as follows:

"§ 655. Arbitrators

"(a) POWERS OF ARBITRATORS.—An arbitrator to whom an action is referred under section 654 shall have the power, within the judicial district of the district court which referred the action to arbitration—

"(1) to conduct arbitration hearings;

"(2) to administer oaths and affirmations; and

"(3) to make awards.

"(b) STANDARDS FOR CERTIFICATION.—Each district court that authorizes arbitration shall establish standards for the certification of arbitrators and shall certify arbitrators to perform services in accordance with such standards and this chapter. The standards shall include provisions requiring that any arbitrator—

"(1) shall take the oath or affirmation described in section 453; and

"(2) shall be subject to the disqualification rules under section 455.

"(c) IMMUNITY.—All individuals serving as arbitrators in an alternative dispute resolution program under this chapter are performing quasi-judicial functions and are entitled to the immunities and protections that the law accords to persons serving in such capacity.".

SEC. 7. SUBPOENAS.

Section 656 of title 28, United States Code, is amended to read as follows:

"§ 656. Subpoenas

"Rule 45 of the Federal Rules of Civil Procedure (relating to subpoenas) applies to subpoenas for the attendance of witnesses and the production of documentary evidence at an arbitration hearing under this chapter.".

SEC. 8. ARBITRATION AWARD AND JUDGMENT.

Section 657 of title 28, United States Code, is amended to read as follows:

"§ 657. Arbitration award and judgment

"(a) FILING AND EFFECT OF ARBITRATION AWARD.—An arbitration award made by an arbitrator under this chapter, along with proof of service of such award on the other party by the prevailing party or by the plaintiff, shall be filed promptly after the arbitration hearing is concluded with the clerk of the district court that referred the case to arbitration. Such award shall be entered as the judgment of the court after the time has expired for requesting a trial de novo. The judgment so entered shall be subject to the same provisions of law and shall have the same force and effect as a judgment of the court in a civil action, except that the judgment shall not be subject to review in any other court by appeal or otherwise.

"(b) SEALING OF ARBITRATION AWARD.—The district court shall provide, by local rule adopted under section 2071(b), that the contents of any arbitration award made under this chapter shall not be made known to any judge who might be assigned to the case until the district court has entered final judgment in the action or the action has otherwise terminated.

"(c) TRIAL DE NOVO OF ARBITRATION AWARDS.—

"(1) TIME FOR FILING DEMAND.—Within 30 days after the filing of an arbitration award with a district court under subsection (a), any party may file a written demand for a trial de novo in the district court.

"(2) ACTION RESTORED TO COURT DOCKET.—Upon a demand for a trial de novo, the action shall be restored to the docket of the court and treated for all purposes as if it had not been referred to arbitration.

"(3) EXCLUSION OF EVIDENCE OF ARBITRATION.—The court shall not admit at the trial de novo any evidence that there has been an arbitration proceeding, the nature or amount of any award, or any other matter concerning the conduct of the arbitration proceeding, unless—

"(A) the evidence would otherwise be admissible in the court under the Federal Rules of Evidence; or

"(B) the parties have otherwise stipulated.".

SEC. 9. COMPENSATION OF ARBITRATORS AND NEUTRALS.

Section 658 of title 28, United States Code, is amended to read as follows:

"§ 658. Compensation of arbitrators and neutrals

"(a) COMPENSATION.—The district court shall, subject to regulations approved by the Judicial Conference of the United States, establish the amount of compensation, if any, that each arbitrator or neutral shall receive for services rendered in each case under this chapter.

"(b) TRANSPORTATION ALLOWANCES.—Under regulations prescribed by the Director of the Administrative Office of the United States Courts, a district court may reimburse arbitrators for actual transportation expenses necessarily incurred in the performance of duties under this chapter.".

SEC. 10. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated for each fiscal year such sums as may be necessary to carry out chapter 44 of title 28, United States Code, as amended by this Act.

SEC. 11. CONFORMING AMENDMENTS.

(a) LIMITATION ON MONEY DAMAGES.—Section 901 of the Judicial Improvements and Access to Justice Act (28 U.S.C. 652 note) is amended by striking subsection (c).

(b) OTHER CONFORMING AMENDMENTS.—(1) The chapter heading for chapter 44 of title 28, United States Code, is amended to read as follows:

"CHAPTER 44—ALTERNATIVE DISPUTE RESOLUTION".

(2) The table of contents for chapter 44 of title 28, United States Code, is amended to read as follows:

"Sec.
"651. Authorization of alternative dispute resolution.
"652. Jurisdiction.
"653. Neutrals.
"654. Arbitration.
"655. Arbitrators.
"656. Subpoenas.
"657. Arbitration award and judgment.
"658. Compensation of arbitrators and neutrals.".

(3) The item relating to chapter 44 in the table of chapters for Part III of title 28, United States Code, is amended to read as follows:

"44. Alternative Dispute Resolution ... 651".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from North Carolina (Mr. COBLE) and the gentlewoman from Texas (Ms. JACKSON-LEE) each will control 20 minutes.

The Chair recognizes the gentleman from North Carolina (Mr. COBLE).

GENERAL LEAVE

Mr. COBLE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days to revise and extend their remarks on the bill under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

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

Mr. Speaker, H.R. 3528 is designed to address the problem of high case loads burdening the Federal courts. This legislation will provide a quicker, more efficient method by which to resolve some Federal cases when the parties or the courts so choose.

H.R. 3528 directs each Federal trial court to establish some form of alternative dispute resolution, popularly referred to as ADR, which could include arbitration, mediation, mini trials, early neutral evaluation, or some combination of those for certain civil cases. The bill also provides for the confidentiality of the alternative dispute resolution process and prohibits the disclosure of such confidential communications. The version considered today furthermore includes several noncontroversial technical amendments which are supported by the Judicial Conference as well as the Department of Justice.

This legislation will provide the Federal courts with the tools necessary to present quality alternatives to expensive Federal litigation. In sum, this is a good bill, Mr. Speaker, that will offer our citizens a reasonable and cost-effective alternative to expensive Federal litigation while still guaranteeing their right to have their day in court.

I want to thank at this time, Mr. Speaker, the cooperation of the gentleman from Massachusetts (Mr. BARNEY FRANK), the ranking member on the Subcommittee on Courts and Intellectual Property.

And let me say this as well, Mr. Speaker: The high numbers reflected by the numerous backlogs represent far more than faceless statistics. They represent citizens, real people anxiously awaiting their day in court.

I urge my colleagues, Mr. Speaker, to pass H.R. 3528.

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

Ms. JACKSON-LEE of Texas. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, let me first of all thank the gentleman from North Carolina (Mr. COBLE) for his leadership. These are extremely important issues, and I would like to rise on behalf of my Democratic colleagues and certainly our ranking member, the gentleman from Massachusetts (Mr. FRANK), on these issues, and particularly to emphasize that we in the Committee on the Judiciary should be at the highlight, if my colleagues will, of emphasizing or making sure that justice is facilitated.

I rise in support of H.R. 3528, the Alternative Dispute Resolution Act of 1998. And as I stated, I commend the chairman, the gentleman from North Carolina (Mr. COBLE), and the ranking member, the gentleman from Massachusetts (Mr. FRANK), again of the Subcommittee on Courts and Intellectual Property of the House Committee on the Judiciary, for their work in getting this important legislation to the floor of the House today.

Alternative dispute resolution, whether mediation, neutral evaluation, arbitration, mini trial, or any other fair procedure that the courts can oversee which makes litigation less burdensome to both the participants and the system, is in my view welcome and something that we should support.

As a former municipal court judge, the gentleman from North Carolina (Mr. COBLE), who was on the bench on that night court, if my colleagues have ever seen that, hours from 4 to 12 midnight with maybe 300 cases per docket, I am well aware of the importance, one, of justice even at the local municipal court level, but also the importance of ensuring that people find their way into the court system in a fair and honest manner.

I am also very much in support of, as a former member and director of the State Bar of Texas, of the value of alternative dispute resolution. So I hope that my colleagues will take the words that I offer in addition to support of this legislation, and certainly might engage the chairman in his concern for these issues, as well.

But I do believe that, as a member of the House Committee on the Judiciary, it is extremely important that we concern ourselves with the lack of the processing of appointments to the judiciary that we are facing in this Congress, this 105th Congress. It is extremely important in the State of Texas where the Fifth Circuit has remained vacant, the Southern District has a vacancy, and we are extremely backlogged. The kinds of, if I might say, shenanigans that are going on in the other body with respect to judicial appointments is something that we have a responsibility to address.

Certainly the Alternative Dispute Resolution Act of 1998 that has our overwhelming support will help to, if my colleagues will, bring some sort of calm and some sort of movement on cases, but I do believe we are long overdue in moving the log jam of appointments as offered by the White House.

Let me proceed by saying that in doing this legislation I want to commend my colleagues on the Committee on the Judiciary for reporting out a bill that brings about the appropriate standards for Federal courts throughout the Nation to continue to develop workable alternative dispute resolution methods, and I am pleased that the members of the committee have

worked with the Judicial Conference and the Department of Justice to craft legislation which is not objected to by those important institutions.

Just a year ago we funeralized Judge Black in the Southern District. He was a strong supporter of alternative dispute resolution, which gives me certainly the comfort that we are doing the right thing in engaging the Judicial Conference and working with them.

So I do support the legislation before us. I urge my colleagues to do the same so that I can and we can work together to continue to try to improve access to our nation's courts, lower the cost of litigation, and expedite the process for all. And in so doing, Mr. Speaker, I would certainly ask that we give due consideration to moving the unfortunate log jam that does not allow us to move the appointments so aptly appointed and judge-qualified to fill the many vacancies throughout this Nation. It certainly changes the course of justice without that.

Mr. Speaker, I rise in support of H.R. 3528, the Alternative Dispute Resolution Act of 1998, and commend Chairman COBLE and ranking member FRANK of the Courts and Intellectual Property Subcommittee of the House Judiciary Committee for their work in getting this important legislation to the floor of the House today.

Alternative dispute resolution, whether mediation, neutral evaluation, arbitration, mini trial, or any other fair procedure that the courts can oversee which make litigation less burdensome to both the participants and the system, is in my view welcome and something that we should support.

I commend my colleagues on the Judiciary Committee for reporting out a bill which provides the appropriate standards for Federal courts throughout the Nation to continue to develop workable alternative dispute resolution methods, and I am pleased that the members of the committee have worked with the Judicial Conference and the Department of Justice to craft legislation which is not objected to by those important institutions.

I support the legislation before us. I urge my colleagues to do the same, so that we can work together to continue to try to improve access to our Nation's courts, lower the costs of litigation, and expedite the process for all.

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

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

Mr. Speaker, before I yield back, I failed to mention this earlier. About five or six days ago I received a detailed letter from my chief judge in the Middle District of North Carolina, and I will not read it in its entirety, but I will allude to what he said about ADR.

He wrote to me: "This has been a significant benefit to litigants and the public and has been met with approval by the bar. You indicate," referring to me, "that you are a big supporter of ADR programs. We have had a very successful ADR program in this district for several years."

Now the Middle District of North Carolina of course does not have a corner on that market. Many districts have practiced the ADR exercise for some time, but this would just swing wide the gate and bring all districts in, and I know what Judge Bullock wrote to me would be echoed by district court judges across the land.

Mr. Speaker, I said before it is a good bill, I urge its passage, and I ask the gentlewoman from Texas if she is prepared to yield back.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from California (Mr. FILNER).

Mr. FILNER. Mr. Speaker, I thank the gentlewoman from Texas for yielding this time to me, and I thank the gentleman from North Carolina (Mr. COBLE), the chairman, and the gentleman from Massachusetts (Mr. FRANK), the ranking member, for their work on this bill.

I rise today in support of H.R. 3528, the Alternative Dispute Resolution Act of 1998. Because I have seen firsthand the successful use of alternative dispute resolution in my own County of San Diego, California, I am a diehard fan of ADR, as we often call it.

Let me share with my colleagues the wildly successful example of the San Diego Mediation Center. This service has grown from humble beginnings in the community of Golden Hill in my congressional district to a county-wide service offering mediation, arbitration, facilitation, training, credentialing, internships and a speakers bureau to the citizens of San Diego County.

Since 1983 the San Diego Mediation Center has provided a voluntary and peaceful process for resolving disputes. Alternative dispute resolution is available for neighbors, businesses, private citizens, courts, the legal community, municipalities, government agencies, schools, professional groups, homeowner associations, churches and families.

With an agreement rate of 80 percent and a compliance rate of 85 percent the agreements forged through the mediation process have promoted goodwill in the community, reduced the load on the courts, and in some cases prevented violence.

More than 10,000 volunteer hours are donated to the service each year by the 200 volunteer mediators who receive intensive mediation training from the center. There is an extensive waiting list of potential volunteers who are hoping for the opportunity to receive training and to become mediators. Public trainings in dispute resolution are also given several times each year by the training staff of the mediation center.

The work of the mediation center is well received and highly respected in San Diego. Recently recognized by the San Diego County Taxpayers Association with its Golden Watchdog Award, the mediation center has saved the taxpayers of San Diego $3.7 million by cutting direct costs to the San Diego Small Claims, Municipal and Superior Courts.

Mr. Speaker, the work of the San Diego Mediation Center and hundreds of other alternative dispute resolution services throughout the country reduces judiciary case loads and offers disputants an inexpensive and more satisfying way to resolve disputes rather than litigation. For that reason, I applaud H.R. 3528, that will extend this option to litigants in district court civil cases.

I urge my colleagues to support this legislation.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I yield myself such time as I may consume.

I am prepared to yield back after I make one closing comment, and I do want this to be particularly acknowledged, I say to the gentleman from North Carolina (Mr. COBLE), that I recognize the hard work that has been put into this bill.

My plea is particularly parallel to this legislation. It certainly does not take away from my very strong support of this legislation. But again I raise up the very deep concern that I believe that the judicial appointments that proceed through the other body have been held hostage. I call to this body's attention a nominee by the name of Judge Massiah-Jackson. Several other nominees for the bench have been held in absolute and outrageous hostage situations.

I believe that the alternative dispute resolution system is excellent and is needed in this legislation, is something of great importance to the Nation, but we will not do the job that we are supposed to do if we do not proceed filling the vacancies that are so crucial to the justice system in this country.

With that, Mr. Speaker, I applaud the gentleman from North Carolina (Mr. COBLE), and I certainly applaud the ranking member, the gentleman from Massachusetts (Mr. FRANK), for their wisdom and vision on this legislation.

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

Mr. Speaker, I thank the gentlewoman for her generous comments and for her help on this.

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

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from North Carolina (Mr. COBLE) that the House suspend the rules and pass the bill, H.R. 3528, as amended.

The question was taken.

Mr. COBLE. Mr. Speaker, on that, I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 5, rule I, and the Chair's

prior announcement, further proceedings on this motion will be postponed.

□ 1445

NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION REAUTHORIZATION ACT OF 1998

Mr. BLILEY. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2691) to reauthorize and improve the operations of the National Highway Traffic Safety Administration, as amended.

The Clerk read as follows:

H.R. 2691

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

SECTION 1. SHORT TITLE.

This Act may be cited as the "National Highway Traffic Safety Administration Reauthorization Act of 1998".

SEC. 2. AUTHORIZATIONS OF APPROPRIATIONS.

(a) MOTOR VEHICLE SAFETY ACTIVITIES.—Section 30104 of title 49, United States Code, is amended to read as follows:

"§ 30104. Authorization of appropriations

"There is authorized to be appropriated to the Secretary $81,200,000 for the National Highway Traffic Safety Administration to carry out this part in each fiscal year beginning in fiscal year 1999 and ending in fiscal year 2001.".

(b) MOTOR VEHICLE INFORMATION ACTIVITIES.—Section 32102 of title 49, United States Code, is amended to read as follows:

"§ 32102. Authorization of appropriations

"There is authorized to be appropriated to the Secretary $6,200,000 for the National Highway Traffic Safety Administration to carry out this part in each fiscal year beginning in fiscal year 1999 and ending in fiscal year 2001.".

SEC. 3. RESTRICTIONS ON LOBBYING ACTIVITIES.

(a) AMENDMENT.—Subchapter I of chapter 301 of title 49, United States Code, is amended by adding at the end the following:

"§ 30105. Restriction on lobbying activities

"No funds appropriated to the Secretary pursuant to section 30104 or 32102 may be available for any activity specifically designed to urge a State or local legislator to favor or oppose the adoption of any specific legislative proposal pending before any State or local legislature.".

(b) CLERICAL AMENDMENT.—The table of contents in subchapter I of chapter 301 of title 49, United States Code, is amended by adding at the end the following:

"30105. Restriction on lobbying activities.".

SEC. 4. RISK AND BENEFIT DISCLOSURE.

(a) IN GENERAL.—Within one year of the date of the enactment of this Act, the Secretary of Transportation shall communicate to the public information regarding the reasonable risks and benefits of any major device or element of design to be installed on or in a motor vehicle or motor vehicle equipment in compliance with a motor vehicle safety standard issued under section 30111 of title 49, United States Code, determined by the Secretary to be important to the protection of motor vehicle occupants.

(b) NOTICE AND COMMENT.—In carrying out subsection (a), the Secretary of Transportation shall provide notice that the Secretary is considering the means for carrying out subsection (a) and shall provide opportunity for comment on—

(1) the extent to which the information to be communicated under subsection (a) can be communicated in a manner which is scientifically objective and which relies upon scientific findings; and

(2) the extent to which such information can be made available to consumers in a clear and easily understandable format through the Internet, public libraries, and such other means as the Secretary may deem appropriate.

(c) NO REQUIREMENT.—Unless the Secretary of Transportation determines that it is essential to ensuring motor vehicle safety, the Secretary may not require a manufacturer or distributor to distribute any statement of reasonable risks and benefits which the Secretary is to communicate under subsection (a).

SEC. 5. OCCUPANT PROTECTION PREFERENCES.

Section 30111 of title 49, United States Code is amended by inserting after subsection (e) the following:

"(f) SPECIAL CONSIDERATIONS RELATING TO OCCUPANT PROTECTION.—When prescribing or revising a motor vehicle safety standard under this section or section 30127 relating to the protection of motor vehicle occupants under this chapter, the Secretary shall, to the extent relevant and practicable, design such standard to protect improperly restrained and positioned occupants only to the extent that such a design would not substantially increase the risk of injury to properly restrained and positioned occupants.".

SEC. 6. ODOMETERS.

(a) TRANSFERS OF NEW MOTOR VEHICLES.—Section 32705(a) of title 49, United States Code, is amended by adding at the end the following:

"(4)(A) This subsection shall apply to all transfers of motor vehicles (unless otherwise exempted by the Secretary by regulation), except in the case of transfers of new motor vehicles from a vehicle manufacturer jointly to a dealer and a person engaged in the business of renting or leasing vehicles for a period of 30 days or less.

"(B) For purposes of subparagraph (A), the term 'new motor vehicle' means any motor vehicle driven with no more than the limited use necessary in moving, transporting, or road testing such vehicle prior to delivery from the vehicle manufacturer to a dealer, but in no event shall the odometer reading of such vehicle exceed 300 miles.".

(b) EXEMPTED VEHICLES.—Section 32705(a) of title 49, United States Code, as amended by subsection (a), is amended by adding at the end the following new paragraph:

"(5) The Secretary may exempt such classes or categories of vehicles as the Secretary deems appropriate from these requirements. Until such time as the Secretary amends or modifies the regulations set forth in 49 CFR 580.6, such regulations shall have full force and effect.".

SEC. 7. INTERNATIONAL HARMONIZATION.

(a) AMENDMENT.—Subchapter III of chapter 301 of title 49, United States Code, is amended by adding at the end the following:

"§ 30148. International motor vehicle safety outreach

"(a) ACTIVITIES.—The Secretary is authorized, in consultation with the Secretaries of State and Commerce where appropriate, to engage in activities that improve worldwide motor vehicle safety through appropriate activities. Such activities may include—

"(1) promoting the adoption of international and national vehicle standards that are harmonized with, functionally equivalent to, or compatible with United States vehicle standards;

"(2) participating in efforts to foster an international acceptance of globally harmonized or functionally equivalent or compatible motor vehicle regulations and standards to otherwise improve international highway and motor vehicle safety;

"(3) promoting international cooperative programs for conducting research, development, demonstration projects, training, and other forms of technology transfer and exchange, including safety conferences, seminars, and expositions to enhance international motor vehicle safety; and

"(4) providing technical assistance to other countries relating to their adoption of United States vehicle regulations or standards functionally equivalent to United States vehicle standards.

"(b) COOPERATION.—The Secretary may carry out the authority granted by this section, in cooperation with appropriate United States Government agencies, any State or local agency, and any authority, association, institution, corporation (profit or nonprofit), foreign government, multinational institution, or any other organization or person.

"(c) CONSIDERATION.—When engaging in activities to improve worldwide motor vehicle safety, the Secretary shall ensure that these activities maintain or improve the level of safety of motor vehicles and motor vehicle equipment sold in the United States.

"(d) PUBLIC MEETINGS AND INFORMATION.—To ensure public awareness of, and opportunity to comment on, decision-making meetings concerning the adoption of a globally harmonized motor vehicle regulation or standard, described in subsection (a)(2), by an international body or representatives of any foreign nation the Secretary shall—

"(1) not less than quarterly, provide notice of, and hold a public meeting to receive comments on the subject matter of, any decision-making meetings scheduled to be held with an international body or representatives of any foreign nation before the next public meeting required to be held under this paragraph; and

"(2) make available to the public any relevant information and records, including any proposed text, concerning the matter of any decision-making meetings scheduled with an international body or representatives of any foreign nation as those materials become available.".

(b) CLERICAL AMENDMENT.—The table of contents in subchapter III of chapter 301 of title 49, United States Code, is amended by adding at the end the following:

"30148. International motor vehicle safety outreach.".

SEC. 8. MISCELLANEOUS AMENDMENTS.

(a) NOTIFICATION OF DEFECTS AND NONCOMPLIANCE.—Sections 30118(d) and 30120(h) of title 49, United States Code, are each amended by striking the second sentence.

(b) REMEDIES FOR DEFECTS AND NONCOMPLIANCE.—Section 30120(i)(1) of title 49, United States Code, is amended by inserting "(including retailers of motor vehicle equipment)" after "dealer" the first time it appears.

(c) TIRES.—Section 30123 of title 49, United States Code, is amended by striking subsections (a), (b), and (c) and by redesignating subsections (d), (e), and (f), as subsections (a), (b), and (c), respectively.

(d) AUTOMATIC OCCUPANT CRASH PROTECTION AND SEAT BELT USE.—Section 30127(g)(1) of title 49, United States Code, is amended by striking "every 6 months" and inserting "annually".

(e) MISCELLANEOUS.—

(1) DEFINITIONS.—

(A) COUNTRY OF ORIGIN.—Section 32304(a)(3)(B) of title 49, United States Code, is amended by inserting before the period the following: ", plus the assembly and labor costs incurred for the final assembly of such engines and transmissions".

(B) FINAL ASSEMBLY PLACE.—Section 32304(a)(5) of title 49, United States Code, is amended by adding at the end the following: "Such term does not include facilities for engine and transmission fabrication and assembly and the facilities for fabrication of motor vehicle equipment component parts which are produced at the same final assembly place using forming processes such as stamping, machining, or molding processes.".

(C) OUTSIDE SUPPLIER CONTENT REPORTING.—Section 32304(a)(9)(A) of title 49, United States Code, is amended to read as follows:

"(A) for an outside supplier—

"(i) the full purchase price of passenger motor vehicle equipment whose purchase price contains at least 70 percent value added in the United States and Canada; or

"(ii) that portion of the purchase price of passenger motor vehicle equipment containing less than 70 percent value added in the United States and Canada that is attributable to the percent value added in the United States and Canada when such percent is expressed to the nearest 5 percent; and".

(2) COUNTRY OF ASSEMBLY.—Section 32304(d) of title 49, United States Code, is amended by adding at the end the following; "A manufacturer may add to the label required under subsection (b) a line stating the country in which vehicle assembly was completed.".

(3) VEHICLE CONTENT PERCENTAGE BY ASSEMBLY PLANT.—Section 32304 of title 49, United States Code, is amended by redesignating subsections (c) through (f) as subsections (f) through (i), respectively, and by adding after subsection (b) the following:

"(c) VEHICLE CONTENT PERCENTAGE BY ASSEMBLY PLANT.—A manufacturer may display separately on the label required by subsection (b) the domestic content of a vehicle based on the assembly plant. Such display shall occur after the matter required to be in the label by subsection (b)(1)(A).".

(4) SUPPLIERS FAILING TO REPORT.—Section 32304 of title 49, United States Code, is amended by adding after subsection (c), as added by paragraph (3), the following:

"(d) VALUE ADDED DETERMINATION.—If a manufacturer or allied supplier requests information in a timely manner from one or more of its outside suppliers concerning the U.S./Canadian content of particular equipment, but does not receive that information despite a good faith effort to obtain it, the manufacturer or allied supplier may make its own good faith value added determinations, subject to the following:

"(1) The manufacturer or allied supplier shall make the same value added determinations as would be made by the outside supplier, that is, whether 70 percent or more of the value of equipment is added in the United States and/or Canada.

"(2) The manufacturer or allied supplier shall consider the amount of value added and the location in which the value was added for all of the stages that the outside supplier would be required to consider.

"(3) The manufacturer or allied supplier may determine that the value added in the United States and/or Canada is 70 percent or more only if it has a good faith basis to make that determination.

"(4) A manufacturer and its allied suppliers may, on a combined basis, make value added determinations for no more than 10 percent, by value, of a carline's total parts content from outside suppliers.

"(5) Value added determinations made by a manufacturer or allied supplier under this paragraph shall have the same effect as if they were made by the outside supplier.

"(6) This provision does not affect the obligation of outside suppliers to provide the requested information.".

(5) ACCOUNTING FOR THE VALUE OF SMALL PARTS.—Section 32304 of title 49, United States Code, is amended by adding after subsection (d), as added by paragraph (4), the following:

"(e) SMALL PARTS.—The country of origin of nuts, bolts, clips, screws, pins, braces, gasoline, oil, blackout, phosphate rinse, windshield washer fluid, fasteners, tire assembly fluid, rivets, adhesives, and grommets, of any system, subassembly, or component installed in a vehicle shall be considered to be the country in which such parts were included in the final assembly of such vehicle.".

(f) STUDY.—The National Highway Traffic Safety Administration shall conduct a study of the benefits to motor vehicle drivers of a regulation to require the installation in a motor vehicle of an interior device to release the trunk lid. Not later than 18 months after the date of the enactment of this Act, the Administration shall submit a report on the results of the study to the Committee on Commerce of the House of Representatives and the Committee on Commerce, Science, and Transportation of the Senate.

SEC. 9. IMPORTATION OF MOTOR VEHICLE FOR SHOW OR DISPLAY.

(a) IMPORTATION OF NONCOMPLYING MOTOR VEHICLES.—Section 30114 of title 49, United States Code, is amended by striking "or competitive racing events" and inserting "competitive racing events, show, or display".

(b) TRANSITION RULE.—A person who is the owner of a motor vehicle located in the United States on the date of enactment of this Act may seek an exemption under section 30114 of title 49, United States Code, as amended by subsection (a) of this section, for a period of 6 months after the date regulations of the Secretary of Transportation promulgated in response to such amendment take effect.

The SPEAKER pro tempore (Mr. LAHOOD). Pursuant to the rule, the gentleman from Virginia (Mr. BLILEY) and the gentleman from Pennsylvania (Mr. KLINK) each will control 20 minutes.

The Chair recognizes the gentleman from Virginia (Mr. BLILEY).

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

Mr. Speaker, today I rise in strong support of H.R. 2691, the National Highway Traffic Safety Administration Reauthorization Act. This legislation represents the Committee on Commerce's commitment to the regular business of reauthorizing the agencies within our jurisdiction. The legislation before the House has benefitted from the input of the administration, consumers groups, manufacturers and automobile dealers.

In our oversight of NHTSA, we discovered a number of agency operations that required Congressional action. This was particularly true with regard to air bags. All of us were concerned when the first stories about air bag injuries surfaced. After all, these safety devices were mandated by Congress. We learned that in almost every instance, people injured by air bags were either not wearing a seat belt or were seated too close to the air bag. The committee found that NHTSA could have made more information available to consumers sooner about the potential risk of injury from air bags. The bill includes a provision intended to provide consumers with more information about the safety equipment installed on motor vehicles.

We also found that the air bag safety standard may have put at risk those passengers who wear their seat belts. To encourage greater seat belt use, this legislation directs the Secretary to continue efforts to focus on injuries to both belted and unbelted passengers, but to ensure that belted passengers are not penalized for buckling up.

Second, as many of us know, the committee has obtained copies of contracts issued by the agency for the purpose of lobbying State legislators. Federal agencies should not be permitted to lobby State officials, any more than they should be permitted to lobby Members of Congress. Therefore, this legislation contains language requiring that the agency apply the same standard used in dealing with the Congress to its dealing with State and local legislators.

NHTSA will still be permitted to promote safety and testify at the State and local level, but it will be prohibited from actually asking State officials to vote in a particular way. This language was carefully crafted and reflects the serious consideration given to the issue.

Finally, the bill contains a number of other miscellaneous amendments to the agency's authorizing statutes. Chief among these is language providing the agency with authority to participate in international safety standard setting efforts. This provision, which was requested by the administration, ensures that any efforts to change U.S. safety standards will only result in safer and better vehicles for American consumers.

In the 7 years since NHTSA was last authorized, U.S. consumers have become increasingly conscious of the safety of their automobiles. Where automobile manufacturers once regarded safety as an afterthought, they now actively compete for customers on the basis of safety features. Our work as legislators must continue to encourage the market to innovate and build safer cars. I believe that this legislation meets that goal.

Before closing, I would like to acknowledge the work of several members of the committee. First, the gentleman from Louisiana (Mr. TAUZIN) the chairman of the subcommittee, deserves much of the credit for his work

on this bill. This legislation reflects his desire to ensure that all groups have an opportunity to be heard on issues of importance.

The gentleman from Illinois (Mr. SHIMKUS) should also be commended for his fine work on the State lobbying provisions. Finally, my good friend the gentleman from Michigan (Mr. DINGELL) and his staff worked with us at every step. I appreciate the spirit of cooperation which led to this bill being reported by unanimous voice vote.

Mr. Speaker, I believe that H.R. 2691 will go a long way toward ensuring that safer vehicles travel on our Nation's highways. I urge my colleagues to support this well-balanced legislation.

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

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

Mr. Speaker, I would like to stand today to support the reauthorization of the National Highway Traffic Safety Administration, commonly referred to as NHTSA.

First of all, I would like to thank my colleagues, my good friends in the majority, the gentleman from Virginia (Chairman BLILEY) and the gentleman from Louisiana (Chairman TAUZIN), for all of their good work on this bill, and I want to commend them and their staffs for their willingness to listen to everyone in the process of writing this bill.

For those of you who do not know, Mr. Speaker, the National Highway Traffic Safety Administration is a branch of the Federal Government that has a very serious charge. They are charged with a mission of reducing traffic accidents and deaths and reducing injuries and economic losses resulting from those accidents by making sure the vehicles that we drive are in fact safe to drive.

Some of my colleagues on this side may have some questions about how a few specific provisions, such as the risk and benefit disclosure and the occupant protection preferences, will work in the real world of regulation. Nevertheless, these would represent good faith efforts to address the problems that we have discovered with air bag deployments.

I would like to thank my good friend, the gentleman from Ohio (Mr. OXLEY), for bringing his concerns about the American Automobile Labeling Act before the committee. Congress passed the American Automobile Labeling Act to give American consumers information about where the parts that go into the vehicles that they purchased were actually made. Many have criticized how the labeling act actually calculates domestic contents.

After looking into the issue, I came to the conclusion that those complaints about the accuracy of the labeling act were a valid complaint, and that is why I offered, with the full support of my dear friend the gentleman from Michigan (Mr. DINGELL), an amendment in the committee markup to address those concerns by making the labeling act a more accurate reflection of domestic content, and I am pleased that the committee endorsed our approach.

Mr. Speaker, we last authorized NHTSA's part of ISTEA back in 1991. This is a straightforward and bipartisan reauthorization bill that deserves the support of the entire Congress, and I would urge its adoption.

Mr. Speaker, I yield such time as he may consume to the gentleman from Michigan (Mr. DINGELL).

Mr. DINGELL. Mr. Speaker, I thank my good friend for yielding time to me.

Mr. Speaker, I rise in support of H.R. 2691, the National Highway Traffic Safety Administration Reauthorization Act 1998. The bill authorizes $87.4 million over the next three years so that NHTSA can continue promoting highway safety and reducing death and injuries from vehicular accidents.

At the outset I would like to thank and commend the chairman of both the committee and the subcommittee for the rare and welcome bipartisan way in which they have handled consideration of this legislation. Issues of concern raised by the Members on this side of the aisle have been addressed and the bill was reported by the committee by voice vote.

Concern was raised during the hearings that the bill's restrictions on lobbying were too tough and would prohibit NHTSA from providing important advice to State and local governments. As a result, provisions in this bill relating to lobbying have been modified so that NHTSA is now subject to the same restrictions at the State and local levels as it is at the Federal level.

The legislation also contains important provisions that allow foreign manufacturers to account more fully for U.S. content of parts used to produce automobiles sold in the United States. Under the bill, suppliers can report U.S. content to the nearest 5 percent rather than getting no credit if the part has less than 70 percent U.S. content. This provision was carefully crafted so as not to interfere with the accounting of U.S. auto parts under the U.S.-Japan auto agreement.

The bill also requires NHTSA to disclose to the public the risks and benefits of the equipment and design features required to be installed on motor vehicles pursuant to NHTSA regulations. It also authorizes NHTSA to promote adoption of U.S. safety standards by auto producers in other countries. It also allows NHTSA to design occupant protection standards to protect unbelted occupants only if such standards do not result in a substantial increase in the risk of injury to the properly restrained occupant.

Mr. Speaker, again I want to thank the managers of the bill for their cooperation and fairness. I want to express my appreciation to the majority for their kindness in this matter. I believe this a good bill, it deserves the support of our colleagues, and I urge my colleagues to vote for the legislation.

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

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

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Virginia (Mr. BLILEY) that the House suspend the rules and pass the bill, H.R. 2691, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. BLILEY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on H.R. 2691, as amended.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Virginia?

There was no objection.

RECESS

The SPEAKER pro tempore. There being no further business for the moment, pursuant to clause 12 of rule I, the Chair declares the House in recess until approximately 5 p.m.

Accordingly (at 2 o'clock and 56 minutes p.m.), the House stood in recess until approximately 5 p.m.

□ 1700

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mrs. EMERSON) at 5 p.m.

PRIVATE CALENDAR

The SPEAKER pro tempore. This is Private Calendar day. The Clerk will call the bill on the Private Calendar.

RUTH HAIRSTON

The Clerk called the bill (H.R. 2729) for the private relief of Ruth Hairston by waiver of a filing deadline for appeal from a ruling relating to her application for a survivor annuity.

There being no objection, the Clerk read the bill as follows:

H.R. 2729

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

SECTION 1. WAIVER OF DEADLINE FOR APPEAL.

For purposes of a petition by Mrs. Ruth Hairston for review of the final order issued October 31, 1995, by the Merit Systems Protection Board with respect to its docket number SF-0831-95-0754-I-1, the 30-day filing deadline in section 7703(b)(1) of title 5, United States Code, is waived.

Ms. MILLENDER-McDONALD. Madam Speaker, I rise in support of H.R. 2729, a Private Bill For the Relief of Ruth Hairston Relating to Her Application for a Survivor Annuity. I introduced this legislation in an attempt to provide relief for my constituent, Mrs. Ruth Hairston.

This legislation seeks a waiver of the 30-day period to file an appeal to the U.S. Court of Appeals. Mrs. Hairston requested reconsideration from the Office of Personnel Management (OPM) on May 26, 1995 of their decision to deny her survivor annuity benefits under the Civil Service Retirement System as the "former spouse" of Paul Hairston. The Hairstons were married for more than 45 years when their marriage ended in divorce on March 16, 1987. Mr. Hairston had almost 35 years of civil service when he retired on June 11, 1990. When he retired, he selected a survivor annuity for Mrs. Hairston with a reduced annuity for himself.

Mrs. Hairston started to receive retirement annuity payments in 1988 but these payments were stopped after Mr. Hairston's death on February 22, 1995, because it was concluded that she was not entitled to benefits as a "former spouse." When Mr. Hairston retired, there was no statutory provision which would have allowed Mrs. Hairston to receive a survivor annuity as a divorcee (former spouse). However, the Civil Service Retirement Spouse Act of 1985 changed this, and allowed Mr. Hairston to elect a survivor annuity within two years following the divorce.

Mr. Hairston did not make a formal request for Mrs. Hairston to receive a survivor annuity after the divorce (as a former spouse), neither did he make an annuity adjustment to stop Mrs. Hairston from receiving the larger portion of his retirement annuity which were due to her under community assets. He was informed that he was still being charged for a survivor annuity after his divorce and that he no longer had to allow Mrs. Hairston to have the larger portion of his annuity, yet he did not change this. The fact that Mr. Hairston did not change this annuity arrangement establishes an "intent" for Mrs. Hairston to received a survivor benefit after his death. Intent is one of the grounds to excuse the failure of Mr. Hairston to make a formal election (Valee versus Office of Personnel Management).

On October 31, 1995 the Merit Systems Protection Board upheld the OPM decision to deny Mrs. Hairston a survivor annuity. At the time, Mrs. Hairston was severely ill and under doctor's care and could not file a timely appeal to the U.S. Court of Appeals. Mrs. Hairston remains in poor health and faces eviction from her home because of her inability to meet her financial obligations. She desperately needs the survivor's annuity she deserves. It is because of these extreme circumstances that relief through private legislation is necessary. Therefore, I commend my colleagues for supporting this bill and providing Mrs. Hairston with an opportunity to appeal the denial of her survivor's annuity.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The SPEAKER pro tempore. This concludes the call of the Private Calendar.

CALL OF THE HOUSE

Mr. SENSENBRENNER. Madam Speaker, I move a call of the House.

The SPEAKER pro tempore. The Chair recognizes the gentleman from Wisconsin (Mr. SENSENBRENNER) for the purpose of moving a call of all the House under clause 6(e) of rule XV.

A call of the House was ordered.

The call was taken by electronic device, and the following Members responded to their names:

[Roll No. 99]

ANSWERED "PRESENT"—389

Abercrombie
Aderholt
Allen
Andrews
Armey
Bachus
Baesler
Baker
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Becerra
Bentsen
Bereuter
Berry
Bilbray
Bilirakis
Bishop
Blagojevich
Bliley
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonior
Borski
Boswell
Boucher
Boyd
Brady
Brown (FL)
Brown (OH)
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Capps
Cardin
Carson
Castle
Chabot
Chenoweth
Clay
Clayton
Clement
Clyburn
Coble
Coburn
Collins
Combest
Condit
Conyers
Cook
Cooksey
Costello
Cox
Coyne
Cramer
Crane
Crapo
Cubin
Cummings
Cunningham
Davis (FL)
Davis (IL)
Davis (VA)
Deal
DeFazio
DeGette
Delahunt
DeLauro
DeLay
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Ensign
Eshoo
Etheridge
Evans
Everett
Ewing
Farr
Fattah
Fazio
Filner
Foley
Forbes
Fossella
Fowler
Fox
Franks (NJ)
Frelinghuysen
Frost
Furse
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Granger
Green
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hansen
Harman
Hastert
Hastings (FL)
Hastings (WA)
Hayworth
Hefley
Herger
Hill
Hilleary
Hilliard
Hinchey
Hinojosa
Hobson
Hoekstra
Holden
Hooley
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hutchinson
Hyde
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
Johnson (CT)
Johnson (WI)
Johnson, E. B.
Johnson, Sam
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (RI)
Kennelly
Kildee
Kilpatrick
Kim
Kind (WI)
King (NY)
Kingston
Kleczka
Klink
Klug
Knollenberg
Kolbe
Kucinich
LaFalce
LaHood
Lampson
Lantos
Largent
Latham
Lazio
Leach
Levin
Lewis (CA)
Lewis (KY)
Linder
Lipinski
Livingston
LoBiondo
Lofgren
Lowey
Lucas
Luther
Maloney (CT)
Manton
Manzullo
Markey
Martinez
Mascara
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDermott
McGovern
McHale
McHugh
McInnis
McIntosh
McIntyre
McKeon
McKinney
McNulty
Meek (FL)
Meeks (NY)
Menendez
Metcalf
Mica
Millender-McDonald
Miller (CA)
Miller (FL)
Minge
Mink
Moakley
Mollohan
Moran (KS)
Moran (VA)
Morella
Myrick
Nadler
Neal
Nethercutt
Neumann
Ney
Northup
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Oxley
Packard
Pallone
Pappas
Parker
Pascrell
Pastor
Paul
Payne
Pease
Pelosi
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pickett
Pitts
Pombo
Pomeroy
Porter
Portman
Poshard
Pryce (OH)
Quinn
Radanovich
Rahall
Ramstad
Rangel
Redmond
Regula
Reyes
Riley
Rivers
Rodriguez
Roemer
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Rothman
Roukema
Roybal-Allard
Royce
Ryun
Sabo
Salmon
Sánchez
Sanders
Sandlin
Sanford
Sawyer
Saxton
Schaefer, Dan
Schaffer, Bob
Schumer
Scott
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Shimkus
Shuster
Sisisky
Skaggs
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith, Adam
Smith, Linda
Snowbarger
Snyder
Solomon
Souder
Spence
Stabenow
Stearns
Stenholm
Stokes
Strickland
Stump
Stupak
Sununu
Talent
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thompson
Thornberry
Thune
Thurman
Tiahrt
Torres
Traficant
Turner
Upton
Velázquez
Vento
Visclosky
Walsh
Wamp
Waters
Watt (NC)
Watts (OK)
Waxman
Weldon (FL)
Weldon (PA)
Weller
Wexler
Weygand
White
Whitfield
Wicker
Wolf
Woolsey
Wynn
Yates
Young (AK)

□ 1732

The SPEAKER. On this rollcall, 389 Members have recorded their presence by electronic device, a quorum.

Under the rule, further proceedings under the call are dispensed with.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The Speaker laid before the House the following communication from the Clerk of the House of Representatives,

HOUSE OF REPRESENTATIVES,
OFFICE OF THE CLERK,
Washington, DC, April 15, 1998.

Hon. NEWT GINGRICH,
The Speaker, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: I have the honor to transmit herewith a copy of the original Certificate of Election received from the Honorable Bill Jones, Secretary of State, State of California, indicating that, according to the semi-official canvas of votes cast in the Special Primary held April 7, 1998, the Honorable Mary Bono was elected Representative in Congress for the Forty-fourth Congressional District, State of California.

With warm regards,

ROBIN H. CARLE,
Clerk.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The Speaker laid before the House the following communication from the Clerk of the House of Representatives:

HOUSE OF REPRESENTATIVES,
OFFICE OF THE CLERK,
Washington, DC, April 15, 1998.

Hon. NEWT GINGRICH,
The Speaker, House of Representatives, Washington, DC.

DEAR. MR. SPEAKER: I have the honor to transmit herewith a copy of the original Certificate of Election received from the Honorable Bill Jones, Secretary of State, State of California, indicating that, according to the semi-official canvas of votes cast in the Special Primary held April 7, 1998, the Honorable Barbara Lee was elected Representative in Congress for the Ninth Congressional District, State of California.

With warm regards,

ROBIN H. CARLE,
Clerk.

SWEARING IN OF THE HONORABLE MARY BONO AND THE HONORABLE BARBARA LEE OF CALIFORNIA AS MEMBERS OF THE HOUSE

The SPEAKER. The Members-elect will come forward, accompanied by the California delegation, and raise their right hands.

Mrs. Bono and Ms. Lee of California appeared at the bar of the House and took the oath of office as follows:

Do you solemnly swear that you will support and defend the Constitution of the United States against all enemies, foreign and domestic; that you will bear true faith and allegiance to the same; that you will take this obligation freely, without any mental reservation or purpose of evasion, and that you will well and faithfully discharge the duties of the office on which you are about to enter. So help you God.

The SPEAKER. Congratulations. You are a Member of the House of Representatives.

INTRODUCTION OF HON. MARY BONO OF CALIFORNIA TO THE HOUSE

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

Mr. LEWIS of California. Mr. Speaker, I would like to take just a moment of our time today to introduce a friend to all of my colleagues. Her name is MARY. It used to be Mary Whitaker. Then she met a guy named Sonny, and after a short time he convinced her to change her name to Bono.

I want you to know, MARY, that all of us in this Chamber loved and admired Sonny. Of course, we still do; and, like you, we miss him dearly. But today we are here as a family to say welcome to you and to Chesare and Chianna and to all the other little Whitakers who are here.

MARY, after winning a stunning victory on April 7, you have earned your own place in Congress. We know that you will bring a strong voice, a woman's voice, to your job. Every bit as important to me, you will bring a mother's voice to the House.

The citizens of California's 44th congressional district are fortunate to have you as their voice in Congress. They are lucky to have you on their side.

MARY, just one last thought from this friend. Sonny would be so very proud of you today. I know in my heart that he is looking down upon us at this moment and he is smiling. So, MARY, it is my privilege to say to my colleagues, welcome to Congresswoman MARY BONO.

COMMON SENSE APPROACH TO SERVING PEOPLE OF THIS NATION

(Mrs. BONO asked and was given permission to address the House for 1 minute.)

Mrs. BONO. Mr. Speaker, I want first to express thanks to my wonderful family for being with me on this special day. It is an honor and a privilege to share this moment with my mother and father, Karen and Clay Whitaker, my children Chianna and Chesare, my godson William Rodriguez, and all the other members of my family, along with the many friends and staff who are here today. Your help and support have made this possible.

However, one person who is not with us today is very much in my thoughts and always in my heart. His wisdom and his guidance helped me prepare for the difficult road I have traveled, and his spirit is giving me the strength to meet the many challenges that lie before me.

Sonny was an incredible force in my life, and many of you who served with him will recall the impact he had on everyone who met him. I want to thank each of you and the thousands of people from around the world who expressed their sympathy and love on his passing for your generous words of tribute and praise.

As I stand here in the people's House, I understand why this Chamber held so much meaning for my late husband. More than any of his other accomplishments, and there were many, Sonny's service to the people of California's 44th district was his proudest achievement. I will do my best to live up to the legacy that he has left and continue to bring his common sense approach to serving the people of this great Nation.

Over the past few months, I have come to know well the people of the 44th district. It has been a privilege to share time with them, to listen to their concerns and to their dreams. I understand what it is like to be a single mother trying her best to raise young children in a difficult situation. I am concerned that we need to do more to provide our youth with an education that offers them hope for the future.

I have heard from senior citizens and veterans who served our country and are now in need of our support. I have witnessed firsthand the challenges facing our law enforcement, especially in their war against drugs and gang violence. And I have been inspired by the hundreds of people in our community who daily make a difference, asking for no recognition, just a little help.

I believe that the people of the 44th district sent me to Congress for much the same reason that they sent Sonny, because they knew they could trust me to do the very best I could do. While I have much to learn, I know if I serve honestly and honorably, I will fulfill that trust.

There are many difficult and complex issues facing our Nation, and there are very few simple solutions. However, every child knows that you cannot spend more than you have. We must continue to show fiscal responsibility in our Nation's budget. Tax reform needs to be enacted to provide relief to individuals and small businesses. And it is imperative that we maintain a strong national defense, for without it there will be no peace.

I do not come before you today with solutions, only resolve. It is my great honor to have this opportunity to serve, and I thank from the bottom of my heart all the voters from the 44th District of California. Thank you, and God bless.

INTRODUCTION OF HON. BARBARA LEE OF CALIFORNIA TO THE HOUSE

(Ms. ROYBAL-ALLARD asked and was given permission to address the House for 1 minute.)

Ms. ROYBAL-ALLARD. Mr. Speaker, it is my privilege to introduce a friend and now a new colleague, BARBARA LEE, as the new representative of California's 9th Congressional District.

Congratulations, BARBARA. And we are all delighted to welcome you to Congress. BARBARA, of course, is not unfamiliar with this Chamber or these halls. Her years of dedicated service to the people of California's 9th Congressional District began with her service as the senior adviser and also as chief of staff of our former colleague and dear friend, Ron Dellums.

□ 1745

Although we will miss you, Ron, we know that BARBARA is well prepared to step into your shoes and to blaze new trails of her own.

BARBARA is and will continue to be an effective representative for her constituents. In the 7 years that she served in California State legislature, 67 of her bills and resolutions were signed by the Governor, impacting a broad spectrum of community concerns; including public safety, education, environmental protections, labor, health, and women's and children's issues.

I was privileged to work with BARBARA in the California State Assembly from 1990 to 1992. More recently, I had the pleasure of working with BARBARA on Team California, our delegation's State/Federal working group.

Through my work with BARBARA, I know her to be an energetic and extremely effective and dedicated advocate for her community, and an enthusiastic and prolific legislator.

BARBARA is a staunch advocate for job creation and economic development because she recognizes the positive impact that jobs have on the community's quality of life. In the same vein, BARBARA has worked with Federal, State, and local governments to create local and economic community development at decommissioned military bases.

BARBARA has also been committed to developing closer economic, political, and cultural ties between the State of California and Africa; a role that she will no doubt continue and expand upon when she is here in Congress.

It is worth noting that, with BARBARA'S election, a record 12 out of California's 29 Democratic House Members are female. Now, this number is especially significant when you consider that it was a mere 10 years ago that there were only 12 Democratic women in the entire Congress.

Welcome, BARBARA. I know that you will have a productive and a distinguished career in Congress. We look forward to working with you on behalf of the State of California and the Nation as a whole. So please join me in welcoming Congresswoman BARBARA LEE.

ACCEPTING THE CHALLENGE TO CONTINUE TO BE A LONG-DISTANCE RUNNER FOR ECONOMIC, SOCIAL, AND POLITICAL JUSTICE

(Ms. LEE of California asked and was given permission to address the House for 1 minute.)

Ms. LEE of California. Mr. Speaker, first, to Congresswoman LUCILLE ROYBAL-ALLARD, to Mr. GEPHARDT, Mr. BONIOR, to the entire California delegation, to all of the Members of this great institution, I am grateful for your support and for your leadership as we move into the next millennium.

I would like to pay special recognition, first, to my family; to my mother, Mildred Massey; and to my father, Garvin Tutt; and to all of my family for their consistent support and their love. They instilled in me at an early age a deep sense of passion for justice. And I am extremely grateful to each and every one of my family members. And I want to take this opportunity to publicly tell them that I love you very, very much.

I had the opportunity to be here for several years, in fact, 8 years. My children, Tony and Craig, were able to attend schools here in this great District. So in a way, we are coming back to our second home.

I say to my predecessor, my friend and political mentor, the Honorable Ron Dellums, your legacy is one that will live forever, not only in this great institution, or in the Ninth Congressional District, but it will live forever throughout the world, throughout the world.

I thank you for your confidence in me. I accept the challenge to continue to be a long-distance runner for economic, social, and political justice. In contemplating what I wanted to say at this very magnificent and glorious yet very humbling moment in my life, I reflected upon the great economic recovery that we are experiencing in this country. But my heart and my head and the facts keep telling me that this recovery has been for some, but not for all.

So as we move into the next century, I intend to continue to challenge those policies which continue to widen the gap between the rich and the poor. But I also intend to provide solutions for new and creative ways to increase the standard of living for all, not just for some.

I want to ensure that all of our children have access to a good public education; that we do enact universal and accessible health care for all; and to ensure the solvency of our Social Security system; that we support economic development efforts which create good jobs that pay a livable wage with benefits for working men and women; that we protect our globe and the wilderness and ensure clean air, and clean water, and create more public transportation systems; and that we protect a woman's right to reproductive choice. In addition, I shall continue to maintain the high standard of constituent services and responsiveness to local needs established by my predecessor.

As we witness the world's becoming smaller and smaller, our efforts to encourage fair and free trade, respect for human rights abroad, and a truly effective foreign assistance program is really a must on my agenda.

Finally, a fundamental basic principle that I bring to the United States Congress is the fact that we provide, and should provide, equal opportunities for everyone, and shatter the walls of discrimination based upon race, national origin, gender, age, disability, and sexual orientation.

So I look forward to our national debates, and yes; sometimes our struggles. For my grandchildren, Jordan and Joshua, and for the children of this country and the world, I pledge to myself and to you to the effort to do the right thing, and to leave them a better future.

I thank the people of the Ninth Congressional District for this honor. I do not take it lightly. I accept it with a sense of excitement and optimism. I look forward to working with all of my colleagues in discharging this awesome responsibility.

As my first act, I would like to sign the discharge petition to have a full and fair debate on campaign finance reform. Thank you, and may God bless you.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.J. RES. 111, TAX LIMITATION CONSTITUTIONAL AMENDMENT

Ms. PRYCE of Ohio, from the Committee on Rules, submitted a privileged report (Rept. No. 105–488) on the resolution (H. Res. 407) providing for consideration of the joint resolution (H.J. Res. 111) proposing an amendment to the Constitution of the United States with respect to tax limitations, which was referred to the House Calendar and ordered to be printed.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. Pursuant to clause 5, rule I, the Chair will now put the question on each motion to suspend the rules on which further proceedings were postponed earlier today, in the order in which that motion was entertained.

The votes will be taken in the following order:

H.R. 3565, by the yeas and nays, and

H.R. 3528, by the yeas and nays.

CARE FOR POLICE SURVIVORS ACT OF 1998

The SPEAKER. The pending business is the question of suspending the rules and passing the bill, H.R. 3565.

The Clerk read the title of the bill.

The SPEAKER. The question is on the motion offered by the gentleman from Florida (Mr. MCCOLLUM) that the House suspend the rules and pass the bill, H.R. 3565, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 403, nays 8, not voting 21, as follows:

[Roll No. 100]

YEAS—403

Abercrombie
Aderholt
Allen
Andrews
Archer
Armey
Bachus
Baesler
Baker
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Becerra
Bentsen
Bereuter
Berman
Berry
Bilbray
Bilirakis
Bishop
Blagojevich
Bliley
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boswell
Boucher
Boyd
Brady
Brown (FL)
Brown (OH)
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Capps
Cardin
Carson
Castle
Chabot
Chambliss
Clay
Clayton
Clement
Clyburn
Coble
Collins
Combest
Condit
Conyers
Cook
Cooksey
Costello
Cox
Coyne
Cramer
Crane
Crapo
Cubin
Cummings
Cunningham
Danner
Davis (FL)
Davis (IL)
Davis (VA)
Deal
DeFazio
DeGette
Delahunt
DeLauro
DeLay
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Ensign
Eshoo
Etheridge
Evans
Everett
Ewing
Farr
Fattah
Fawell
Fazio
Filner
Foley
Forbes
Ford
Fossella
Fowler
Fox
Frank (MA)
Franks (NJ)
Frelinghuysen
Frost
Furse
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Granger
Green
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hansen
Harman
Hastert
Hastings (FL)
Hastings (WA)
Hayworth
Hefley
Herger
Hill
Hilleary
Hilliard
Hinchey
Hinojosa
Hobson
Hoekstra
Holden
Hooley
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hutchinson
Hyde
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
Johnson (CT)
Johnson (WI)
Johnson, E. B.
Johnson, Sam
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (RI)
Kennelly
Kildee
Kilpatrick
Kim
Kind (WI)
King (NY)
Kleczka
Klink
Klug
Knollenberg
Kolbe
Kucinich
LaFalce
LaHood
Lampson
Lantos
Largent
Latham
LaTourette
Lazio
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
Livingston
LoBiondo
Lofgren
Lowey
Lucas
Luther
Maloney (CT)
Manton
Manzullo
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDade
McDermott
McGovern
McHale
McHugh
McInnis
McIntosh
McIntyre
McKeon
McKinney
McNulty
Meek (FL)
Meeks (NY)
Menendez
Metcalf
Mica
Millender-McDonald
Miller (CA)
Miller (FL)
Minge
Mink
Moakley
Mollohan
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Nadler
Neal
Nethercutt
Neumann
Ney
Northup
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Owens
Oxley
Packard
Pallone
Pappas
Parker
Pascrell
Pastor
Payne
Pease
Pelosi
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pickett
Pitts
Pombo
Pomeroy
Porter
Portman
Poshard
Price (NC)
Pryce (OH)
Quinn
Radanovich
Rahall
Ramstad
Rangel
Redmond
Regula
Reyes
Riggs
Riley
Rivers
Rodriguez
Roemer
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Rothman
Roukema
Roybal-Allard
Royce
Ryun
Sabo
Salmon
Sánchez
Sanders
Sandlin
Sawyer
Saxton
Schaefer, Dan
Schaffer, Bob
Schumer
Scott
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Shimkus
Shuster
Sisisky
Skaggs
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith, Adam
Smith, Linda
Snowbarger
Snyder
Solomon
Souder
Spence
Spratt
Stabenow
Stark
Stearns
Stenholm
Stokes
Strickland
Stump
Stupak
Sununu
Talent
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thompson
Thornberry
Thune
Thurman
Tiahrt
Tierney
Torres
Traficant
Turner
Upton
Velázquez
Vento
Visclosky
Walsh
Waters
Watt (NC)
Watts (OK)
Waxman
Weldon (FL)
Weldon (PA)
Weller
Wexler
Weygand
White
Whitfield
Wicker
Wise
Wolf
Woolsey
Wynn
Yates
Young (AK)

NAYS—8

Campbell
Chenoweth
Coburn
Kingston
Paul
Sanford
Scarborough
Wamp

NOT VOTING—21

Ackerman
Bateman
Brown (CA)
Cannon
Christensen
Dixon
Gonzalez
Greenwood
Hefner
Inglis
Istook
John
Kennedy (MA)
Maloney (NY)
Meehan
Paxon
Rush
Smith (OR)
Towns
Watkins
Young (FL)

□ 1817

Mr. WAMP and Mr. SCARBOROUGH changed their vote from "yea" to "nay."

So (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mrs. EMERSON). Pursuant to the provisions of clause 5 of rule I, the Chair announces that she will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device may be taken on the additional motion to suspend the rules on which the Chair has postponed further proceedings.

ALTERNATIVE DISPUTE RESOLUTION ACT OF 1998

The SPEAKER pro tempore. The pending business is the question of suspending the rules and passing the bill, H.R. 3528, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from North Carolina (Mr. COBLE) that the House suspend the rules and pass the bill, H.R. 3528, as amended, on which the yeas and nays are ordered.

This is a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 405, nays 2, not voting 25, as follows:

[Roll No. 101]

YEAS—405

Abercrombie
Aderholt
Allen
Andrews
Archer
Armey
Bachus
Baesler
Baker
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Becerra
Bentsen
Bereuter
Berman
Berry
Bilbray
Bilirakis
Bishop
Blagojevich
Bliley
Blumenauer
Blunt
Boehner
Bonilla
Bonior
Bono
Borski
Boswell
Boucher
Boyd
Brady
Brown (FL)
Brown (OH)
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Capps
Cardin
Carson
Castle
Chabot
Chambliss
Chenoweth
Clay
Clayton
Clement
Clyburn
Coble
Coburn
Collins
Combest
Condit
Cook
Cooksey
Costello
Cox
Coyne
Cramer
Crane
Crapo
Cubin
Cummings
Cunningham
Danner
Davis (FL)
Davis (IL)
Deal
DeFazio
DeGette
Delahunt
DeLauro
DeLay
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Ensign
Eshoo
Etheridge
Evans
Everett
Ewing
Farr
Fattah
Fawell
Fazio
Filner
Foley
Forbes
Fossella
Fowler
Fox
Frank (MA)
Franks (NJ)
Frelinghuysen
Frost
Furse
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Granger
Green
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hansen
Harman
Hastert
Hastings (FL)
Hastings (WA)
Hayworth
Hefley
Herger
Hill
Hilleary
Hilliard
Hinchey
Hinojosa
Hobson
Hoekstra
Holden
Hooley
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hutchinson
Hyde
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
Johnson (CT)
Johnson (WI)
Johnson, E. B.
Johnson, Sam
Jones

Kanjorski
Kaptur
Kasich
Kelly
Kennedy (RI)
Kennelly
Kildee
Kilpatrick
Kim
Kind (WI)
King (NY)
Kingston
Kleczka
Klink
Klug
Knollenberg
Kolbe
Kucinich
LaFalce
LaHood
Lampson
Lantos
Largent
Latham
LaTourette
Lazio
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
Livingston
LoBiondo
Lofgren
Lowey
Lucas
Luther
Maloney (CT)
Maloney (NY)
Manton
Manzullo
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McDade
McDermott
McGovern
McHale
McHugh
McInnis
McIntosh
McIntyre
McKeon
McKinney
McNulty
Meek (FL)
Meeks (NY)
Menendez
Metcalf
Mica
Millender-McDonald
Miller (CA)
Miller (FL)
Minge
Mink
Moakley
Mollohan
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Nadler
Neal
Nethercutt
Neumann
Ney
Northup
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Owens
Oxley
Packard
Pallone
Pappas
Parker
Pascrell
Pastor
Paul
Payne
Pease
Pelosi
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pickett
Pitts
Pombo
Pomeroy
Porter
Portman
Poshard
Price (NC)
Pryce (OH)
Quinn
Radanovich
Rahall
Ramstad
Rangel
Regula
Reyes
Riggs
Riley
Rivers
Rodriguez
Roemer
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Rothman
Roukema
Roybal-Allard
Royce
Ryun
Sabo
Salmon
Sánchez
Sanders
Sandlin
Sanford
Sawyer
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Schumer
Scott
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Shimkus
Shuster
Sisisky
Skaggs
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (TX)
Smith, Adam
Smith, Linda
Snowbarger
Snyder
Solomon
Souder
Spence
Spratt
Stabenow
Stark
Stearns
Stenholm
Stokes
Strickland
Stump
Stupak
Sununu
Talent
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thompson
Thornberry
Thune
Thurman
Tiahrt
Tierney
Torres
Towns
Traficant
Turner
Upton
Velázquez
Vento
Visclosky
Walsh
Wamp
Waters
Watt (NC)
Watts (OK)
Waxman
Weldon (PA)
Weller
Wexler
Weygand
White
Whitfield
Wicker
Wise
Wolf
Woolsey
Wynn
Yates
Young (AK)

NAYS—2

Boehlert
Slaughter

NOT VOTING—25

Ackerman
Bateman
Brown (CA)
Cannon
Christensen
Conyers
Davis (VA)
Dixon
Ford
Gonzalez
Greenwood
Hefner
Inglis
Istook
John
Kennedy (MA)
McCrery
Meehan
Paxon
Redmond
Rush
Smith (OR)
Watkins
Weldon (FL)
Young (FL)

□ 1826

So (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

PARENTS NEED TO PAY MORE ATTENTION TO DRUG USE OF CHILDREN

(Mr. McCOLLUM asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include therein extraneous material.)

Mr. McCOLLUM. Madam Speaker, yesterday I was looking around for something and could not find it, but today I found it, the editorial in the Wall Street Journal entitled "The Dope on Spring." I commend it to my colleagues to read about marijuana and the fact that our parents of our kids today are not paying enough attention to drug use in this country.

It says, 71 percent of teenagers said in a recent poll by Partnership for a Drug-Free America that they had friends who use marijuana, and half of them admitted that they did. This editorial points that fact out.

It also points out that only 21 percent of parents believe that their own children partake in it. The facts are, the Journal goes on to say, that, as opposed to 25 or 30 years ago today, even soft drugs like marijuana can be as much as 10 times more potent than the joints that parents toked. That is because of hydroponic strains and a lot of other things.

They also point out, though, that polls show that 82 percent of these parents believe drugs are a serious problem nationally, but only 6 percent think the problems exist in their local high schools. They go on to say, earth to parents, it is spring, and it may be time for a chat.

I would suggest everybody needs to take a chat with a youngster today, and I commend your reading this Wall Street Journal editorial.

The text of the Wall Street Journal editorial is as follows:

[From the Wall Street Journal]

REVIEW & OUTLOOK—THE DOPE ON SPRING

About this time last year, a forwarded email message was making the rounds of college campuses. "Don't forget," the message advised, "the appropriate greeting is "hi, how are you?" not "how high are you?""

This month, while grown-ups were busy preparing tax returns, a lot of their college-attending children were partaking in the annual springtime bacchanalian festivals either in warmer climes or in on-campus celebrations of some meaningful date in their school's history. On these occasions many of the students ingest a cornucopia of drugs that most of their parents (despite imagined babyboomer sophistication) have never hear of.

Nor does it seem they have much interest in knowing what's going on. Despite all the attention given to drug abuse, parents are apparently disinclined to believe that their kids are using drugs. In a study released last week by the Partnership for a Drug-Free America, 71% of teenagers said they "had friends who use" marijuana and almost half admitted they themselves had tried it. But only 21% of parents thought that their little angels might partake (admittedly even that must go down as a higher percentage than their own parents would have conceded).

In fact, this is a drug "culture" with frightening differences from the glory days of 25 or 30 years ago. Today even "soft" drugs like marijuana can be as much as 10 times more potent than the joints their parents toked. Because of crackdowns or smuggling, the neighborhood greenhouse business has flourished: New strains like "hydroponic," where the plants are grown without soil and "wet"—marijuana soaked in formaldehyde—have been increasing the drug's potency exponentially. Meanwhile, drug use among teenagers has doubled since 1990.

Other drugs, like methamphetamine, are also the product of basement alchemy, often involving youths producing it, which in turn introduces some of them to criminal enterprises. There are substantial profit margins in this new underworld for chemists who turn over-the-counter cold medicines into a particularly wicked concoction called "ice," "crank" or speed." Costing $5 to $25 a dose, it offers a high similar to powder cocaine, which retails at upward of $100 a gram, but it is much more accessible to a middle-schooler's allowance. And these laboratories are proliferating.

Something else that's new: The spread of black-market pharmaceuticals like Ritalin and Ephedrine, which have become a hot commodity in many suburban neighborhoods. Last November, a group of suburban middle-schoolers got hauled in by Virginia police when the principal caught a seventh grander selling his Ritalin prescription to his pals. Other favorites come right off the store shelves: Krylon gold paint for inhaling and whipped-cream cans for nitrous oxide.

Last April, a 16-year old in a Chicago suburb was caught with 37 grams of marijuana, some opium and paraphernalia stashed in his parents house. A 15-year-old set up shop selling pot, PCP, Extasy and Special K in an affluent District of Columbia suburb. These aren't just the kids from the wrong side of the tracks. Ask any college student about the prevalence and diversity of the new chemical culture. You'll get an education.

For the '70s generation, famous for its hedonistic experimentalism, the statistics suggest a willful ignorance. Parents disbelieve, perhaps because they're afraid to find out the truth. Polls show that 82% believe drugs are a "serious problem nationally," but only 6% think the problem exists in their local high school.

The baby-boomers' self-indulgence has come home to roots, only this time there's no ideological crutch. What's becoming increasingly obvious is that Gen-X drug use involves teenagers who've rejected their parents' political ideals but adopted their libertinism. A 1995 study by the University of Michigan revealed that after a 13-year lull, teenage drug use had climbed three years in a row. Yet nearly one kid in three claimed that his or her parents have never discussed drugs with them. Only a quarter say it's a topic of frequent conversation.

Earth to parents: It's spring, and it might be time for a chat.

□ 1830

SPECIAL ORDERS

The SPEAKER pro tempore (Mrs. EMERSON). Under the Speaker's announced policy of January 7, 1997, and

under a previous order of the House, the following Members will be recognized for 5 minutes each.

RANDOM DRUG TESTING OF HOUSE MEMBERS AND STAFF IS ILL-ADVISED

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. PAUL) is recognized for 5 minutes.

Mr. PAUL. Madam Speaker, the House is about to implement rule changes that will require random drug testing of all House Members and staff. Drug usage in this country, both legal and illegal, is a major problem and deserves serious attention. However, the proposal to test randomly individuals as a method to cut down on drug usage is ill-advised and should not be done.

The real issue here is not drugs but rather the issues of privacy, due process, probable cause and the fourth amendment. We are dealing with a constitutional issue of the utmost importance. It raises the question of whether or not we understand the overriding principle of the fourth amendment.

A broader but related question is whether or not it is the government's role to mold behavior, any more than it is the government's role to mold, regulate, tax and impede voluntary economic contractual arrangements.

No one advocates prior restraint to regulate journalistic expression, even though great harm has come over the century from the promotion of authoritarian ideas. Likewise, we do not advocate the regulation of political expression and religious beliefs, however bizarre and potentially harmful they may seem.

Yet we casually assume it is the role of government to regulate personal behavior to make one act more responsibly. A large number of us in this Chamber do not call for the regulation or banning of guns because someone might use a gun in an illegal fashion. We argue that it is the criminal that needs regulated and refuse to call for diminishing the freedom of law-abiding citizens because some individual might commit a crime with a gun.

Random drug testing is based on the same assumption made by anti-gun proponents. Unreasonable efforts at identifying the occasional and improbable drug user should not replace respect for our privacy. It is not worth it.

While some Members are more interested in regulating economic transactions in order to make a fairer society, there are others here who are more anxious to regulate personal behavior to make a good society. But both cling to the failed notion that governments, politicians and bureaucrats know what is best for everyone. If we casually allow our persons to be searched, why is it less important that our conversations, our papers and our telephones not be monitored as well? Vital information regarding drugs might be obtained in this manner as well. Especially we who champion the cause of limited government ought not be the promoters of the roving eye of Big Brother.

If we embark on this course to check randomly all congressional personnel for possible drug usage, it might be noted that the two most dangerous and destructive drugs in this country are alcohol and nicotine. To not include these in the efforts to do good is inconsistent, to say the least. Unfortunately, the administration is now pursuing an anti-tobacco policy that will be even less successful than the ill-fated Federal war on drugs.

I have one question for my colleagues: If we have so little respect for our own privacy, our own liberty and our own innocence, how can we be expected to protect the liberties, the privacy and the innocence of our constituents, which we have sworn an oath to do?

Those promoting these drug testing rules are well motivated, just as are those who promote economic welfare legislation. Members with good intentions attempting to solve social problems perversely use government power and inevitably hurt innocent people while rarely doing anything to prevent the anticipated destructive behavior of a few.

It is said that if one has nothing to hide, why object to testing? Because, quite simply, we have something to keep: our freedom, our privacy and the fourth amendment. The only answer to solving problems like this is to encourage purely voluntary drug testing, whereby each individual and each Member of the House makes the information available to those who are worried about issues like this.

VOUCHER PLAN RAISES UNREASONABLE EXPECTATIONS

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from the District of Columbia (Ms. NORTON) is recognized for 5 minutes.

Ms. NORTON. Madam Speaker, in anticipation of bringing a bill to the floor, the Republican majority is pouring thousands of dollars into ads for a voucher bill. But I challenge them to use that to send some of the 7,500 kids they want to help to parochial schools, as they claim they want to do.

This is a political exercise. It has become a political perennial, because it comes every year. This year it is an election year charade. We know it is a charade because the President has promised to veto. If the majority is sincere, I challenge them to sit down with me and write a bill that can be signed.

This year a bill of this kind is a real insult because we have a real shot at exponential improvement in the D.C. public schools, finally.

One good example is the Summer Stars program about to begin. We will become the first big city school system to eliminate social promotion and replace it not only with a remedial program but with a program in the summer that helps youngsters catch up so they do not fail in the first place. A rigorous academic program is going to be put in place. Our youngsters are going to have to read 25 books next year in order to pass the grade.

Want to help? There are ways to make a real difference for the many and not merely the few. It is cruel to raise the expectations of 75 youngsters for 2,000 school vouchers. It is cruel because there are two insurmountable barriers, and we know they are insurmountable. First is the veto, but, second, no serious constitutional scholar believes public school vouchers are constitutional.

As I speak, there are two injunctions on public school vouchers right now. Two courts in Wisconsin have stopped public school vouchers with injunctions on constitutional grounds. An appeals court in Ohio has stopped public school vouchers on constitutional grounds.

D.C. schools need help. If Members want to raise people's expectations and then let them fall, they should go do it in their own districts. Do not come in and do it to my folks. I challenge the majority, if they want to see D.C. kids go to parochial schools, I will join Members in raising private funds to send them to private schools.

Everyone knows what they are doing. They are preparing for a $1 billion raid on the public Treasury to take money that would go to public schools and give it to private and parochial schools. We are not going to let them do it. Either the President will stop them or the courts will stop them. Meanwhile, they are playing with the lives of the people I represent.

I ask Members to stand back and instead come forward and join me in truly helping youngsters who are crying out for help but cannot get it, as Members know they cannot, in the way they have chosen.

We can work together. No one has even come to me and approached me about this issue. They would not dare go into the district of another Member without even approaching her on the district. They have not asked me if there is an approach that we can agree upon.

I can tell them that the approach that they are depending upon, a starkly partisan approach that has nothing to do with the youngsters I represent, will in fact be turned down not only by me but by those I represent. And, for them, I resent Members coming forward to raise their expectations, knowing full well that they cannot meet

them and having no intention whatsoever to meet them in yet another election year charade designed falsely to show what Members cannot show, and that is that public schools cannot be improved. Perhaps they cannot be. Neither, I assure the Members, will the courts of this great country allow us to empty the Federal Treasury of funds and put them into private schools.

If Members want to help my kids, understand that they want your help, need your help, and that their Member is willing to cooperate with others in order to get help. But I ask Members to cooperate with us, not to exercise their will on us.

TRIBUTE TO LIEUTENANT COLONEL JAMES J. LYONS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Missouri (Mr. HULSHOF) is recognized for 5 minutes.

Mr. HULSHOF. Madam Speaker, I have come to the floor of the United States House of Representatives tonight to talk about big news in a small town in Missouri's Ninth Congressional District. That town is Kirksville, Missouri. For those who do not know about Kirksville, it is the home of nationally-recognized Truman State University.

Tonight my good friend, Jack Magruder, the President of Truman State, and some of his colleagues have tuned in for this tribute, because it is time, Madam Speaker, to pay tribute to a man of honor.

Tonight I am here to salute a great countryman, Lieutenant Colonel James J. Lyons. His friends call him Jim. They also call him dependable. Lieutenant Colonel James Lyons has dedicated more than 29 years to Army service.

He entered the Army as a private in the Ohio Army National Guard in 1968, completed basic training, completed Advanced Individual Training-Infantry at Fort Jackson, South Carolina; and after a period of enlisted service with the Ohio Guard, he entered Officer Candidate School at Fort Hayes, Ohio. He was commissioned a second lieutenant in 1970 and assigned to C Company, 113th Medical Battalion, where he served as ambulance platoon leader and training officer.

Lt. Col. Lyons moved to Kirksville in 1972 and was assigned to the 5503d U.S. Army Hospital in Columbia, Missouri. He served in a number of staff officer positions, including assistant personnel officer, food service officer and hospital company commander.

In 1976, he was project officer for the First Army Reserve Medical Symposium. A year later, he led the quartering party which organized the 901st Medical Detachment which, Madam Speaker, was the first Army Reserve Medical Unit in northern Missouri. Subsequently, he served as that unit's training officer and executive officer.

In 1988, Lt. Col. Lyons helped establish the 303d Field Hospital in Kirksville. He also served as that unit's executive officer and deployable medical systems project officer.

Lt. Col. Lyons was selected to be the first commander for the newly formed 4207th U.S. Army Hospital in 1995, a position he has held until his military retirement.

Lt. Col. Lyon's awards and decorations are many. They include the Meritorious Service Medal, the Army Commendation Medal with three Oak Leaf Clusters, the Humanitarian Service Medal for work with Cuban refugees, the National Defense Service Medal with one Oak Leaf Cluster, the Reserve Components Achievement Medal with two Oak Leaf Clusters, as well as the Armed Forces Reserve Medal and the Expert Rifle Marksmanship badge.

But not only has Lt. Col. Lyons distinguished himself in the military arena. He has also challenged himself academically. Lyons holds a Bachelor's degree in psychology from Fordham University and a Master's and Ph.D. in psychology from Ohio State University. He has been a faculty member at Truman State since 1972 and has served as the head of the Division of Social Science since 1979.

His friend, George Melloh, refers to him as the linchpin of Truman State University, giving Lyons much credit for putting Truman State's name on the map.

Also of importance, Madam Speaker, is how Lt. Col. Lyons has maintained careers in both the military and academic fields while earning honors in both. Kathy Reick, the dean of admissions at Truman State, points out that it takes a very special talent and a very special person to work with faculty during the week and with military on the weekends. The same approach to management and administration certainly does not work with both groups.

□ 1845

Yet Lyon's colleagues from both the faculty and military praise him for his dedication, for his effectiveness, and for his good judgment.

While Lt. Col. Lyons will retire from the military next month, he will continue to serve in the leadership of the social science department of Truman State University. We thank Lt. Col. Lyons for his service to his community, to his country, and we wish him the best of luck.

SUBSTANCE ABUSE TREATMENT PARITY ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Minnesota (Mr. RAMSTAD) is recognized for 5 minutes.

Mr. RAMSTAD. Madam Speaker, "Minnesota nice" took a hard hit last week. Within a few blocks of downtown Minneapolis, the body of a 77-year-old woman was found wrapped in plastic, stuffed in a cardboard box in a bedroom closet of her own apartment.

Why was "Miss Annie," as her friends and the small children she befriended in the neighborhood called her, so cavalierly and heartlessly murdered and her body left to rot? Apparently, she had become a mere inconvenience to the drug users and dealers who had literally commandeered her apartment. And as I found out from nearby residents, such hostage takeovers are not uncommon in the Phillips neighborhood of Minneapolis.

During a tour last week at the invitation of frustrated victims of the crime and drug epidemic in this area of our community, neighborhood residents told me of their constant fears living in crack-infested areas where drug dealers and violence dominate their daily lives.

Boarded up, abandoned buildings; drug dealers and crack houses on every block; and gang members and prostitutes readily adapting to the environment. As the exodus of community stakeholders, landlords, small business people and law-abiding residents continues, prospects for a better future dwindle.

Madam Speaker, do not tell the residents of the Phillips neighborhood in Minneapolis that crime statistics are down. They are literally trapped in the vicious cycle of crime and drugs that has gripped America for too long. As person after person after person told me last week in this neighborhood where Miss Annie was savagely murdered, these people are literally without hope.

Madam Speaker, no child, no neighborhood, and no community in America should be without hope. If we are truly serious about addressing the crime and drug epidemic in America, we must first acknowledge what every cop, every treatment professional, and every corrections person in America knows: 80 percent of all crimes are tied to drugs and/or alcohol addiction. 26 million Americans are addicted to drugs or alcohol. One hundred fifty thousand Americans died last year from chemical addiction. Eighty percent of the 1.4 million men and women in American prisons tonight are there because of drugs and/or alcohol. They are addicts.

Madam Speaker, Congress must provide a comprehensive strategy to address the crime and drug epidemic in America. We need to provide consequences for criminals and treatment for alcoholics and addicts. We need to go after the 7 percent of the violent criminals who are committing 70 percent of the violent crimes and lock them up. But we also need to break the cycle of chemical dependency that is causing the bulk of criminal behavior in America.

Of the 26 million American alcoholics and addicts, approximately 16 million of them are covered by health insurance plans. But only 2 percent of them, of this 16 million who had health insurance, are getting treatment for their addiction.

As the recent five-part Public Television documentary by Bill Moyers pointed out, it is time to put chemical dependency treatment on par with other diseases. It is time to knock down the barriers to chemical dependency treatment created by certain health insurers that discriminate against alcoholics and addicts. It is time to treat chemical dependency as the disease that it is, as the disease that it has been recognized to be by the American Medical Association since 1956. It is time to provide access to treatment to deal with America's number one public health and public safety problem.

Senator WELLSTONE and I have introduced the Substance Abuse Treatment Parity Act to provide equal access to chemical dependency treatment with treatment for other diseases covered by health plans. As a recovering alcoholic myself, Madam Speaker, I know firsthand the value of treatment. As someone who stays close to other recovering people and chemical dependency professionals in Minnesota and across the country, I have been alarmed by the dwindling access to treatment for people who need help. The current system either blocks access for people who are chemically dependent or extremely limits their treatment experience.

Providing access to treatment is not only the right thing to do, but the cost-effective thing to do. All the actuarial studies, all the empirical evidence show that treatment parity will actually save money in the long run.

Providing treatment for alcoholics and addicts covered by health insurance will raise premiums in the worst case scenario by one-half of 1 percent. In other words, for $1.35 per month, or the cost of a cup of coffee, we can treat 16 million chemically addicted persons in our country. For every dollar we invest in treatment, we will save $7 in costs down the road.

Madam Speaker, I urge my colleagues to join the 56 other Members of the House who have already cosponsored H.R. 2409. The people of America cannot afford to wait any longer.

ANTISMOKING ZEALOTS SHOULD FIGHT ILLEGAL DRUGS WITH EQUAL FERVOR

The SPEAKER pro tempore (Mr. HULSHOF). Under a previous order of the House, the gentleman from Kentucky (Mr. WHITFIELD) is recognized for 5 minutes.

Mr. WHITFIELD. Mr. Speaker, there has been a lot of discussion recently about efforts to reduce teenage smoking in America, and all of us in the Congress recently returned from our Easter recess in which we went back home to work and talk to constituents about problems facing them.

In my district I met with a lot of young people, a lot of educators, and it became quite obvious to me that, yes, teenage smoking is a problem. But it is not nearly the problem in America that is caused by the use of illegal drugs and alcohol among young people today. As a matter of fact, if we visit any juvenile facility around the United States, on the average 63 percent of juveniles in every juvenile facility were using drugs on a regular basis before going to that facility.

I firmly believe that while teenage smoking is a problem, the major problem facing teenagers today is the use of illegal drugs and alcohol. Yet despite that, the mobilization against a single legal industry, the tobacco industry, by a President, a Vice President, a former FDA commissioner, Surgeon General, trial lawyers, 40 State attorneys general, and other organized groups may be a first in America.

The wartime fervor with which the antitobacco movement pursues its aims, its deployment of extreme measures, including punitive legislation and coordinated lawsuits, is unprecedented in our country. The issue is much more than simply teenage smoking and the reduction of teenage smoking. These groups want to punish this industry.

Now, last July representatives of the tobacco companies sat down with 40 State attorneys general and various trial lawyers and various health care groups and under the auspices of the White House to see if they could reach an agreement to reduce teenage smoking in America. And they did reach an agreement, and it was a historic agreement in many ways. And yet I would say that I doubt that 1 percent of the American people know what the tobacco industry agreed to do in those negotiations. I want like to review that for the American people this evening.

First of all, the tobacco industry agreed that they would pay $368 billion every 25 years forever. And from that money, some would go to the States to reimburse them for Medicaid costs, but a lot of the money would go for programs to help teenagers be educated about tobacco, to help teenagers stop smoking this product and maybe not even begin to smoke it.

Second of all, the industry agreed that the FDA, the Food and Drug Administration, would be able to regulate tobacco, going far beyond the FDA rules to regulate tobacco initiated by former Commissioner Kessler. The agreement went far beyond that.

In addition, the industry agreed that a third-party entity, a health care entity, would be able to set goals to reduce teenage smoking each year by a certain percentage point. And if the industry were not able to reach that goal, if the goal was not reached, the industry would pay $80 million per 1 percentage point that that target was missed. That is even considering that the industry does not necessarily control teenage smoking. Yes, we live in a country that even teenagers have some responsibility and can make a decision of are they going to use the product or not, knowing full well that it is not healthful to use. But the industry agreed they would pay $80 million for every percentage point missed.

In addition, they agreed to pay $5 billion a year into a trust fund for payments to pay off court judgments. In addition, they said that they would voluntarily sign consent decrees waiving their constitutional right to advertise their product.

In addition, they said they would sign consent decrees to voluntarily waive their right to lobby the Congress. Every constituent, every citizen in America has a right to lobby the Congress, to petition government, and they agreed to give that up too.

But despite all of those things, the antitobacco groups now are going forward and saying "We want more out of this industry." I want to urge them to focus more on helping us reduce teenage smoking and the use of illegal drugs and stop trying to punish an industry.

THE BALANCED BUDGET

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

Mr. NEUMANN. Mr. Speaker, I rise tonight to talk about an issue that is very much on the forefront in America. We are hearing a lot about the fact that the budget is finally balanced. We know that in 1995 when many of us came here there was this discussion that we were going to balance the budget by the year 2002, and now we are hearing in America that the budget is balanced today.

That is good news for the American people, and I would like to spend most of the hour tonight talking about what it actually means to have a balanced budget and how Social Security fits into this discussion. And I guess most important of all, like I found out in my town hall meetings back home, we had 14 of them over the last week, how it is that Washington's idea and definition of a balanced budget, albeit the same since 1969, is very different than what the people in Wisconsin think and probably what most of America thinks in terms of a budget being balanced.

I thought I would start with a chart that shows what it was like in 1995 when we first got here. In 1995 when we first got here, the President made a

budget projection and he presented us his version of what we should be doing. This red line shows where the deficit was headed in 1995 when we got here, if we had played golf, basketball and tennis instead of doing our job. But we did not play golf, basketball and tennis. We fought hard to get Washington spending under control.

Over a two-year period of time we brought the growth rate of Washington spending down by virtually 50 percent. In two short years it came from 5.2 percent, that is how fast it was growing when we got here, down to 2.8 percent. That is how fast it is growing today.

This yellow line on the chart shows what happened in our first 12 months in office, and my colleagues can see the deficit projections were coming down already after only 12 months in office.

The green line shows what we had hoped to accomplish, and that is the plan that we laid out when we got here to get to a balanced budget by the year 2002. And virtually all of America heard about it, but our constituents said, "I do not believe they are going to do it." That is what they said back home.

The facts are in, and for the last 12 months running we not only got to a balanced budget by 2002, we are actually there four years ahead of schedule. Remember, this is the Washington definition of a balanced budget. For the last 12 months running, the United States Government spent less money than they had in their checkbook for the first time since 1969.

Now, when I get into this discussion about how this relates to Social Security, many of us are not going to like the Washington definition very well. But this should in no way take credit away from the fact that this has been done for the first time since 1969.

□ 1900

In 1969, I was a sophomore in high school dating the young lady who now happens to be my wife so I know that was a long time ago, the last time this actually happened, and America should be cheering for this. We have come so far in such a short period of time.

I would like to focus on what this actually means because there seems to be a lot of disagreement, and Lord only knows, a lot of misunderstanding on exactly what this means when we say we have a balanced budget. I would like to start with exactly what Washington's definition of a balanced budget is.

I come from the business world. This is the first office I have ever held. We were a home-building business. We would not have defined it in the same way that Washington does out there in the business world. Washington looks at the total number of dollars coming in, at the total amount of taxes the American people pay. They add up all of that money coming in. Then they look at their checkbook, and they figure out how many checks they wrote out. And at the end of the year, for the first time there was actually more money coming in than what they wrote out in checks.

Again, make no mistake, this side of the picture, the dollars coming in, is clearly a result of a strong economy. So let us not give any politicians credit for these dollars coming in because, in fact, that is the hard work of the American people. That is the people that get up in the morning, go to work every day of the week, and earn a salary, and then send taxes to Washington. It is their money that we are talking about. And with the economy very strong, welfare reform was passed, able-bodied welfare recipients have returned to the work force. Those folks started paying taxes in, and that is why the amount of money coming in has been very strong.

But that is not the end of the picture. On the other side, the money going out, the rate at which that money is going out, the growth rate has been slowed by 50 percent in these 3 short years.

Together those two things have led us to a point where we have what Washington calls a balanced budget. I would like to go further with the definition because it is important that everyone understands exactly what they mean by a balanced budget so we understand just how far we have to go. And the rest of this discussion should in no way take any credit away from the fact that this has actually happened for the first time since 1969.

To understand what actually is happening in this budgetary process, I would encourage my colleagues to think of a pension fund, and think of a business running a pension fund; only in this case the pension fund is Social Security.

What I have on this board is the total dollars coming in being collected out of the American taxpayers' paycheck for Social Security. We are collecting $480 billion for Social Security this year; that is, when you look at your pay stub, if you are out there, a hard-working American, you look at your pay stub, that money coming in for Social Security equals $480 billion. The total amount being paid back out to our senior citizens in benefits is $382 billion.

This is not really hard to understand. It is very much like your checkbook if you sit down at your kitchen table. If you have $480 in your checkbook, and you write out a 382-dollar check, your checks do not bounce. It works fine. As a matter of fact, you have $98 billion left in your checkbook.

What is going on in Social Security is that $98 is supposed to be put into a savings account. We all know that people in my age group, the baby-boom generation is rapidly heading toward retirement, and there is lots of us. As a matter of fact, there is lots more of us than there are seniors today.

When we get to the retirement years, since there are so many of us, it means there will be more money going out than what there is coming in. It is exactly the opposite of the picture that we have today. The idea is this $98 billion goes into a savings account, and it is much like we do in our own family. When there is more money going out than what we have coming in, we then go to that savings account, get the money out, and Social Security works. That is how Social Security is supposed to work today.

Now, I would like to point out that these two numbers, they turn around in about the year 2012. So from now through 2012, we have more money coming into the system than what we are paying back out. As a matter of fact, the rest is supposed to go into a savings account.

When I am in my town hall meetings back home in Wisconsin, it did not matter if I was in Beloit, Janesville, Kenosha, Racine or Burlington, wherever I was, I would ask the question, what do you suppose Washington does with that $98 billion that they have extra coming in from Social Security? They would all start laughing, and they would say, well, obviously they spend it. The right answer; that is exactly correct. The American people understand that, and they know that is what is going on out here.

Let me be very specific on how it works out here. That extra $98 billion comes in. Think of this middle circle as the big government checkbook because that is where it goes. It gets deposited directly into the big government checkbook. Washington then writes checks out of their big government checkbook. Remember the first picture we had up here. When the dollars in equals the dollars out, we call that a balanced budget.

You see, however, what is wrong with that picture. That balanced budget, those dollars going into the big government checkbook, those dollars going into that checkbook, include this Social Security surplus. When they look at the dollars going out of that checkbook, it does not include a check going down here to the Social Security Trust Fund. So when we talk about a balanced budget in Washington, D.C., please do not shoot the messenger; this is the way it has been defined for many, many years before I got here, all the way back to 1969. They have defined this thing to be, with these extra dollars coming in, if we can just get this checkbook so we are not writing out more checks than what we are taking in, we are going to call that a balanced budget. That has been the definition.

Remember, since 1969, we have not even balanced the budget even utilizing the extra money coming from Social Security. So while it is an important and a first step forward, I think most

people in America would understand and realize that in order to truly balance the budget, we need to write a check out of that checkbook down here to the Social Security Trust Fund so that there is actually real money in the Social Security Trust Fund.

What we do today, that $98 billion goes into the big government checkbook. They spend all the money out of the big government checkbook. And since there is no money left to put a check down here, we simply write an IOU to the Social Security Trust Fund. That IOU, let me be very technical about it, that IOU is called a nonnegotiable treasury bond.

A nonnegotiable treasury bond is very simply something that cannot be sold. The problem with this is if you have got a bond in there that cannot be sold, and we get to the year 2012, remember that is the year where there is more money going out because us baby-boom generation people are getting there so there is more money going out than what there is coming in. If this thing is full of IOUs, nonnegotiable, nonmarketable treasury bonds, the question that most logical thinking people would ask is: Where are they going to get the money from in 2012 to keep Social Security going?

There is only three possible answers to that: One is they can raise taxes on the American workers. That is a bad idea. The second one is they can simply borrow more money, and that is a bad idea because that makes the situation worse for our children. The third one, of course, is to reduce spending elsewhere in Washington, and I mean I think that is a great idea. But the problem with that idea is, what is the probability of it actually happening as opposed to simply going out and borrowing the money.

The real point here, what needs to be done in Washington, D.C., and we have written the legislation to do it; I see my good friend from Minnesota has joined me, and in spite of the tie he has on, I am going to invite him into this conversation. But I would like to just point out that we have written legislation that would specifically take that $98 billion extra that is coming from Social Security and put it directly down here into the Social Security Trust Fund.

The bill is called the Social Security Preservation Act. It is H.R. 857, and it effectively stops the government from spending money that is supposed to be set aside for Social Security. This means when we get to the year 2012, the government can go down here to the Social Security Trust Fund; we will have negotiable treasury bonds; that is, a treasury bond that anybody can go to their local bank and buy.

When I was at our town hall meetings, I asked our seniors if they knew what a treasury bond was. I would say at every meeting we had three or four that actually owned treasury bonds because they had bought them at their local bank. What we are suggesting we do is put that right down here in nonnegotiable treasury bonds, regular T bills that you can buy at your local bank. Then, when 2012 gets here, we simply go to the trust fund, sell the treasury bond, get the money, and Social Security is solvent.

I need to be very specific on this, though, because while that solves the problem in 2012, this works much like your home checkbook. If you overdraw your checkbook this month, you go to your savings account and you get the money, and you put it in your checkbook and make good, everything is fine. But then next month, you overdraw your checkbook again, go to the savings account, get the money, and everything is fine. But if you keep doing that month after month after month, which is what happens in Social Security beyond the year 2012, eventually what would happen to your savings account, of course, is you would run out of money.

In the Social Security system, even if all of the money is in the trust fund that is supposed to be there, including repayment of the money that was supposed to have been put there in the first place, even if all of that money is there, their savings account reaches zero in the year 2029. So that is why we are hearing all of this discussion about Social Security today. Two thousand twelve, we are okay if there is really money in the Social Security Trust Fund.

If H.R. 857, the Social Security Preservation Act passes, and the trust fund is full of real money, we are okay in the year 2012. But our savings account runs out of money, much as your personal savings account would eventually run out of money if you kept overdrawing your checkbook; the Social Security Trust Fund savings account also runs out of money in the year 2029.

I yield to the gentleman from Minnesota (Mr. GUTKNECHT).

Mr. GUTKNECHT. I would like to thank the gentleman for yielding to me, and despite the tie, I am delighted to be with you tonight. I just want you to know my brother gave me this tie so if he is watching back home, he will know what you had to say about it.

Mr. NEUMANN. That was a compliment.

Mr. GUTKNECHT. I want to congratulate you for all that you have done; not so much just in balancing the budget, because I think members of the Committee on the Budget, and you also are on the important Committee on Appropriations. I do not know of anybody who has fought more to balance the budget, to fight wasteful Washington spending than you have.

I am glad you are talking a little tonight about Social Security and Medicare and seniors issues because you are not only a cosponsor of the Social Security Preservation Act, but you are also a very important proponent of trying to solve the notch issue. I know that I and many of my colleagues, I expect, I heard you mention that you had town hall meetings during the Easter break as well. Almost everywhere I went when I met with seniors, someone raised the issue of the notch baby problem. And I do not know if you spent any time talking about that, but this is really an issue, particularly now, I think, that at least we are moving towards a surplus using the old accounting method here in Washington; that maybe this is the time, this is the year we can finally do something to bring about some fairness to those folks who are called notch babies.

I have a particular interest, perhaps a parochial interest, if you will, in this issue because my father is a notch baby. Every so often when I am home for a family reunion or weekend, whatever, he reminds me that notch babies have been treated unfairly by the system. And up until this point there have not been many Members in this House, or in this city, who have been willing to seriously deal with the issue.

I just wanted to congratulate you. I am a proud cosponsor of H.R. 3008 for the first time giving some kind of lump sum payments, and I think the bill originally called for a $5,000 lump sum payment. I am not certain if ultimately that will be the number, but clearly the time has come to recognize the inequity and perhaps you want to talk a little bit tonight about the notch-baby problem. I suspect there are many people who are watching who have a very strong interest in it.

Mr. NEUMANN. Well, when we wrote the notch bill, we wrote it very different this time. As a matter of fact, when I have been on the floor of the House sometimes Members have said this has been discussed before, and we cannot do anything about it. But we wrote the notch bill very different this time than in the past.

In the past, when they proposed fixes to the notch problem, and let me make it very clear, I have got the numbers in my office on this. The notch babies are not getting an equitable monthly payment in Social Security when compared to other people who have paid exactly the same amount into the system. When we wrote the notch bill this time, we went to other parts of the budget and we said, look, this is not right what is happening to seniors here. We are going to reduce spending over here in order to provide the money necessary to correct the notch problem that is very real.

And the bill we wrote does two things. It gives our senior citizens the option of one of two things: They can either correct their monthly payment, or get to a monthly payment that is approximately equal to other people

who have paid the same amount into the system, or they can take the $5,000 lump sum payment paid over a 4-year period of time. It would be their choice as to which one of these two that they were to receive.

But the gentleman is absolutely correct. The senior citizens that were born in those years that are commonly called the notch babies, they are certainly not receiving a fair payment back in the Social Security system. I personally think it is high time something got done about it. The group that came in in 1995, this is really the first time we are starting to discuss this in depth. The problem should be fixed and it should be fixed today.

Mr. GUTKNECHT. Just for the Members who may not know, these are principally people born between the years 1917 and 1926. And there is almost something cynical about this.

Most of my seniors are not particularly cynical people, but it does almost seem as if Members of Congress in the past said, well, if we just let this thing go eventually all of these people will die off, and it is not a problem anymore. I hope that we are bigger than that. I hope we are better than that. I think, hopefully, we can find the funds this year within the budget to take care of those people.

I would also like to talk a little bit about how important and the work that has gone, and I am not certain how many of your slides you have shown tonight talking about the seriousness of the debt and how far we have come. I think we need to remind ourselves once in a while that under the old accounting standards, and going back to about 1964, and what we call the unified budget, we have literally taken those excess Social Security funds and used them to mask the deficit.

Now, some people say that happened because people back in the mid-1960s wanted to hide the cost both of the Vietnam War as well as the great society. And this was a way of being able to spend the money without having to recognize the trust fund obligations that we had ultimately to Social Security. So I think the time has come, because we have come so far with balancing the budget. We have eliminated over 300 programs. We have cut the rate of growth in Federal spending in the last 3 years by almost 50 percent. We are closer today, and probably you have done a better job even than the Congressional Budget Office in terms of predicting where we would be relative to the balance and ultimately to a surplus.

□ 1915

Mr. NEUMANN. Mr. Speaker, reclaiming my time, if we look at what is happening in America today and we look at the revenue growth rate and the spending growth rate, and to most American citizens they do not want to know about all that stuff, that is our job to know that stuff, but when we look at what is actually happening out there today, the surpluses, by the old definition, will exceed the amount of money that is necessary to be put aside for Social Security in the near term.

Let me make this very, very clear. Even setting Social Security money aside, we will be running surpluses by the year 2000, 2001 as large as $250 billion. Take out the Social Security money and we still have got a $150 billion surplus by the year 2001 or thereabouts. And I think it is very important that the American people engage in this debate right now as to what they would like to see done with this surplus.

And, again, let us be real about this. If we go into a recession, this is not going to happen. If we have a war, this is not going to happen. But if things keep going the way they are right now today, if we do not have a major economic downturn, we are looking at surpluses that are large enough to set aside the Social Security money the way we should and still have about $150 billion left over.

Mr. GUTKNECHT. If the gentleman would yield further, though, there is one more caveat that he did not mention; and that is that we do not return to spending normally. The pressure to spend in this town, the propensity of Washington to spend money that is not ours, it is so easy to spend other people's money and it is even easier to spend the money of people who are not yet born.

We have our friend the gentleman from South Dakota (Mr. THUNE) joining us.

I want to share one more thought. All of us are no more than one generation removed from the farm, and this is something I talked about in some of my town hall meetings in terms of balancing the budget and ultimately paying off some of that national debt. And my colleague and I are cosponsors of a bill which, ultimately, if we could get the Congress to agree to it, would actually pay off the debt. Let me share before we yield to our friend from South Dakota.

Historically, particularly people out in the farm understand this, that the American dream was to pay off the mortgage and leave our kids the farm. And what Congress had been doing for the last 30 years is we have been literally selling off the farm and leaving our kids with the mortgage. And it is time that that change.

Mr. NEUMANN. That is what this picture really shows. This picture shows the growing debt facing the United States of America. From 1960 to 1980, it did not grow very much. But from 1980, that is where that huge growth rate has been. Where we go to with this discussion of surpluses beyond the Social Security money, that is, even if we set the Social Security money aside, is still a surplus of $150 billion. What it does is put us in a position where we can start dealing with paying back some of this debt. We can start dealing with putting the money back into the Social Security Trust Fund that has been taken out basically over the last 15 years.

It is important to note when we look at this debt picture that part of the red that we are seeing in this debt picture is the Social Security Trust Fund money that has been taken out over the last 15 years. So, as we start repaying the Federal debt, we can also put the money back into the Social Security Trust Fund.

I guess if I were to look at this surplus personally, I would say we have three major problems facing the United States of America, and my colleagues might join me in this. I think the three problems we have facing America, economically at least, are the debt of $5½ trillion, and we ought to be making payments on the debt, much like people would make payments on their own home mortgage.

Taxes are too high in America. Americans pay $37 out of every $100 they earn in taxes at some form of government level today. Would it not it be nice if we could get that back to where it was in 1955, say to $25 out of every $100 they earn?

And the third problem is the Social Security system. Because even if we are paying down debt, getting all the money into the trust fund that belongs there, we still have the long-term problem out in 2029 where, ultimately, the Social Security savings account runs out of money.

So those are three problems that need to be fixed, and the debt needs to be repaid. Taxes are too high, and they need to be brought down, and we need to restore the Social Security Trust Fund. And, of course, the gentleman is a cosponsor of a bill, the National Debt Repayment Act, that literally takes the surpluses and divides it equally amongst those three categories for purposes of paying down debt, restoring long-term Social Security and lowering taxes on Americans.

I yield to the gentleman from South Dakota (Mr. THUNE).

Mr. THUNE. Mr. Speaker, I want to thank the gentleman from Wisconsin for yielding, and I would suspect, and the gentleman from Minnesota here, my colleague to the east, and I would guess that their congressional districts are not very much unlike my State of South Dakota, and I represent the entire State.

But I would like to credit the gentleman from Wisconsin for the exemplary leadership he has taken on this issue. Because I think one of the reasons that we are having this discussion today is that the class that my two colleagues came in with back in 1995 got

this spending situation into control and basically injected a new discipline into the process out here, and I think that has helped propel us to where we are both in terms of the economy and what we are going to be able to do to address the debt situation.

In fact, the gentleman from Minnesota made the comment earlier that there is CBO and OMB and there is always this raging debate about whose numbers are more accurate, and I think we ought to have the Neumann rule. The Neumann law would be the one that works, because I think he has proven in the past to be the most accurate predictor of what some of these economic assumptions and what some of these budget numbers are going to be.

But let me just say, because I think it is very important to note what my colleagues are attempting to do here, and that is to put us on a path to fiscal responsibility in the future so we do not end up selling the farm out from beneath our children and grandchildren.

Many of the proposals that the gentleman from Wisconsin, I am a cosponsor of one as our friend from Minnesota, address this issue in a very systematic way and start working down debt, paying down debt, lowering taxes and again in a very systematic, disciplined and deliberate way, so that in the next 30 years we will have eliminated this.

It is a novel concept in this town to talk about spending only 99 percent of what you take in; and, ultimately, what we are going to have to do if we are going to get this under control is limit the amount the Federal Government takes in the first place. Because both my colleagues have noted that once it ends up in this town, it is going to get spent; and the only way we can avoid that is to leave the money at home and make the Federal budget smaller and the family budget bigger. And, again, I think that has been the objective of many of us here in this Congress.

It was interesting to me because, as I traveled the State of South Dakota this last week, I heard a lot about commodity prices; and there was a concern about wheat and corn. I am sure my colleagues all heard that, too, some about transportation funding, because that is important in my State, a number of issues that were brought up.

But I walked into a gas station in Aberdeen, South Dakota; and as I was going up to pay for the gas, the lady at the checkout said, "You know, Congressman, working families need lower taxes." She went on to explain that she and her husband both work. They are raising children. They are trying to educate their children. They are trying to put away a little money for retirement. And she understands full well that the way that we liberate and help working families in this country is not by forcing more government solutions down their throat but by allowing them to keep more of what they earn so the decisions about their daily lives, the things that affect them, like education, like retirement, like health care, like child care, are decisions that they are able to make.

That again I think is the direction in which the gentleman from Wisconsin in his legislation moves this country, and that is a very positive one. Because, again, I believe it shifts power and control and authority out of this city and back home; and that is something that the liberals have a big time with.

Mr. NEUMANN. In one of my town hall meetings, and my colleague mentioned this, bring the taxes down, we had a person sitting there and he was clearly not what we would call a supporter of Mark Neumann, and he said, "We don't need lower taxes. We don't need tax cuts. We need higher paying jobs." And I am thinking to myself, higher paying jobs, is that not for more money in our take-home paycheck and is that not exactly what the tax cuts do is provide more take-home pay for those workers? But somehow they have got this ingrained message we need higher paying jobs.

Well, the facts are, the reason they need higher paying jobs is because the Government overtaxes them. If the Government would let them keep more of their own money, it effectively creates a higher paying job by letting them keep more of their own money.

That family my colleague was talking about, did he go through the tax cuts we just passed to them? How many kids do they have?

Mr. THUNE. Well, I should have. I did not ask specifically how many. But I should have walked through the things that happened last year and how she and her family are going to benefit from that.

You go across the board in my State of South Dakota, because we are basically small businesses, farmers, ranchers, and you look at the death tax and rolling that back and the capital gains tax and rolling that back and the family credit and Hope scholarship, all of these things were done with an eye toward allowing working families to have more control over their own future.

Mr. NEUMANN. Let us be very, very specific. Let us assume that this young lady that my colleague talked to at the gas station had three kids. Next year, when they figure out their taxes and their family and they get to the bottom line, they subtract off $1,200, $400 for each one of those children under the age of 17. That was the tax cut package that was signed into law last year. If they have some in college, they will get to the bottom line of their taxes and for a freshman or sophomore they subtract off $1,500 to help pay for that college tuition.

I had a bunch of high school seniors out here in the last couple weeks from a couple of our different high schools around and I asked them, did you know that next year when you go to pay your college tuition your parents are going to get a $1,500 tax credit? That is, they figure out how much they would have sent to Washington and they subtract $1,500 off the bottom line to help pay for their college. A lot of them do not even know about it yet, but this is there and available. Juniors and seniors, it is 20 percent of the first $5,000, or $1,000.

My colleague mentioned the capital gains, rolling it back. Let us be very specific. The amazing thing to me in our town hall meetings, and, remember, this is not Republicans in our town hall meetings. This is Republicans, Independents, Democrats. It is Americans, which is exactly the way town hall meetings should be. They are open and publicized and everybody comes.

When I asked the question, "How many in this room own a stock, a bond, or mutual fund or participate in a 401(k) retirement plan," it is amazing. I would say it is 99 percent in those rooms. And the next thing I say is, "By the way, I hope if you invested in stocks or bonds or mutual funds you made a profit, because that is what your investment is all about and that is right."

The capital gains tax reduction that we passed last year means that if they make a profit, say they make $100 selling some stock they own, instead of sending $28 out of that $100 to Washington, they send $20. And if they are earning less than $40,000 a year, and it is amazing again, the number of people earning less than $40,000 a year that have also invested in stocks and bonds, if they are earning less than $40,000 a year, instead of sending Washington $15 out of the $100 they made, they only send them $10.

So these capital gains, I like to put it in real family perspective. Let me bring a Janesville family in since we talked about a South Dakota family. They have got two kids at home and a freshman in college. This family, when they go to do their taxes next year, they subtract off $400 for each one of the kids that are still home and $1,500 for the college freshman. That is a total of $2,300 that they keep in their home, in their family, instead of sending it to Washington.

I always like to ask the next question. The next question I always ask them is, "So who do you suppose could spend this money better, us out here in Washington or you in your family in your own home?" And there is just a chuckle around the room because we all know the answer to that question.

Mr. GUTKNECHT. I think sometimes we have to remind ourselves, and I know that my colleague was back in South Dakota and was probably watching some of the debates when we first

got into this fight about balancing the budget and allowing families to keep more of their own money while we were trying to save Medicare and a lot of the critics and cynics on the other side said, first of all, you cannot do it. You cannot balance the budget. You certainly cannot balance the budget and provide tax relief. And, above all, you cannot balance the budget, provide tax relief, and save Medicare.

Then sometimes the cynics said, well, if you give these tax cuts it will only benefit the wealthy and particularly as it relates to capital gains. I mean, that was the argument. I am sure my colleague heard it. There were ads run. There was almost hysteria around this town that if you provide capital gains tax relief, it will not do much for the economy but it will help the wealthy.

Well, we did not pay attention to the cynics. We did not pay attention to the critics. We had to ignore them. And, ultimately, what happened? Well, we are balancing the budget. We have the healthiest economy we have seen in 30 years, the lowest unemployment rate.

And perhaps the best news of all, partly because of our welfare reform, and I know the governor in Wisconsin has probably done more than almost any other governor, we have done a good job in Minnesota, and I think they have done a good job in South Dakota as well. But nationally, when we passed welfare reform and sent a lot of the decision-making back to the States and all that we did was require work, personal responsibility and encourage families to stay together, that was welfare reform. We block granted it. We ended the Federal entitlement, which existed for 60 years.

And a lot of the critics and cynics on the other side said, "You are going to pull the rug out from these people. People will starve. People will be thrown out in the streets."

Well, let us look at the facts. Let us look at what has happened. 2.2 million American families have moved off of welfare roles and onto payrolls.

□ 1930

I will tell the gentleman a story from my district. I was meeting with some teachers. After school, we talked about Title 1, and we talked about some educational programs.

Finally, one of the teachers said, you know, of all of the things you guys have done since you went to Washington, I think the most important is this welfare reform. I said, really. Tell me about that.

She said, well, let me tell you about one of my students. Let us call him Johnny. All of a sudden, Johnny started to behave better. He had a better attitude. He was a better student. He even carried himself better. Finally, she said, I asked Johnny, is there something different at your house? Johnny said, yeah, my dad got a job.

We forget sometimes, those of us who have had at least one job since we were 15 years old, that a job is more than the way we earn our living. A job helps improve and affect our entire life, and it affects everybody in the family.

Through a stronger economy, by lowering capital gains tax rates, by allowing families to keep more of what they earn, by encouraging work and personal responsibility, the great news is, not only have we saved money, but we have saved people. We have saved families. We have saved kids from one more generation of dependency and dispair.

Mr. Speaker, I yield back to my friend from Wisconsin.

Mr. NEUMANN. Mr. Speaker, a very exciting thing. When I was in our district and I toured one of the centers where they help people leave the welfare and get into the workforce, they did not talk to those families about the first job or only the first job they were going to get. At this work center, they talked to them about the first job and showed them how, if they were successful at the first job, they could have a second job, and how then there was a promotion waiting. They literally went to the fourth job for these families that were leaving welfare.

If citizens stay on welfare, they are destined to receive only what the government decides to give them. But if they go into the workforce, they have the opportunity to receive a job promotion and create a better life for themselves and their family. That is what welfare reform is all about. That is the exciting thing in welfare reform.

Mr. THUNE. Mr. Speaker, if the gentleman would yield, I would also add, and I think, again, it is something that my colleagues all were responsible for doing when they came here back in 1995 to reform the welfare system. But it started with a principle, and that is that the welfare program ought not to be measured, its success ought not to be measured by how many people we get on welfare but how many people we get off. And that is a value. Hard work is a value and personal responsibility. That translates into a public policy which has produced the exact results that we thought it would.

I think that is a great tribute to the work that my colleagues did when they got here. Of course, we in 1996 and 1997 and following, we were able to join them and continue down that road.

I think, in many respects, if we look at the success in the economy, and there has been a lot of talk about who should get credit for the booming economy. The President says it was his budget. It was his 1993 budget which, of course, included $250 billion in tax increases which I have a hard time thinking have a lot to do with an economic recovery.

Since the Republicans took control, since this majority took over in 1995 and we made some of the tough decisions on fiscal policy and getting our fiscal house in order, the markets have recognized that. We look at what the markets have done. But before the election in 1994, the DOW was at about 3800 points; today, it is over 9000.

So to suggest for a moment that that was all a result of the 1993 tax increase I think begs the question. The question is: What about all the hard work that was done by this Congress when they came in, made those hard fiscal choices, which the markets recognize, interest rates started coming down? And the general attitude in this town, for a change, was, we are going to do what we can to lower the tax burden so people can make investments, keep more of what they earn. That unleashed a whole new round of investment. We are seeing the renaissance of a lot of that decision making.

I think, frankly, in fairness, we need to give credit where credit is due. Those of us who joined this Congress back in 1995 deserve a great deal of credit.

Mr. NEUMANN. Mr. Speaker, reclaiming my time, I think what the gentleman talks about, and I showed this chart earlier this evening, but when he talks about what happened, and they said the 1993 tax increase somehow solved this problem. This is in 1995, 2 years after the tax increase, where the deficit was going when we got here. This is the President's budget proposal in April of 1995. This is where the deficit was going.

It is not the tax increase that solved the problem. It was a combination of a strong economy coupled with controlled Washington spending, getting the growth rate of Washington spending under control.

The yellow line is our first 12 months here, the green line is what we hope to do, and the blue line, reaching balanced budget 4 years ahead of schedule, is what has actually happened.

Mr. GUTKNECHT. Mr. Speaker, if the gentleman would yield, the truth of the matter is the facts speak very loudly. In fact, I often quote John Adams, one of the people who helped write our Constitution. He said, facts are stubborn things, and the facts are overwhelming. That is that if tax increases alone would have balanced the budget, we would have had a huge surplus long ago.

As the gentleman indicated earlier, when Washington gets its hands on the money, the history has always been that it spends it. Not only does it spend it, but let me give my colleagues one more statistic that people forget.

On the last 30 years, on average, for every dollar that Congress took in, it spent an average of $1.22. Since we took control, since the Republicans took control of this Congress, that number is down to a $1.01. I think, with this budget, it will actually be about 99 cents. If that is not a clear-cut difference, I do not know what is.

Mr. NEUMANN. Mr. Speaker, reclaiming my time, I think the other thing that needs to be kept in mind here, from 1969 to today, we have had other strong economies but never got a balanced budget. Lord only knows, we have had more than enough tax increases between 1969 and today. That is how we have got the high tax rates we have got today.

Neither the tax increases nor the strong economy, by themselves, have led us to a balanced budget. It has been the controlling of Washington spending coupled with that.

We talked about some solutions here like welfare and getting us to a balanced budget. I want to drop back to Social Security for a minute because, long term, we still have this Social Security problem that, even if we get the money in the Social Security Trust Fund by passing the Social Security Preservation Act, in the year 2029, they still run out of money. The Social Security Preservation Act solves it from 2012 to 2029.

I would like to, just for a minute, focus on some of the discussion that is going on here. I found when I was talking to the American people and I said Democrat Senator PATRICK MOYNIHAN has a plan on the table, everybody knew who Democratic Senator PATRICK MOYNIHAN was. They had very little knowledge of what his plan was, other than he was a person who usually worked with seniors.

I think it is important, and let me be very specific about this, I do not support this plan, but I think it is important the American people understand what it is that Democrat Senator PATRICK MOYNIHAN is proposing, because it is the number one plan in terms of solves Social Security. It goes back to the old ways.

Here is what it does. It first lowers the cost of living adjustments to senior citizens by 1 percent. I found all our seniors in our town hall meeting knew what the cost of living adjustments were. The plan lowers cost of living adjustments by 1 percent.

It increases the retirement age from 67 to 70. It raises the taxes on Social Security benefits. And here is how he does this in the plan. He looks at how much is paid into Social Security over the years. Anything we get out over and above that amount is 100 percent taxable.

So it is a monumental tax increase on our seniors. It lowers the benefits being paid to our seniors up front by recomputing the number of years from which we base our initial payment.

The part that he is getting a lot of support for, and even some of my conservative friends are supporting him, because it takes the 12.4 percent Social Security tax that is being paid today and it lowers it to 10.4. That is where the support is coming from.

A lot of people are seeing that reduction from 12.4 to 10.4 as something that is good. His idea is that, if people get that extra 2 percent in their pocket, they can put it away and take care of themselves in their own retirement.

That sounds very good, but we need to understand that, if that happens, we no longer have solvency past the year 2012, and the system is now bankrupt in the year 2012. So I do not support this plan. But I think it is important that the American people have the opportunity to understand what is in the plan.

I would like to give my colleagues some modern thinking. This new Congress that has come out here and solved Medicare without raising the taxes by looking at things like diabetes and realizing that it was much cheaper and much better for our senior citizens to provide preventive care than it was to wait until a senior citizen got very sick because of diabetes, solving Medicare problems with common sense solutions that did not just throw money at the problem.

There is a proposal out here right now, and I am not 100 percent ready to say I support it, but let me just go through the proposal because it is so different than anything else that has been talked about in terms of solving the Social Security problem.

Here is what the proposal does. It says, first, we are going to set aside the money that is coming in for Social Security today. So we take that extra money that is coming in, we put it in a savings account. We solve the short-term problem in Social Security immediately by putting that money away.

We then look at surpluses over and above that amount of money for Social Security. So Social Security goes on just exactly as it is today. We look at surpluses above that amount that is coming in. We take those surpluses, and we take part of the surplus, and we give it to each American over the age of 18.

Every American is getting their share of it over the age of 18, seniors and nonseniors. The catch here is that, if they are under 65, they get their share of the surplus in the form of a check to a 401(k) type savings account. The only stipulation, it is their money, they decide where they invest it, they can put it in a stock or bond or mutual fund or CD, where they invest it is their decision, but the only stipulation is they cannot take the money out until they reach age 65.

So we look at the surpluses over and above Social Security. We divide a part of those surpluses amongst all Americans over the age of 18. If citizens are under 65, they get a check. The check goes to their 401(k) plan. The only stipulation is they cannot take the money out until they retire.

What if they are over 65? If they are over 65, they simply get their share of the surplus in the form of a check. Because, of course, if they are over 65, it would not make sense to set up this 401(k).

Even though it is completely separate from Social Security, here is how that helped solved the long-term Social Security problems. For seniors today or for younger people when they reach 65 and start drawing on this account, half of whatever they get counts back against what they would have gotten in Social Security, and the other half is simply theirs to keep.

Again, the idea here is we look at surpluses over and above the Social Security surplus. We divide it up amongst the American people.

I talked to my brother about this, and he says, you know, Mark, my company is doing really well. We have a pension and profit-sharing plan. This is sort of like America is doing real well right now. If America is doing real well, I mentioned before, that within 3 or 4 years even, setting Social Security aside, we could look at surpluses of $150 billion.

Let me translate that. $150 billion is roughly $600 for every person over the age of 18. So that $600 check, or part of that check, depending on how much we allocate to Social Security, would simply go into that 401(k) plan on behalf of everybody under the age of 16 or directly to the senior citizens for those that are over 65.

Again, half of whatever they get, either when they start drawing it at 65 or half of that check that they are getting today if they are over 65, counts back to that Social Security. That is how we solve the long-term Social Security problems.

When we look at that next to the idea of cutting the cost of living adjustment or raising taxes on seniors, these ideas are common-sense, straightforward, business-sector solutions to a very difficult problem. It is done without raising taxes on the American people.

Mr. THUNE. Mr. Speaker, if the gentleman would yield, I did a lot of talking about that very proposal just to get a feedback and reaction from the people of South Dakota as to what they thought about that. Because, as the gentleman noted, we have to do something to address this very serious problem in the years as we get down the road. Today, obviously, the gentleman has laid out a plan which would protect us, but, ultimately, we have to do something that is consistent with a couple of principles which he mentioned.

First of all, we have to save this system. There are so many people. In my State of South Dakota, for example, we have an elderly population very dependent upon it. And to make the basic statement that they will be protected, the safety net is there, they will continue to receive Social Security benefits as they are today and then even perhaps, in addition to that, with respect to whatever the surplus check

might be, but that we do not touch that aspect of it.

But what we allow is we say the surplus that comes into Washington, rather than allowing Washington to spend it, because, once it comes in here, as we mentioned earlier, somehow Washington will find a way to spend it, that the only way that is consistent with our values, and that is allowing more people in this country to keep more of what they earn, to make decisions about their future, to put it in a retirement account, a Social Security plus account that will accumulate, get the benefit of compound interest, and, over time, we would dramatically increase the amount of retirement income that people who are paying in today would receive.

Again, I think, ultimately, that is something that merits serious consideration. The gentleman said it is a poposal. It is something that has been laid out there. But when we compare it with the alternative, the Democrat alternative, which is a tax increase on seniors, clearly this is something which not only protects people who are currently on the program but allows us to harness the surplus dollars that are going to come in and put them to work for the people of this country.

Mr. NEUMANN. Mr. Speaker, there are two other benefits that I would like to point out in this plan.

If there is a 20-year-old today and he started putting money into this plan and his account grew and at age 45, for whatever reason, something happened, he is married, he has got a couple kids, and he dies, whatever money is in that account is passed on to his spouse or his kids. It is his money. It does not go anywhere else. It is his money. It would literally be passed on to his spouse.

The other wonderful thing in this plan, as far as I can see, is that it makes each and every American citizen tied into helping us control Washington spending. Because, as both of my colleagues have mentioned, if this spending goes back out of control like it was when we got here, there are not going to be any surplusses.

The key here is keeping that spending under control. If every American citizen is getting a piece of that surplus, like my brother says, pension and profit sharing, if every American citizen is tied into that surplus, we will quickly get their support to help us keep Washington spending under control.

To me, that is what government should be all about. It should be all about the American people being actively involved in the decisions we make. They will provide the impetus necessary for us to keep this spending under control.

□ 1945

Mr. GUTKNECHT. I really think that for many years we labored under some unwritten law, if you will, that no good deed goes unpunished. If you worked you were punished, if you saved you were punished, if you invested you were punished, if you grew a business and hired people, you were punished.

In fact, even in the Medicare system those areas, regions of the country, and I think we all come from areas where we have had relatively low health care costs, as a result, in terms of the Medicare reimbursement schedule we were punished. And that was really the unwritten rule of Washington, and what we are trying to do is change that and try to reverse some of those perverse incentives.

And if we do that I think that long term, and as you say, if we can come up with a Medicare system and a Social Security system which uses market principles and the doctrine of enlightened self-interest to get more people to feel as if they are stakeholders in the system, in the long run we will have a better system which provides more value to consumers or to Social Security people, recipients of Medicare treatments, whatever. And that is what we are really trying to do, is reverse those age-old perverse incentives which have been created here in Washington.

Mr. NEUMANN. I think at this point if we could, we have been talking a lot about these economic problems and the solutions, and I think we have hit on the three economic problems facing America.

We must restore the Social Security system. Our seniors have a right to get up in the morning knowing their Social Security is safe.

We need to pay down the Federal debt. Our children deserve to inherit a debt free Nation and reduce the tax burden on American workers.

I would like to jump over to the social side for just a minute, and I would like to talk about a couple issues over on the social side and I would like to start with education, because we recently received a report that tells us that our kids are number 21 in the world in education. And I want to talk about a vision for our Nation's future that does not bring us back to the top 10, I want to talk about a vision for America that brings our kids back to number 1 in the world, and I think that should be our target. Not back into the top 10 in the world; I want our kids to be the best educated kids in the entire world, and that should be our goal.

But you know where we get into conflict here, and we are hearing this in the news today, we get into this conflict that somehow the right way to get education problems solved is for Washington to come running into the picture and Washington to develop new spending programs. Washington is going to hire new teachers and Washington is going to build new schools.

What that means is Washington is taking control of the education system, and I think that is exactly what has led us to number 21 in the world. If we want to turn the education system around, the right answer is to get the parents back involved in the education process of their kids.

Parents should be choosing where their kids are going to school, what their kids are learning and how it is going to be taught. If we really want to solve the education problems facing the United States of America, we need to re-empower our parents to be actively involved in where the kids go to school, what they are taught and how it is taught.

There is a side benefit, and this came out in a study that was recently published out here. They looked at 12,000 teenagers across America, this was in the Washington Times, I believe it was April 10, but they looked at 12,000 teenagers across America. And as you might expect, if you look at 12,000 teenagers you find some with crime, you got drug problems, you got teen pregnancy, you got teen smoking, you got all the social problems that we hear about Washington trying to solve.

But when they looked at this study of 12,000 teenagers and they looked at crime, they found the number one predictor of whether a student or a teenager was going to be involved in crime was parental involvement with the child. They found the number one predictor of whether a student was going to be involved in drugs was the parental involvement in that teenager's life. Teen pregnancy, same thing. The number one predictor of whether or not a teenager was going to be involved with teen pregnancy: parental involvement and the like. Teen smoking, same thing.

So when you really look at this and when we think about these concepts that we are talking about here tonight, getting education back up to number one in the world, how do you do that? You get the parents back involved in the decision-making process in education. The outcome will solve a lot of other problems that Washington thinks the right answer is throwing money at. The right answer is not throwing money at it; the right answer is getting parents back involved in the lives of the kids.

And I do not think Washington should mandate that parents have to spend 2 hours a day with their kids, although it might not be a bad idea. That is not what I think we should do. But what I do think we should do is relate this to the other side of this discussion we have had.

When the tax rate went from $25 out of every $100 that people earned to $37 out of every $100 people earned, that meant in many cases the parent was going to be forced to take a second and even a third job, and when the parents are working at that second and third job, that means that when they get

home they are either too tired or there is no time to spend with those kids. So when we talk about reducing the tax rate on American workers, what we are really talking about here is getting it back to a point where the families do not have to take that second job, so at least we empower the parents to have the opportunity to be more actively involved with their teenagers so that those teenagers are less likely to be involved in drugs, crimes, teen pregnancy, teen smoking, lots of the other social ills facing America.

That is how this whole vision for America ties together. If we can get the tax rate down, empower the parents to at least have the opportunity to make the decision to get back in their kids' lives, we will see a lot of other solutions.

I want to give a very specific example, and this is a case I am very familiar with. It is about good friends of ours. Christmas time comes in this family, and they are a middle income family, it is a true story. They live from paycheck to paycheck, but they are a middle income family. When Christmas comes, the mother in the house takes a second job. You know why she takes a second job? Because that is how they pay for their Christmas presents.

Now just think about a different picture for a minute. Instead of this mother leaving her home and leaving her family at this most important time of the year, instead of doing that, if we could bring this tax rate down so they could just keep that extra $12 out of every hundred they earn in their home in the first place, that mother does not have to take that job. It is a second job in this case. She does not have to take the second job, and when she does not take the second job, she has more time available to spend with the kids.

More time available with the kids on the part of a parent is the single most important factor in determining whether we will have crime problems, drug problems, teen pregnancy, teen smoking, all of these things that we here in Washington somehow think that we here in Washington can solve. It is baloney. The way to solve these problems is get the parents and empower the parents to be actively involved in their kids' lives. It is the most important thing that we can do, and it is how the economic discussion ties directly into the social problems facing America today.

Mr. THUNE. If the gentleman will yield on that, you made one comment there which I think is really very much on the mark. You know our children need a learning environment that is safe and drug-free, and we are losing the war on drugs in America today, and we are not seeing leadership in trying to snuff that out. And we need to have leadership at the presidential level, at the congressional level, at the community level, at the schools, in the families and the churches to address what has become a very, very serious issue.

And again a case in point in my home State of South Dakota, and we have often thought that we are somewhat immune from a lot of these problems that you see in bigger cities. But the fact of the matter is that a lot of the small communities across South Dakota are having to come to grips with the fact that drugs are not only accessible, they are readily available, and that kids are regularly using them.

And there is a small town for which just recently the survey was done and of the high school kids, 28 percent, almost a third, said they used drugs more than 4 times a month. That is a staggering statistic in South Dakota and certainly across this Nation. We have a very serious problem that we need to eradicate.

And frankly again it is not going to be, I do not think necessarily a bill that we pass, but it is going to take leadership that we all have to be a part of in community antidrug coalitions and school-based programs and really going after this in the same way that we have common enemies in the past. Because in my view it is a very, very serious insidious threat to the future of our country, to the future of our young people, and something that we are not attacking head-on and we need to, and it starts at the top.

Mr. NEUMANN. Reclaiming my time, and I would just go back to this survey, and I would keep going back to what the survey found: The single most important determining factor in whether or not a teenager is going to be involved with drugs is the involvement of the parent in the teenager's life. The right answers to these problems are empowering our parents. That is our role. Get us out of their way so they are not sending all their money out here in taxes, they do not have to take that second job; get out of the way so the parents can spend more time with their kids.

And, I mean, I am not naive enough to think that all of a sudden we lower taxes, parents spend more time with kids and all the problems go away. I mean, I am not that naive. But when you start looking at how you actually go about turning around a Nation that has been headed in the wrong direction, certainly parental involvement in the kids' lives ought to be our top priority.

And one more thing on this social side that I think is very important. Five years ago we did not even know about this topic, but we know as a Nation about it today. It is partial-birth abortions. And if you start looking at America and where we are today and where we are going to, if we turn our back on this issue, I do not see how we can solve the rest of the social issues facing our Nation.

A partial-birth abortion is a third trimester, seventh, eighth or ninth month abortion where the baby is literally partially delivered and then at the last second the baby is killed. I just do not understand how we as a Nation can go on allowing this to happen now that we know about it. Frankly, when I was elected I did not know what it was, but I know now. And when you start looking at these social ills facing America, I think we have to accept that that is part of the problem facing our country, and I think we need to end it.

I have got about a minute and a half left, and I would just like to kind of sum up this kind of vision for where we are going to. If you like, a Republican vision for the future of this great Nation that we live in. How are we going to go about restoring this Nation?

Let me go through on the economic side first very quickly. Restore the Social Security system so our seniors can get up in the morning knowing their Social Security is safe. I think every senior is entitled to that. The debt. Our children deserve a debt-free Nation, so let us start making payments on the debt much like you would repay a home mortgage. Taxes are too high on our families all across America, so let us get that tax rate back down from $37 dollars out of every $100, at least down to $25 out of every $100 that American workers work so hard to earn.

On the social side, let us get education, let us make that our top priority. Let us get education back up to number one in the world, and do this by involving the parents and giving parents the opportunity to choose where their kids go to school, what it is they are taught and how they are taught it. And when the parents get involved in the kids' lives, making those decisions about education, the automatic outcome is that extra parental involvement in the kid's life, that leads to lower crime rates, fewer drug problems, fewer teen pregnancies and less teen smoking.

This is the right direction to move America, and while we are done with this, let us make sure we end partial-birth abortions. And let us then pass this vision on to the next generation and this great Nation we live in.

Mr. GUTKNECHT. If the gentleman will yield, finally what you are really saying is what Vaclav Havel, the first freely elected Prime Minister of Czechoslovakia, said shortly after he was elected. He said in the end all politics is moral.

Balancing the budget, saving Medicare, saving Social Security and stopping partial-birth abortions in many respects are all about regaining some of that high moral ground, and if you ask Americans what is really wrong in this country, they will many times say it is the unraveling of the moral fabric of this country. And so all of the things we have talked about tonight really, at the end of the day, are about morality.

THE TOBACCO AGREEMENT

The SPEAKER pro tempore. Under the Speaker's announced policy of January 7, 1997, the gentleman from New Jersey (Mr. PALLONE) is recognized for 60 minutes as the designee of the minority leader.

Mr. PALLONE. Mr. Speaker, tonight I want to talk about the tobacco agreement, which of course has been much in the news lately, particularly during the last 2 weeks when Congress was not in session.

As everyone knows I think by now, during the congressional recess the tobacco companies pulled out of the agreement and have essentially refused to do any future negotiation at this point on the agreement. And I think the reason they did that is because they did not like the looks of what was developing here in Congress, and basically have declared war on all legislation that does not have their blessing.

In his April 8 announcement that his company was pulling out of the agreement, RJR Nabisco CEO Stephen F. Goldstone declared, and I quote, that the legislative process as far as tobacco is concerned is broken beyond repair.

Well, Mr. Speaker, I think this declaration is wrong and it is also rather arrogant. Congress does not need and I do not believe will wait for the tobacco industry to pass legislation to protect our children. Even the Republicans I think would agree with me on that.

But what the Republicans cannot agree on and I am particularly talking about the Republican leadership, is what form tobacco legislation should take here in Congress, and particularly in the House. Big tobacco dollars have produced a fissure in the Republican Party on how to approach tobacco legislation.

Senator JOHN MCCAIN, as I think many of us know, authored legislation that was approved recently by the Senate Commerce Committee by a 19 to 1 vote, very lopsided. The Senator's bill, while not as strong as measures that are being pushed by Democrats here in the House and also in the Senate, is at least a step in the right direction, and I want to commend him for that.

Among other things his bill generates $516 billion from the tobacco industry over 25 years, and it would raise the price of cigarettes by $1.10 over 5 years, strengthen Federal regulation of tobacco products, and impose penalties on the tobacco companies if teen smoking rates do not decline in the coming years. And this is bitterly, this legislation by Senator MCCAIN is bitterly opposed by the tobacco industry, and after a lot of twisting, turning and flip-flopping has also been now opposed by Speaker GINGRICH as well.

□ 2000

Yesterday's New York Times, I thought, was very interesting in recounting Speaker GINGRICH's history on tobacco since the GOP took control of the House of Representatives in 1994. The Speaker's comments on tobacco reported in the Times, the Times said in its editorial that the Speaker has been "a model of inconsistency."

I just want to read from the article that was in the New York Times, because I think it clearly illustrates whose side Speaker GINGRICH is on.

"Shortly after Republicans won control of Congress in 1994," the article says, "Mr. GINGRICH announced that his party would end an investigation of the tobacco industry that had begun under the Democrats. Mr. GINGRICH called David A. Kessler, then Commissioner of the Food and Drug Administration and the leading spokesman of the antismoking forces, a thug and a bully." This is what the Speaker said about Mr. Kessler.

I would like to point out that since that time, a steady stream of documents concerning the marketing of cigarettes towards children and the deliberate manipulation of nicotine have been flowing from the tobacco industry. The recent release of 39,000 documents in the Minnesota case will surely bring more disturbing revelations.

A lot of this has come up in the Committee on Commerce that I am a member of, and it has been reported on a bipartisan basis. So the notion that Mr. Kessler was wrong in being critical of the tobacco industry, I think, now has been totally repudiated. Clearly, Mr. Kessler was right, and there is no question that the industry was targeting children and deliberately manipulating both its marketing as well as the statements it was making about nicotine and the negative aspects of nicotine.

Continuing again in yesterday's New York Times article, it reports that early this year, after a 2-day Republican Party retreat, Mr. GINGRICH would say nothing about his position on tobacco legislation except that reducing teenage smoking was important and that lawmakers needed to be careful to avoid a contraband market in cigarettes. But a few weeks later, Mr. GINGRICH said there was no sentiment for in any way eliciting favorably to the tobacco companies.

Then, as we go on with Mr. GINGRICH's flip-flopping and changing his position, in a speech to the American Medical Association about a month ago, this was before our Congressional recess, he called for tough and sweeping tobacco legislation. In March, the Washington Post reported that Mr. GINGRICH had warned tobacco lobbyists that he would not allow Democrats "to get to the left of me on tobacco legislation."

Now, of course, this past weekend, most recently, the Speaker completely reversed himself again. In words that could have been scripted by the tobacco companies themselves, Mr. GINGRICH stated that the McCain bill was "a very liberal, big government, big bureaucracy bill."

Mr. GINGRICH, who apparently is unaware that the bill was approved by the Senate Committee on Commerce by a 19 to 1 vote, also commented that the bill would be very hard to get through Congress.

Well, the only reason it is going to be very hard to get through Congress is because he and the other Republicans in the leadership will not allow it to get through, because, obviously, the Members on the Senate Commerce Committee overwhelmingly voted for the bill.

I yield to my colleague from Texas (Mr. DOGGETT). I would like to point out that my colleague has been in the forefront on this issue, particularly with regard to the all-important issue of not allowing the tobacco companies to start marketing overseas to children.

I am very afraid, as I know the gentleman is, that even when we pass legislation to stop teenage smoking or cut back on it, that if we do not do something in that legislation about marketing overseas, they will simply expand their operations overseas. I want to commend the gentleman.

Mr. DOGGETT. That is a concern. They wanted to give Joe Camel a passport. They have already given him one really and taken him around to addict other people's children on nicotine, just as these nicotine peddlers have addicted our children in too many cases across America.

I would reflect on some of the points the gentleman just made. I think this is important to put this in an important historical setting, and to recognize that experts that we turn to now, experts that were appointed, indeed, by Republican Presidents like Mr. Kessler, Dr. Kessler, in fact, now up at Yale, we turned to him for expertise on these subjects. A person that Speaker GINGRICH labeled a thug; as you referenced, the kind of rhetoric that unfortunately has too often characterized debates in this House.

To now suggest, and I read the same article about his comments, that the approach that the Republicans, I believe all of the Republicans on the Senate Committee on Commerce endorsed, was too liberal, is an indication of how really extreme and controlled by the tobacco lobby the leadership of this House is.

I know the gentleman from New Jersey shares my view that what we need with reference to tobacco is a genuinely conservative approach. We need to place the emphasis on conserving the health of our children, and the rejection of what is really a fairly modest step by the Senate Committee on Commerce, a step that leaves many deficiencies, as has been pointed out with reference to international tobacco, with reference to many other issues.

I think the House could improve on the steps that are important, but lacking, that Senator MCCAIN has taken, to simply condemn them and the work of Republicans and Democrats alike as too liberal, and say we need a conservative approach. While I agree with the conservative part, but the only thing liberal I have seen in this bill is the way the tobacco companies have liberally circulated campaign contributions all around this Capitol.

In fact, the gentleman from New Jersey will remember when I first got here, we had Republican leadership people passing out checks from the tobacco companies right here on this floor in such a grievous offense of the dignity of this House that they had to finally come back and pass a rule to keep themselves from doing this kind of errand running for the tobacco industry.

So I think that as important as it is to ask the tobacco companies to voluntarily restrict their advertising, so much of this is linked to the campaign finance problems that the gentleman from New Jersey and I have worked on also, and knowing that if the tobacco companies would voluntarily restrict their campaign contributions, we probably would not need to be here tonight. We would not have 3,000 children tomorrow in America becoming addicted to nicotine because of the failure to act on restrictions with regard to tobacco. Rather, we could be moving on to other issues.

Does not the gentleman from New Jersey, indeed, feel that this whole issue of tobacco is just another part of our effort to put families and children first in America like with child care and education? That this is a leading public health menace to our children, and that that is the center of this debate, rather than putting these labels on it?

Mr. PALLONE. I absolutely agree. Not that we like to throw around statistics, but there were some very good statistics that were put out by the Campaign for Tobacco-Free Kids about tobacco use among youth. If I could just mention them to give us an idea, right now, this is a very detailed survey they did that showed that 4.1 million kids age 12 to 17 are current smokers, and that smoking among high school seniors is at a 19-year high, 36.9 percent.

Since 1991, past-month smoking has increased by 35 percent among eighth graders and 43 percent among tenth graders. Basically, more than 5 million children under the age of 18 alive today will die from smoking-related disease unless current rates are reversed.

This is an epidemic getting bigger. I think a lot of people think youth smoking has gone down. It hasn't. It has actually increased.

Not too much more here, but 45 percent of white high school boys report past-month use of tobacco; 20 percent of boys in grades 9 through 12 report past-month smokeless tobacco. Smoking by African-American high school boys increased from 14.1 percent in 1991 to 27.8 percent in 1995. Of course, we know that almost 90 percent of adult smokers begin at or before age 18. So if they start before they are 18, then they are basically the smokers who become the adult smokers of tomorrow. So this is something that has to be addressed.

Mr. DOGGETT. I know the gentleman is aware, after years of denying, I think really flat out lying about their attempts to hook children, we now know through the documents that the judges are forcing these tobacco companies to reveal to the public, after they get every big bucks lawyer in the country to go to every court of appeal and do everything they can to keep those documents secret, the documents are finally becoming to come out to show, as we found out in the State of Texas, they are targeting kids in elementary school to try to find out what would be the most effective way to hook them to nicotine. And once hooked, like to any other dangerous lethal drugs, many of these children are unable to leave the nicotine habit, and that has a tremendous effect on, really, as the gentleman described it, a public health epidemic in this country.

Mr. PALLONE. There is also a direct relationship between the amount of advertising that the company does and the percentage of the youth market that they end up with. Again, from the Campaign for Tobacco-Free Kids, 86 percent of kids who smoke prefer Marlboro, Camel and Newport, which are the three most heavily advertised brands, and Marlboro, the most heavily advertised, constitutes almost 60 percent of the youth market, but about 25 percent of the adult market.

So there is no question that this advertising is causing kids to smoke, and that there is a direct benefit from the advertising.

Mr. DOGGETT. Well, I think we know the tobacco companies would not be throwing their money away on advertising if it did not work to bring in more smokers, young smokers, to take the place of the many Americans who have died prematurely from smoking-related diseases of many types.

Just as the tobacco companies know that their campaign contributions are not being wasted, they would not be making these campaign contributions frivolously. I am sure in your history you were giving to put in perspective this now refusal to move forward in the House on reasonable public health measures to protect our children, you are probably going to cover what happened just last year when two tobacco companies were the Number 1 and the Number 2 soft money contributors to the Republican Party, and then right after they set their record of contributions, the next month, along comes this secret $50 billion tax break.

We, in a way, have already begun to take up the tobacco settlement issues. It is just that Speaker GINGRICH and the Republican leadership thought the first issue that ought to come up was not protecting our children, but protecting the tobacco companies by giving them a $50 billion tax break, which when it became public, they were so ashamed of, they snuck out here and repealed it last year, as you will recall.

Mr. PALLONE. One of the biggest concerns I have, and, again, I started tonight as you did saying at least Senator MCCAIN is moving in the right direction, but the liability issue is a great concern. If you look at the original proposal that the tobacco companies put forward, they had basically eliminated most of their liability.

The McCain bill doesn't go far enough, I think, and is still basically excluding them from a lot of liability. I am very concerned about a settlement that goes too far in that direction.

Mr. DOGGETT. I certainly share that concern. I believe that is one of the areas that we could make significant improvements on the work that the bipartisan group there in the Senate has begun. They have begun the work; they have moved in the right direction, but they haven't done quite enough to protect the public health of our children.

To say to an industry in this country, of all the industries that we could turn to and give some kind of special protection and say we won't hold them accountable, we will not hold them personally responsible for their deviousness, for their criminal misconduct, to say that, as is suggested by this limitation on their civil liability for these malicious acts that they have engaged in, would be to reward them for decades of abuse in creating the largest cause of preventible death in America today. And what would that say to other industries? That the worse you are, the more legal protection the Congress of the United States is going to give out?

I think it would be a signal far beyond this tobacco industry's misconduct that could have untold consequences in other areas of our life here in America.

Mr. PALLONE. The gentleman has already said it, but to repeat it again, clearly what happened here politically is that Senator MCCAIN, who is a Republican, put forth a real effort to try to move something that he felt could be adopted in the Senate and ultimately in the House, too, I think, on a bipartisan basis. That happened, of course, just before our recess.

The Speaker, Speaker GINGRICH, obviously was very scared by that, because it showed that there was support within his own party for moving legislation that the tobacco industry did

not want. So I think what we saw last weekend was his effort to say, look, tobacco, I am not going to let this happen. I am going to put a stop to it. You keep having that money flow to us, and this Republican Party is not going to allow this type of legislation to move forward.

That is what we face now, and I think that is what we are going to face for the rest of the year from this Republican leadership, unless we force their hand.

Mr. DOGGETT. I think that is right. He affirmed the same viewpoint to reflect back on his early tenure in the office of Speaker that the gentleman referred to out of the article at the beginning of his remarks, when he put a stop. We could have been moving on this and obtained some of this information months ago. Thousands of deaths ago we could have acted on this measure. But the Speaker put a stop to the investigation that was going on in the House Committee on Commerce of the misconduct of the tobacco industry.

Had it not been for vigorous action in the private sector to point out the abuse and misconduct of the tobacco industry, we would not be to this point.

□ 2015

Now it is a question of whether the Speaker can be a continued roadblock. He has been successful. I will have to give him credit where credit is due. He has managed to destroy thus far our efforts to reform the campaign finance system, blocking it in a most devious form. But whether the American people will tolerate that remains to be seen. We have our discharge petition moving along on campaign finance.

Now to add to that insult further injury by permitting the Republican leadership to block us from moving forward to deal with the problems that our young people face here and abroad with reference to nicotine addiction would be a terrible wrong. I think it is a wrong clearly that that overwhelming vote in the Senate Committee on Commerce indicates that Members, Republican and Democrat in that body, will not tolerate.

I think if the American people hear about this enough, they are going to be speaking about it to their Members, Republican and Democrat alike, saying, you cannot go home without addressing the number one public health epidemic in America today for our young people, and that is nicotine addiction, and the fact that 3,000 new addicts will be added to the rolls every day until we are able to address this problem of youth smoking.

Mr. PALLONE. I agree. I wanted to point out, and I do not know that it needs to be pointed out, but as the gentleman knows because he has been at the meetings, the Democratic Caucus has put forward legislation. We spent about 6 months, I think, having our own hearings and meeting with people in our tobacco working group that the gentleman from California (Mr. VIC FAZIO), the chairman of our Democratic Caucus, put together, and both the gentleman and I were at many of those meetings.

The gentleman from California (Mr. FAZIO) has introduced legislation, with a lot of cosponsors on the Democratic side, and I know I am one of the cosponsors, that does not include any liability caps for the tobacco industry. It is called the Healthy Kids Act.

The legislation also calls for higher cigarette prices than the McCain bill, and of course one aspect of that that the gentleman and I have talked about a lot is some kind of limitation on the international activity of tobacco companies.

The Healthy Kids Act, the Democratic bill, includes a ban on the promotion of U.S. tobacco products abroad, and it would also require warning labels on all exported tobacco products, and fully fund international tobacco control efforts.

I cannot emphasize how important I consider control of international tobacco operations to be. I know the gentleman has introduced legislation specifically on that subject that I have cosponsored. Maybe if I could talk a little about that.

Mr. DOGGETT. Mr. Speaker, I will be expanding on this legislation this next week with a revision, including some of the provisions that have been incorporated in the Senate Committee on Commerce, but recognizing that when the tobacco companies go abroad to try to pay the penalties that they have incurred here at home, that it is just wrong for us as Americans to be projecting forth the idea that there is something American about smoking.

We see some of these billboards up in foreign countries suggesting that the western, democratic thing to do is to smoke. We see at schools, at kiosks, at clubs, we see, as the gentleman and I have been in some parts of the world, young people who look like they are barely old enough to go to elementary school passing out free cigarettes on the streets; using cigarette logos on toys, on toy cars in Buenos Aires; on arcade games in the Philippines; Marlboro labels on various kinds of children's clothes.

Those are the kinds of things that makes it pretty clear that they are targeting young people in these other countries, recognizing that many of the other countries do not even have the feeble limitations on tobacco that have existed in this country.

We now have literally a worldwide health epidemic with nicotine addiction, and I hope to expand on the action that the House considered last year, the legislation that I introduced with the gentleman's help, in addressing in a more broad form the steps we could take to reduce this worldwide epidemic, and project our role as a superpower, frankly, in a very positive way to try to improve world health.

Mr. PALLONE. I want to commend the gentleman again for his efforts in that regard, because I know the gentleman was really the first person out there in the House, and probably in the whole Congress, to pay attention to the issue.

The amazing thing about it is that it is very easy for these tobacco companies to expand now into areas of the world that were not previously open to them because of the changes that are taking place: the demise of the Soviet Union and the countries, the former Soviet Republics, the eastern European countries that were under Russian Communist domination.

That is where the industry has targeted, because previously those governments controlled what happened more. It was a totalitarian society, and it was not possible for American companies to market tobacco. Now those countries have opened up, and they have not been prepared for the onslaught, if you will, of the tobacco industry.

It is particularly in those countries that we see this, and in others as well; India, for example. India was a very controlled economy until about 5 years ago. Now with a move towards market reforms, privatization, again, they have moved in there, because it was a previously controlled economy that is now open. So there are tremendous opportunities, and a lot of these countries just are not able. They have meager resources; they have fragile democracies, in some of the cases of the former Soviet Republics.

I was very shocked, because a couple of years ago I went to Armenia, which is a former Soviet Republic. I went into some of the poorest housing that was actually set up for refugees from the war in Karabakh, and the people had absolutely nothing. And what I would see on the walls were Marlborough posters, and the kids smoking. They had nothing, and they were smoking.

This is the insidious aspect of it, to go to these places that do not have the ability, really, to prevent or control or regulate any of this. That is what I think we are seeing. It is very tragic.

Mr. DOGGETT. Of course, I am familiar with the gentleman's leadership role on behalf of Armenia and Armenian Americans, and I am sure the gentleman has found it troubling, as he has traveled there and in some of these other former Soviet countries, that it is not only the opening up of the country economically, but there is a sense on a cultural level that there is something about smoking that connotes freedom in the western philosophy, western openness.

The tobacco companies, and I met recently with a medical director from a

health unit in Moscow, apparently are using billboards to really take advantage of this whole idea that there is something western, there is something free and democratic about smoking. That is not the kind of America that I want to project to these countries as we hopefully see them turning around to a western style of open economy and open government. Rather, we should be projecting our best.

But I think all of our concern about the international aspect does come right back to this room. Was there not also some comment within the last few days questioning whether Joe Camel was somehow even related to attempts to addict children?

Mr. PALLONE. I do not think there was any question about that. I do not know the details about what the gentleman is discussing, but there is no question in my mind about that.

Mr. DOGGETT. That the whole effort was targeted towards children?

Mr. PALLONE. No question, if we look at it. And I am very afraid that now that they have dropped the Joe Camel ads, that the new ads, I am sure the gentleman has seen some of these new Camel ads with the very bright colors and the psychedelic images. There is no question in my mind that those new ads are targeted to children as well, so this is a very difficult thing. We are challenging an industry that has the resources to do multi-million dollar campaigns to find out what works with kids, and maybe not even make it obvious to adults about what works with kids.

I know that even those new Camel ads, with all the different colors, and I cannot even describe them exactly, but there is no question that those appeal to children as well.

Mr. DOGGETT. I think that is why we need to address the issue of advertising directed to young people. They are susceptible to the many subliminal messages, the many direct messages in this advertising. I believe that one key part of the action that we need to take addresses advertising.

I know that there has been some feeling that there needed to be agreement on the part of the tobacco industry, and certainly that would be better on the advertising front in particular. But does not the gentleman agree that our responsibility as Members of Congress is not to ask what would be best for the tobacco companies, or to ask whether this is okay by them, by RJR, but that we ought to make our priority to be a conservative approach, of conserving children's health first, and seeking out the way that we can best address children's health and its protection, not how we can best protect the tobacco companies that have caused so much harm to so many Americans and people around the world?

Mr. PALLONE. No question about it. I would point out, and I do not always like to use polls, because I do not think we should be driven here necessarily by polls, but once again, as with so many issues that have been part of our Democratic agenda over this Congress, this is an issue that the American people strongly support. They want us to try to curtail youth smoking. They think it is a very important issue.

The Campaign for Tobacco-Free Kids just did a recent telephone survey, and I am not going to get into all the details, but almost all the respondents, and they had a thousand adults who were randomly surveyed, almost all of the respondents expressed concern about tobacco used by kids. A large majority believed Congress should address this issue in the next few months, in the next 6 months.

Also, there was tremendous support for the specifics with regard to cutting back on youth smoking that the President put forward in his tobacco proposal. He of course has not specifically said that we have to have a particular bill, but he has laid out guidelines for what we should have. That is overwhelmingly supported by the main public.

I do not even need a poll to tell me, because I know when I have my town meetings and when I meet people, as we did during this last recess, this is a very important issue for them. There is no question about it.

Mr. Speaker, the gentlewoman from Connecticut (Ms. DELAURO), who, again, has been out there, Ms. DELAURO has been out there from the beginning. She has introduced legislation to address this issue that I have cosponsored. She has been really leading the message on this issue about addressing the problems of youth smoking.

Mr. Speaker, I yield to the gentlewoman from Connecticut (Ms. DELAURO).

Ms. DELAURO. Mr. Speaker, I am delighted to join with my colleagues tonight. I apologize for being a little bit late to join them this evening. But this is, I think, a critical issue for this country and for this Congress.

Mr. Speaker, we have really a rather extraordinary opportunity, and I am sure the gentleman has talked about some of these things already, and I apologize for repetition. But the fact of the matter is that every single year cigarettes kill more Americans than AIDS, alcohol, car accidents, murder, suicide, illegal drugs, and fires combined. Three thousand kids start to smoke every day, a thousand of whom will die from a tobacco-related illness.

We know that 90 percent of adult smokers began at or before the age of 18. We are finding this daily, every single day, with the disclosed documents that are now in the public purview. This is what we are really grateful for, because for so many years all of this data in this material was being held in some secret place, maybe, and thank God we have a court ruling that said it should see the light of day.

Those documents prove without any doubt that the tobacco industry has meticulously studied our young people, pinpointed the most appealing way to market a product to our kids.

Again, I do not know if this was mentioned. I was particularly struck by this 1984 R.J. Reynolds marketing report. For me, it says it all. It says that young people are the only source, and this is a quote, ". . . the only source of replacement smokers," and that if kids "turn away from smoking, the industry must decline, just as a population which does not give birth will eventually dwindle."

The gentlemen, like I do, go to schools all the time. When the Members look at 12-year-old youngsters, middle school kids, because this is the age at which our kids are the most susceptible, and that is where the industry has focused their $6 billion advertising campaign, we really do look at these youngsters. They are healthy, they are bright, they are eager. They have their whole lives ahead of them.

When we look out at that audience, we see all of these qualities about these young people. What we want to do is to make sure that what we do on our jobs provides these kids with that healthy future, with that ability to become adults and to be able to take care of themselves and their families, and to lead good lives.

□ 2030

And it is interesting to note the contrast with what an R.J. Reynolds or the others that have been involved, how they view the audience, the very same audience that we are looking at. They are 12-year-olds as replacement smokers.

That is why the campaigns have been directed at this effort. And we do, I think, have a fundamental obligation, particularly with all the data, with all the information, to turn this back to focus in on underage smoking.

We have a wonderful group in the Third District in Connecticut which I represent, which we called the Kick Butts Connecticut Campaign, and they are middle school kids. These wonderful youngsters have taken upon themselves the responsibility for talking to their classmates, for going into younger grades and telling the younger kids that they should not start to smoke and what are the dangers of smoking. So we have kind of got this little army of about a hundred or so young people, middle school kids, practicing their presentations and their skits and going in with the self-confidence of talking to their peers and telling them not to smoke.

Not everyone will follow that, but a lot of those youngsters we hope will not start on this road. But the fact of

the matter is that underage smoking is against the law. That is ultimately what it is about here. And we have to do two things. We have to make sure that this industry is not going to continue to peddle this product which is killing our kids. And we need to, at the same time, be able to curtail their activities and we also need to be educating our kids about the dangers of smoking.

I will say that this RJR campaign for Camel cigarettes, which as we all know about features Joe Camel, the cartoon character, by 1991 the Journal of the American Medical Association had found out that 33 percent of 3-year-olds and 91 percent of 6-year-olds could match Joe Camel to a photo of a cigarette. Ninety-eight percent of our teens correctly identified the brand when shown Joe Camel ads.

Mr. DOGGETT. Mr. Speaker, could the gentlewoman yield on that?

Ms. DELAURO. Certainly.

Mr. DOGGETT. I was wondering how the gentlewoman would react to a statement, and we have covered many of the various outrageous statements that Speaker GINGRICH has made on the subject, but how the gentlewoman would react to a statement I understand he made this month that in order to understand what has happened with teenage smoking, this is not complicated. It has nothing to do with Joe Camel. He made that statement, apparently.

Ms. DELAURO. That is right. He did make that statement.

Mr. DOGGETT. It sounds consistent with the criticism of Dr. Kessler as a thug and some of the other comments he has made in the past.

Ms. DELAURO. Mr. Speaker, the gentleman is right. And he has had a reincarnation, which I believe has occurred primarily because I think they took him to the woodshed to talk to him about what they were going to do or not going to do in terms of financial resources, given that the tobacco industry is the single biggest source of funding to the Republican party.

And if I am correct, I would ask my colleagues to bear me out on this, it is that the Speaker was responsible for putting in a $50 billion tax break for the cigarette companies and then when that saw the light of day, and thank God it did, we were able to pull it back.

But let me just mention about the gentleman's comment, because after Joe Camel's debut, Camel's share of smokers younger than 18 jumped from 0.5 percent to 32.8 percent. It is representing an estimated $476 million in revenue annually.

So, quite frankly, if he knows this, then he is not telling it like it is, or he just has not done the research on the effect of Joe Camel and that advertising on our children.

Mr. DOGGETT. With that kind of money at stake, it is pretty clear why the tobacco industry can afford to lavish such giant campaign contributions on this Congress. And it is also pretty clear that the type of addiction that is at stake here is not just the addiction of our young people to nicotine, but the addiction of some of the leadership around this place to that kind of tobacco campaign money.

Mr. PALLONE. Well, the scary thing, of course, is not only what has been mentioned, but also we can be sure, I think they may have already announced it but even if they have not, we can be sure that in the next few weeks we are going to see a massive amount of money spent by the tobacco industry on trying to persuade the American people that movement on the tobacco bill is not the right thing here in this Congress.

So now that they have decided to withdraw from any further negotiations to come to an agreement on a tobacco settlement, they are simply going to go out and spend millions and millions of dollars, I do not know how much, trying to persuade the public that we should not move the bill. And I worry about the impact of that.

I still believe that the public is so disgusted because of what has happened and what they have seen the industry do and the documents that have come out over the last 6 months that they will not be swayed by this multimillion dollar advertising campaign, because they are going to certainly make their best of it. And I would hope that that ultimately does not sway a lot of Members of this body.

I know that the Republican leadership is probably glad to see that kind of campaign begin, because this way they probably figure it is some way to support their position and not to have move legislation.

Ms. DELAURO. I think it was just a few months ago when we have seen this absolute flip-flop. The Speaker made a speech to the American Medical Association and called for, quote, tough and sweeping tobacco legislation. And last week, as my colleagues have said and I am saying, we had a bill that cleared the Senate, the Committee on Commerce in the Senate.

Folks are always saying, "Why can you not do things here in a bipartisan way? Why can you not get bipartisan support for legislation and get it passed?" Well, my friends, that is a bipartisan piece of legislation that the Senate is talking about. Some of us do not think it goes far enough. It talks about a $1.10 addition to the cost of a pack of cigarettes. My bill on the House side, Senator KENNEDY's bill on the Senate side, adds $1.50 to a pack of cigarettes and it takes that revenue of $20 billion a year and puts $10 billion into health research and $10 billion into child care.

But nevertheless, that is a bipartisan piece of legislation here and we are always talking about how we cannot come together. We have an opportunity to come together. And yet, and I heard this with my own ears on Sunday on the talk shows, the Speaker attacking this proposed bipartisan antismoking legislation. An out-and-out attack on where people have come together in recognizing that we have to do something about underage smoking, and in addition to that, that one of the keys to this is the amount that is charged for a pack of cigarettes. Senator MCCAIN is talking about $1.10. Some of us are talking about $1.50.

Mr. DOGGETT. Mr. Speaker, if the gentlewoman would yield, and I have seen that adopting the approach the gentlewoman has suggested, according to the Children's Defense Fund, would save almost 200,000 lives in my State of Texas alone. And I am sure the number nationally runs into the millions of young people who will not meet an untimely death if we can discourage them from becoming nicotine addicts.

Mr. PALLONE. And every survey has shown that if we significantly increase the price of a pack of cigarettes, it is going to decrease youth smoking. What I have seen is like a 10 percent increase in cigarette prices leads to like a 7 percent drop in youth smoking, so it is almost in direct relationship, the price percentage increase versus the decrease in the percent of youth smoking.

But, my colleague from Connecticut, I mean, only the very reason why the Speaker made these statements over the weekend is because there was bipartisan legislation that was moving. And it was very easy for him while nothing was happening to say that he wanted to move legislation and it was not the Republicans' fault that it was not moving. But now that it is moving with a Republican sponsor, he has to kill it, because otherwise there will be a bipartisan consensus to pass something and that is the last thing that Speaker GINGRICH wants.

It was the movement of the McCain bill, in my opinion, that is causing the Speaker to say, whoa, we do not want anything to happen here, and he started attacking Senator MCCAIN's bill.

Ms. DELAURO. It is the last thing that his friends in the tobacco industry want. And, therefore, he has had this reversal of opinion. And it was easier to say it several months ago when this was all in the throes of talk. Now we are down to concrete business here. Now we have a piece of legislation with bipartisan support. We can move this, and it is sad.

Mr. PALLONE. It is.

Ms. DELAURO. Because we saw this same kind of effort where we had bipartisan support on campaign finance reform, and we saw what happened on this floor in the effort to thwart a vote on real campaign finance reform.

Mr. DOGGETT. And the two of course are very closely related. I think we received so many promises of when action would occur and when debate would be permitted on campaign finance. At a minimum, we ought to be offered—another broken promise here, it seems to me, from the Republican leadership—and they ought to set a firm time at which we could have a debate on the floor of this House with all of our Members present about comprehensive tobacco legislation, and let people of both parties and all political philosophies come forward with their ideas about the most comprehensive and complete way of protecting our young people.

Mr. PALLONE. I was looking again at what the President has proposed, and of course it is not a bill but he has really come out in a pretty comprehensive way in trying to address the issue of youth smoking. I do not know if we want to review that a little, but it is very important that we provide legislation that really is going to have an impact.

I think a lot of people think that: How is the Congress going to legislate cutting back on youth smoking? But the President has put forward some very specific ways to accomplish that. Of course, one has been mentioned by my colleague from Connecticut, about increasing the price of cigarettes, which is certainly a big aspect of this and will help a great deal. But if I could just mention a few things, it will only take a minute or two.

One of the things that he would like is that the legislation should actually set targets to cut teen smoking by 30 percent in five years and 50 percent in seven years and 60 percent in 10 years, and severe financial penalties would be imposed that hold the tobacco companies accountable to meet these targets. So as we move along there is a certain amount of flexibility that we maybe could increase the price of cigarettes or do other things, this whole idea of public education and counter-advertising campaign, that the legislation would provide for a nationwide effort to essentially deglamorize tobacco.

If I could just give an example from my own family, maybe I should not use it, but I do not think they will mind. But I have very young children, 4½, 3, and one that is only 6 months old. The only person that smokes in my household is my mother-in-law who comes to visit from time to time, and she is wonderful. She is always trying to cut back on her smoking and I think in the last 3 our 4 months she has not smoked at all.

But when the kids first started to be aware of it they started to emulate her. They love her. She is a wonderful woman. And we would see my youngest daughter like this, going around with the cigarette. So my wife decided this is not good. We have to deglamorize this.

What my mother-in-law decided to do was that whenever she smoked, she would go down in the basement. And the kids associated smoking with being in the basement and it was not a nice place to be. In a while it was deglamorized. After a while they would start saying, "cigarettes are bad" and "smoking is bad." They started to associate it with a bad habit, so to speak.

There are ways to get this across. We cannot take a defeatist attitude. And if we think about the President's proposals where he wants a public education program, also the restricted access of tobacco products, the kids would have a harder time buying them in terms of access behind the counter and that type of thing, all of these things can really make a difference.

Sometimes people ask me, "What are you going to do?" These things make a difference, raising the price, making it more difficult to have access, and basically conducting a public education program to make tobacco look bad.

□ 2045

Of course, you need to do it overseas as well because you know it is going to expand overseas.

Mr. DOGGETT. I think quite clearly you need to give the Food and Drug Administration, which deals with other kinds of harmful substances, lethal substances, the authority to do what it needs to do with reference to nicotine because it is such a deadly drug. It is responsible for so many lost lives.

But I think about the personal example you gave, and I believe that tomorrow morning there will be so many people around America taking car pools, as I used to do when my daughters were a little younger, and you go by at any high school in America almost, and at too many middle schools, the smoking corner. And you see bright young people with tremendous potential out there and realize that what we are talking about here in Washington, when we talk about hundreds of thousands or millions of people, they are Jane and Tom and Sally and Bill that are down there on the corner tomorrow when you see them on the way to taking the kids to school, or passing by a school on the way to work. It is their future that is at stake here.

The thought that tomorrow, and the day after that, and every day this year 3,000 young, bright people with so much potential will become addicted each day to nicotine, and that all of us working collectively here could do something about it, that is why we are here tonight talking. That is what is at stake, the lives of bright, creative young people getting misdirected in their youth on to something that stays on their backs forever and leads to their premature death and illness and destruction of them as an individual, and tremendous harm to their family, and limiting the potential of what they can give back to their community. There is just so much at stake here.

I think we have to keep pressing Speaker GINGRICH that even though he may have these commitments to the campaign contributors, and he may feel that the person who has been a public health leader should be called a thug, and these other kind of outrageous statements; that Joe Camel does not have anything to do with our young people smoking; that despite all that, we have no choice but to keep saying we will not take no for an answer; that we are demanding a full and complete debate about the most comprehensive bipartisan public health effort we can have to reduce the danger to those young people.

Mr. PALLONE. There is no question. And I suppose another concern that I have, too, we have our work cut out for us, because we have the Republican leadership now saying that they are not going to go along with anything meaningful here, and we are going to have to do a lot of work to counteract the advertising campaign that the tobacco industry is going to begin soon.

But it is also important that we not let Speaker GINGRICH and the Republican leadership get away with some sort of cosmetic legislation here that really has no impact on youth smoking. We have to be very careful with that.

Mr. DOGGETT. It would be consistent with what they did on campaign finance; coming up with some phony proposal probably written by some tobacco companies, and paid through their high-paid lobbyists here. Some kind of complete subterfuge, as they tried in blocking campaign finance reform. We cannot let that happen with reference to the health of our children.

Ms. DELAURO. We are some of the luckiest people in the world. We have an opportunity. We have an opportunity being here, that is how I view what we do, to truly try to make a difference in people's lives. And we are given a trust mandate, if you will, from the people who send us here. They say, protect our interests.

You may not be able to do everything, but we give you our trust; we give you our vote to take there and to protect our interests. Part of those interests, a substantial part of those interests are the children of this country, the families that we represent. And I think if we do not take this opportunity to try to help in some way to make a difference in good public policy in this country, it is there, and the people are there; the majority of the people are there. We should not be thwarted by the will of a few who are prospering and their own self-aggrandizement is at stake rather than thinking about the interests of those young people that we all go to see, and we tell them how wonderful it is to be a Member of Congress, and all the things you

can do as a Member of Congress. And if we do not do this, take this opportunity to protect our kids from smoking, the Speaker of the House is culpable and those that do not want to move forward on this are culpable. I do not believe they should go to a school again and represent to children that we are here to protect their interests because we will just have sold their interests out to the highest bidder. That is the danger that lies here in the next few weeks.

Mr. DOGGETT. I know from your service on the Committee on Appropriations that we expend millions of taxpayer dollars to investigate the causes of various kinds of illnesses and diseases in America to try to improve health. Here is one that we know what the cause is. We know that nicotine addiction is the leading cause of preventable illness in America today.

We do not need any more research to find that out. In fact, some of the most powerful research was done by the tobacco companies, hidden by them, hidden by them for years, but we now finally have it. And having that, if we cannot on this leading and most obvious cause do something about it, then I think we really are shirking our responsibilities.

Mr. PALLONE. I agree. I think we are about to run out of time. I just want to thank both of you for participating in this special order tonight, and the main thing we are sending a message: The recess is over. We are back. We have gotten the message from Speaker GINGRICH that he does not want to move on this tobacco settlement. We are sending the message back to the Republican leadership that that is not acceptable to us as Democrats, and that we are going to keep fighting and keep bringing this up until they agree to move meaningful tobacco legislation.

Mr. DOGGETT. We cannot let this Congress run out of time without responding on the leading public health challenge our young people face.

Mr. PALLONE. If that is all we accomplish this year, it will be a lot.

REQUIRING A TWO-THIRDS VOTE TO RAISE TAXES

The SPEAKER pro tempore (Mr. HULSHOF). Under the Speaker's announced policy of January 7, 1997, the gentleman from Texas (Mr. BARTON) is recognized for 60 minutes as the designee of the majority leader.

Mr. BARTON of Texas. Mr. Speaker, it is my privilege this evening to speak to the Members of this body about a vote that we are going to have tomorrow morning, tomorrow afternoon to amend the Constitution requiring a two-thirds vote of the House and the Senate to raise taxes or broaden the tax base.

The exhibit to my left shows the first 1040 income tax form, which was first used in 1914, over 83 years ago. If you look, look down the form, you can see that you paid a tax of 1 percent on income over $20,000, 1 percent. And if you had income over $50,000, you paid an additional, you paid 2 percent.

If you had income over $75,000, you paid 3 percent. If you had income over $100,000, you paid 4 percent. If you had income over $250,000, you paid 5 percent. If you had income, net income, not gross income, over $600,000, you paid 6 percent.

Less than 1 out of 100 American citizens had to pay any income tax the first year this 1040 form was used. Today, that is not the case. The marginal tax rate has gone up to over 40 percent. That is an increase of 4,000 percent.

If we could see the next chart, this is a chart that is through 1995, so it is actually about 3 years old now, but you can see back in 1955, the tax as a percent of income for two-income families was 27.7 percent. By 1965, it had gone up about 2 percent to a little over 29 percent. Ten years later, 1975, it had skyrocketed to 37 percent. And since that time, it has been between 37, and in 1995, it was 38.2 percent. This year, the latest year that we have numbers on, which we do not have a chart for, it is right at 39 percent. So almost 40 percent of two-earner family income is going to pay their taxes.

What does this mean? It means that the average worker is spending almost 3 hours out of every working day simply to pay Uncle Sam's taxes. For food, clothing, necessities, they spend 2 hours and 32 minutes. For the tax man, they spend 2 hours and 47 minutes, and for all other expenses, they spend 2 hours and 41 minutes. So we actually spend more time working to pay the tax man than we do to provide food, clothing and shelter for our families.

What would a two-thirds vote mean in the real world of voting here in Washington, D.C.? It means in the House of Representatives it would take 29 votes if all Members were present and voting for a tax increase. It means in the Senate, it would take 67 votes instead of the current 51 votes in the Senate and 218 votes in the House.

In the real world what that means is not too many tax increases would pass. In fact, of the last five major tax increases that we have had here on the House floor and over in the Senate, only one of them would have passed; 1982, 16 years ago, there was a Tax Equity and Fiscal Responsibility Act of 1982, passed the House with 52 percent. It passed the Senate with 52 percent. That was $214 billion in taxes would not have been collected. That one would have failed.

In 1987, we had the Omnibus Budget Reconciliation Act, which was a $40 billion tax increase. It passed in the House with 57 percent. It passed in the Senate with 62 percent. A little bit closer to the two-thirds vote, but it did not get to the two-thirds vote so it would have failed.

In 1989, we did have a tax increase that would have passed muster under the two-thirds vote for a tax increase. Only $25 billion, but it did pass the House with 68 percent of the vote, just barely passing the two-thirds vote necessary; the Senate, 93 percent. That one for $25 billion additional tax dollars on the American people would have become law.

In 1990, we had a $137 billion tax increase. It passed the House with 53 percent and the Senate with 55 percent, $137 billion; it would have failed.

Most recently, in 1993, the big Clinton tax increase passed the House by two votes, 218 to 216, so that is 50.2 percent, and in the Senate it passed 51 to 49. That one would have failed. So the last five major tax increase votes we have had going back over 16 years, only one, in 1989, would have passed the two-thirds muster. So the tax burden on the American people would have been lower by a little over $800 billion.

Supermajority would protect taxpayers from unnecessary tax increases. As I said earlier, the last big tax increase vote that we had, the 1993 Clinton tax increase, would have failed.

You may be asking yourself, this is a good idea in theory, but does it really work? Well, the answer is, it does really work. The States are using supermajority votes to require tax increases. There are 14 States, and I have got them listed here on this chart, and they have various measures requiring tax increase.

In 1992, the State of Arizona passed a State constitutional amendment for all tax increases that says if you want it to pass, it has to get a two-thirds vote in the Arizona legislature. Back in 1934, over 60 years ago, the State of Arkansas where our current President was Governor before he became President, passed a three-fourths vote requirement for any tax increase.

California, in 1978, first on property taxes and now for all tax increases, a two-thirds vote. In 1992, State of Colorado, two-thirds vote required. In Delaware, back in 1980, a three-fifths requirement for tax increases. The State of Florida, since 1971, for corporate income tax rate increases, requires a three-fifths vote; not quite as significant as the two-thirds vote that we are talking about. But still a supermajority of 60 percent.

□ 2100

The State of Louisiana, for the last 32 years, any tax increase would take a two-thirds vote. The State of Mississippi, way back in 1890, 108 years ago, requires a three-fifths vote for a tax increase. In Missouri, since 1996, only 2 years ago, a two-thirds vote for an emergency tax increase.

The State of Nevada, since 1996, a two-thirds vote for any tax increase.

And in Nevada, to amend their Constitution, they had to submit it to the people for a referendum; and the people in Nevada voted by referendum, I believe, over 70 percent to require a two-thirds vote for a tax increase.

In Oklahoma, in 1992, a three-fourths vote, 75-percent vote, for a tax increase. In Oregon, in 1996, a three-fifths or 60-percent vote for any tax increase. South Dakota, in 1996, a two-thirds vote for any tax increase. And in Washington State, in 1993, a two-thirds vote.

There are 15 other States that currently have some sort of a legislative initiative to require a supermajority vote. The State of New Jersey, where Governor Whitman has come out in favor of this, and the State of Illinois are two States right off the top of my head.

So what about these States that have these requirements, does it work? Well, let us look at the next chart.

There are some things that are true in every State. This is a study that was done on tax rates and tax revenues for the years 1980 to 1992. It compared the States that had some version of tax limitation, which I just showed my colleagues, with those that did not. And this shows the average change of per capita tax revenue.

In the supermajority States, tax revenue went up 102 percent during the 12-year period. So tax revenues went up in States that had supermajority requirement. But in States that did not have it, their taxes went up faster by an average of, the total is 121 percent of the aggregate States. So that is a difference of 19 percent.

Put another way, in States that had a supermajority requirement to raise taxes, their taxes were, on average, 19 percent lower than in those States that did not have the same requirement.

Since the taxes were not going up quite as rapidly in the supermajority States, that means the gross State products, the amount of goods and services produced in that State, went up faster than in high-tax states, 43 percent versus 35 percent, or a difference of 8 percent. So the economies of supermajority tax increase States were growing more rapidly than the economies of States that did not require supermajority for a State tax increase.

Well, consequently, if we are not raising taxes as rapidly, the legislature and the governors tend to be less willing to borrow money also. So if we look at the debt, the State government debt in the supermajority States, it did go up, unfortunately, quite a bit, 271 percent, but it did not go up as rapidly as in the States that did not have the supermajority requirement for tax increases. In those States, it went up 312 percent. That is a difference of 31 percent. Thirty-one percent is a huge difference in that time period of 12 years.

And, finally, since taxes are lower and they are going up slower and the gross State product is expanding more rapidly and State government debt is increasing less rapidly, what does that mean? It means that the number of jobs created expands more rapidly in supermajority tax increase States. Twenty-six percent rate of growth in job creation in the supermajority States; only 21 percent in the non-supermajority States. That is a difference of 5 percent.

So if we look at the statistics, and this is a comprehensive study, it was done over a 12-year time period. From 1980 to 1992, it compared in the aggregate those States that had some version of supermajority tax increase vote in their legislatures than States that did not. Taxes went up more slowly in supermajority States. Taxes were lower in supermajority States. Consequently, their economies grew more rapidly and more jobs were created.

So we have proven in the 14 States that have served as a national laboratory for supermajority requirement for tax increases that it works. That is why on April 17, 1998, a group called the American Legislative Exchange Council, or ALEC, which is a bipartisan group of State legislatures of all 50 States, Republicans and Democrats, that meet to debate State issues and to compare their State initiatives to other State initiatives, the American Legislative Exchange Council, which represents all 50 State legislatures and has over 3,000 legislators as members, again Republican and Democrat, they endorsed the Tax Limitation Amendment that we are going to be voting on tomorrow.

I would like to read their letter. It is dated April 17, 1998. It is to Congressman JOE BARTON, that is me, U.S. House of Representatives, Washington, D.C. 20515.

DEAR CONGRESSMAN BARTON. The 3,000 State legislators who are members of the American Legislative Exchange Council, the Nation's largest bipartisan membership organization of State legislators, would like to voice their support of a Federal amendment requiring a two-thirds supermajority vote in each Chamber of Congress to pass any bill that would increase taxes.

The Federal tax burden is at a record high. This year, the average American family will spend more than 38 percent on their income on Federal, State, and local taxes, more than they will spend on food, clothing, shelter, and medical expenses combined. And we pointed that out earlier.

Tax increases fuel excessive government spending and smother economic growth and job creation. Thus, any increase in the tax burden should require a broad consensus. Taking money from hard-working Americans should not be an easy task for the tax-and-spend politicians. A supermajority requirement would make tax hikes more difficult and shift the debate from tax increases to spending cuts.

Fourteen States already require a supermajority to raise taxes. These States have demonstrated faster economic growth, higher employment growth, and experience slower tax and spending increases than the States without a supermajority requirement. A supermajority amendment would constrain tax-and-spend policies that squash economic opportunity for American families.

Congress has a momentous opportunity to provide a brighter, more prosperous future for this great Nation. The States have shown the benefits of a supermajority requirement. Now is the time to apply this experience to the Federal Government.

Sincerely,

BOBBY HOGUE,
Speaker from Arkansas, National Chairman for the American Legislative Exchange Council.

This is an extremely positive endorsement and shows again that it works at the State level, it will work at the Federal level. We have got a bipartisan consensus for this legislation, this constitutional amendment.

Another group that has endorsed the Tax Limitation Amendment is the Associated Builders and Contractors, a national organization of builders and contractors from around the United States, again a bipartisan group. It is not a Republican group. It is not a Democratic group.

It says,

DEAR REPRESENTATIVE BARTON: On April 15, the House of Representatives will consider H.J. Res. 111.

Actually, we are going to consider it on April 22, because we were not in session on April 15.

This is legislation requiring a two-thirds supermajority of both Houses of Congress to pass any new tax or tax increases. On behalf of the Associated Builders and Contractors and its more than 21,000 member firms, I urge you to vote yes on H.J. Res. 111, the Tax Limitation Amendment to the Constitution.

It goes on to talk about their strong advocacy for the family and fiscal responsibility. This is signed by Charlotte W. Herbert, who is the Vice President of Government Affairs. It is dated March 20, 1998.

We have an endorsement from the National Association of Manufacturers. This is dated February 24, 1998.

On behalf of the National Association of Manufacturers, nearly 14,000 members, over 10,000 of which are small manufacturers employing fewer than 500 employees, I commend your leadership in bringing the Tax Limitation Amendment to a vote on the House floor this April. It is hard to imagine a more appropriate time to bring this important legislation to the attention of the American taxpayers.

I am enclosing a resolution adopted by the board of directors which concludes that the existing Federal tax system is beyond repair and should be replaced by a simple, low-rate system that eliminates multiple taxation. Just as importantly, underlined, this resolution concludes that procedures such as a supermajority voting requirement should be adopted to make revision both difficult and infrequent.

The National Association of Manufacturers is therefore pleased to support the Tax Limitation Amendment, which would require a two-thirds vote in the House and Senate to levy any new tax or increase the rate or base of any existing tax. This amendment would force the Congress to focus on spending reductions rather than tax increases in order

to balance the Federal budget. Such a result is completely consistent with the National Association of Manufacturers' long-standing position that, while it is critically important to eliminate the Federal budget deficit, this should be done by restraining the growth of Federal spending, not increasing taxes.

We applaud your effort to make the Tax Limitation Amendment a reality and are impressed by the bipartisan support you have garnered for it. The National Association of Manufacturers looks forward to working with you and your colleagues and staff to pass this important legislation.

This is from Paul Huard, who is the Senior Vice President for Policy and Communications for the National Association of Manufacturers, and it was dated February 24, 1998, in a letter to me.

We have the U.S. Chamber of Commerce, dated February 20, 1998. This letter of endorsement is from Bruce Josten, who is the Executive Vice President of Government Affairs.

DEAR CONGRESSMAN BARTON: The U.S. Chamber of Commerce, the world's largest business federation, representing more than 3 billion businesses and organizations of every size, sector, and region, wishes to voice its support for the Tax Limitation Amendment.

The two-thirds supermajority requirement to raise taxes in your amendment would keep the pressure on limiting government spending in order to maintain a balanced budget. Turning to tax increases first when the budget deficit returns, as they will sooner or later, is poor economic policy. The Tax Limitation Amendment would shift the burden of keeping a balanced Federal budget from the taxpayer to the big government spender.

We are looking forward to working with you on passing this legislation. Bruce Josten.

I could go on and on. We have got over 30 national organizations that have endorsed the Tax Limitation Amendment, groups that I have already mentioned, the U.S. Chamber, National Association of Manufacturers, American Builders and Contractors, the American Legislative Exchange Council.

We also have groups like Christian Coalition, Family Research Council, Americans for Tax Reform, Senior Coalition 60 Plus. So we have family groups, business groups, tax limitation groups, all kinds of groups across a broad political and public policy spectrum.

I see that one of my chief cosponsors is here, the gentleman from Arizona (Mr. SHADEGG), who led the fight in Arizona several years ago to pass tax limitation at the State level. He, along with the gentleman from Texas (Mr. HALL) and the gentleman from New Jersey (Mr. ANDREWS) and myself are the four chief sponsors of this amendment, two Republicans and two Democrats.

I will yield such time as he may consume to the gentleman from Arizona (Mr. SHADEGG).

Mr. SHADEGG. Mr. Speaker, I thank the gentleman for yielding. Let me make a few remarks and then perhaps we can engage in a dialogue back and forth and make some of these points in a way that will drive them home, hopefully, to our colleagues who get to cast a historic vote tomorrow.

I raise the issue for my constituents on this question as really presenting one direct question: Should Congress be more responsible about spending the hard-earned tax dollars taken from the citizens of this great country? Simple as that. Should the Congress be more responsible about how to spend that money?

Now, we heard my colleague the gentleman from Texas (Mr. BARTON) talk about this being a Tax Limitation Amendment. It is an amendment designed to make it a little bit more difficult to raise taxes on the American people. And then I stand up, as one of the other chief sponsors of this and say, it really is about spending. Well, let me draw the link.

The problem is, when it is easy to raise taxes, as it has been in this country for too long, then we can be too casual about how we spend that money. This measure is designed to achieve a very important goal and that goal is to make us, the Members of Congress, be more responsible about the way we spend your money.

□ 2115

Because if we say that going on to the future, on into the next century, on into the horizons that lie ahead in America that we are not going to pass additional tax increases with a simple majority vote, 50 percent of the Members of this body plus 1, we are going to have to have a supermajority, we are making it that much harder, just a little more difficult to raise the taxes on the American people.

I will tell my colleague, I, JOHN SHADEGG, would like to see it much more difficult to raise taxes on the American people. I do not think we can get that far down the road, but with this measure, we can make it a little bit more difficult. I believe that is vitally important. I think it is very timely that this measure is before us right after tax day, but right after a fair amount of publicity in which the American media has reminded the American people recently that taxes in America today are at the highest level they ever have been in our history.

I think about my generation, the baby boom generation, peers of mine in their mid-forties, early fifties. They are paying more in taxes today in America than ever in the history of our Nation. I think about the generation behind us who are coming up, the Generation X'ers. They are just beginning their working careers. They are paying more in taxes today than ever in their lives.

Taxes as a proportion of our total economy are taking up more than they ever have at any point in time. That is really a composite of two figures. Federal taxes are at their highest level since 1945, a war year at the end of World War II, when they were about one-tenth of 1 percentage point higher than they are now.

But if you combine that almost record high Federal tax level with higher State and local taxes, because State and local taxes today are dramatically higher than they were in 1945, we are taxing the American people at a rate higher than we ever had.

I would like to be here tonight talking about tax relief for the American people, and hopefully in the next few weeks we will be able to do that, but this measure is not about tax relief. It is about ensuring that before this Congress reaches into the pockets of hard-working American men and women one more time and takes out of their wallets like this one yet a few more hard-earned American dollars and says, no, we need this money for the government, we need this so that we in Congress can spend it on programs that we think are wise, and the American taxpayer who earned this dollar does not get to make that decision because the government is going to take it from them, before we do that yet one more time and ratchet up the tax level yet one more time, we ought to make it a little bit harder. We ought to make it a little bit harder to take those hard-earned dollars from American taxpayers.

My colleague, the gentleman from Texas (Mr. BARTON), pointed out that 14 States have enacted tax limitation amendments. Arizona, as my colleague pointed out, is one of those States. In 1992 we passed a tax limitation amendment in Arizona, and we required under that measure a two-thirds majority to raise State taxes in Arizona. I am very proud because I helped lead that effort in Arizona. It has had a tremendously beneficial effect on the Arizona economy.

Before we passed that, Arizona had gone through a series of tax increases. Year after year after year, the Arizona legislature had done what politicians all too often do when there is a constant demand for more money. They had passed tax increase after tax increase after tax increase. As a result of that, the Arizona economy had grown very sluggish.

Since passing this measure in Arizona, which, by the way, passed by a vote of 72 percent of the people of Arizona voting on the measure approved the adoption of this Constitutional amendment, our economy has sped up dramatically.

Mr. BARTON of Texas. Mr. Speaker, would the gentleman yield for a question?

Mr. SHADEGG. Mr. Speaker, I am happy to yield.

Mr. BARTON of Texas. Have there been any attempts to raise taxes in the

State legislature since this amendment was adopted into the Arizona Constitution?

Mr. SHADEGG. Not only have there been no attempts to raise taxes in the Arizona legislature since this measure was adopted, at least no broad-based tax increases, and because we wrote the Arizona measure in a very comprehensive fashion, no increase in fees or user fees, but in point of fact the legislature has gone the other way and they have actually cut taxes, helping to stimulate that economy. As a result of that stimulated economy, we are getting more revenues in than we did before.

Mr. BARTON of Texas. Does it take a two-thirds vote of the Arizona legislature to cut taxes?

Mr. SHADEGG. It does not take a two-thirds vote at the Arizona legislature to cut taxes. It takes a two-thirds vote of the Arizona legislature to raise taxes.

Mr. BARTON of Texas. Under our amendment which we have right here before us, would it take a two-thirds vote to cut taxes in Congress?

Mr. SHADEGG. It certainly would not. As the gentleman well knows, you can make the argument, and our colleague in the United States Senate who is carrying this makes the argument that it actually does take in the U.S. Senate a two-thirds majority to cut taxes. Because of the debate rules they have and the rules on cutting off debate, you really, as a practical matter, to be able to pass a tax relief measure over there, would have to have a two-thirds majority.

But under this tax limitation amendment, you would never have to have a two-thirds majority here in the House to enact tax relief. You would have to have a two-thirds majority to enact a tax increase yet one more time.

Mr. BARTON of Texas. So we can cut taxes by a simple majority vote, but we would have to have a two-thirds vote to raise taxes.

Mr. SHADEGG. That is exactly right. The gentleman mentioned earlier broad public support for this. I want to talk about a poll recently conducted by Americans for Hope, Growth, and Opportunity, a nationwide poll taken on this issue within the last few weeks. In that poll, there are some surprising numbers.

First of all, the overall number says that the vast majority of Americans, Republican or Democrat, Independent, you name it, favor this idea. And 68 percent of all Americans, regardless of their party registration or their party leanings or affiliation, favor the adoption of a tax limitation constitutional amendment requiring a two-thirds majority rather than a simple majority of this body and of the United States Senate in order to raise taxes yet one more time.

You might find it not too surprising that within that number, 75 percent, three out of every four Republicans also favor this idea. I suppose we as Republicans can take claim for the fact that we are the antitax party, and that makes some sense that we would favor by a fairly high number, a number higher than the total, the option of the tax limitation amendment. But I am very encouraged and find it most significant that when you poll Democrats, it turns out that 63 percent, a very dramatic majority.

Mr. BARTON of Texas. Almost a two-thirds majority vote.

Mr. SHADEGG. Almost a two-thirds majority of all Democrats across America in a nationwide poll, just short of two-thirds of all Democrats in this country, favor the adoption in America today, hopefully by this vote tomorrow, of a supermajority requirement to raise taxes. I certainly hope that that is a figure that is not lost upon our colleagues; that they will recognize that the time has come to pass this.

When we have now government taking the highest proportion of the gross domestic product in taxes that it has ever taken in our Nation's history, it seems to me very clear that the signal being sent by Republicans and by Democrats is that it is time to enact a constitutional tax limitation.

Mr. BARTON of Texas. What would happen tomorrow on the House floor if three-fourths of the Republicans present and voting voted for tax limitation and 63 percent of the Democrats present and voting voted for tax limitation? Would that be enough to pass this constitutional amendment and send it to the Senate for a vote?

Mr. SHADEGG. What would happen is we would be sending a tremendous signal across this country that we are through reaching into the pockets, at least willy-nilly reaching into the pockets of the American taxpayers. Because if three-fourths of the Republican Members paralleled the support in the society, three-fourths of all the Republicans voted for this amendment tomorrow, and if 63 percent of all Democrats, as you posed in your question, just like 63 percent of all Democrats across America, voted for this Constitutional amendment tomorrow, it would pass and pass with a very, very wide margin, sending a bullet shot across this wall to the United States Senate and to the President saying this is an important piece of legislation.

Mr. BARTON of Texas. It would be a great idea, and it is legal if people were to fax, e-mail, write, call, send by Pony Express, by any means of communication to their elected Congressman or Congresswoman, be they Republican or Democrat, that they are for this amendment.

Mr. SHADEGG. Absolutely.

Mr. BARTON of Texas. That is allowed under this Constitution.

Mr. SHADEGG. If 75 percent of the Republicans out there listening today or tonight and 63 percent of the Democrats out there listening tonight would pick up the phone, crank up the fax machine, get on the Internet and send an e-mail, we could wake this Congress up and pass this tomorrow with a resounding vote.

Mr. BARTON of Texas. I assume you are going to vote for it tomorrow.

Mr. SHADEGG. I most certainly am going to vote for it with great pride.

Mr. BARTON of Texas. That is one vote. I am going to vote for it. That is two votes.

Mr. SHADEGG. We are on our way.

Mr. BARTON of Texas. We need 290 more votes if all Members are present and voting.

Mr. SHADEGG. I think it is clearly doable and would be a great signal for this country.

Mr. BARTON of Texas. We may have three votes. The Speaker in the chair, I think he is a vote for it also.

Mr. SHADEGG. He just gave me a thumbs up. We have got three votes. We are on a roll. This could be almost a telethon. We are talking about building a vote for a tax limitation amendment.

The gentleman from Texas mentioned earlier the effect of this, but I want to repeat that particular sentiment in some of those statistics. Well, 14 States have adopted in their own Constitutions a tax limitation amendment. Some studies have been done on those States that have had tax limitation for a number of years. What those studies show is that government and government spending grow at a slower pace in those States than in States without tax limitation.

Interestingly, in case you say, "Well, so what, we have slowed the growth of Congress, I am not so concerned about that, Congressman, I am interested in my job," the flip side of that, in tax limitation States, States that have adopted a tax limitation amendment at the State level, the private economy and the number of jobs, the employment rate grows faster than in non-tax limitation States.

I know it is hard sometimes for the audience, for our colleagues out there listening, to absorb statistics, but I am going to read through them very importantly in a slow fashion so that people can get them.

In tax limitation States taxes grow more slowly than in non-tax limitation States, and spending grows more slowly. As a matter of fact, in tax limitation States over a 12-year period taxes increased by 102 percent. So tax limitation States, there it is, there are the figures, spending has grown by 102 percent.

But in non-tax limitation States in that same 12-year period, spending has gone up by 112 percent, a dramatic increase. By contrast, if you look at the economies of those States, in tax limitation States, the economies, including

employment, the economies grew by 43 percent, whereas by contrast, in States without tax limitation the economies have grown by only 35 percent.

So the bottom line is, tax limitation slows the growth of government and promotes the growth of the private sector. For people across America who want jobs, the bottom line is the adoption of a tax limitation amendment, in every single one of those States where it has been adopted, has encouraged the number of jobs that are growing. If you say you have a young son or daughter about ready to enter the job market, tax limitation amendment in your State has enhanced their chance of finding a job in the productive market.

Mr. BARTON of Texas. I actually have a young son and young daughter who are about to enter the job market. My daughter Allison wants to be a teacher. She graduated in December from Texas A&M. My son Brad is graduating from Stanford School of Business in June. They are both looking for jobs. So I have a son and a daughter who want a job, and they will find a job more likely in a supermajority State to raise taxes.

Mr. SHADEGG. If that is true at the State level, why do we not make America a supermajority Nation for future tax increases? Why not take that principle which has worked at the State level and adopt it at the Federal level, so that we promote further economic growth across this Nation because we make it slightly harder for the U.S. Congress to raise taxes yet one more time.

We force the Members of this Congress, you and I and the gentleman in the Speaker's chair who has joined us in voting tomorrow for this, make it a little bit more important that we look a little bit more carefully at how we spend the dollars.

It is worth noting, many people across America are very, very upset at the General Accounting Office audit which came out just a few days ago showing that our government is wasting massive amounts of dollars. Indeed, those numbers show that in some instances we cannot trace where the money has gone. We cannot find equipment that was supposed to have been purchased. We are literally kind of allowing money to slip through the hands of the Federal Government and not even get real value added.

That should offend every American taxpayer. That should be, I hope, the driving force which puts this amendment over the top tomorrow. Because if we make it just a little harder to raise taxes, we will have to be just a little bit more careful, hopefully a lot more careful about how we spend those hard-earned dollars that we take out of the pockets of the American people.

I compliment the gentleman. I am happy to chat with him about other beneficial aspects of this amendment. I do think that it is important to emphasize over and over again, 75 percent of Republicans favor it, 63 percent of Democrats across America favor it.

□ 2130

Mr. BARTON of Texas. And that is all in the last month. I mean that is not like 10 years ago or 20 years ago. That is a poll, a national poll taken within the last month.

Mr. SHADEGG. That is absolutely correct. Now we just need to make sure that those Americans who feel like communicating their sentiments, hopefully 75 percent of all Republicans across the country, 63 percent of all Democrats across the country, will call and let their Member of Congress know that they think that it would be a good idea to vote for tax limitation.

Mr. BARTON of Texas. And it is my understanding, Mr. Speaker, that the gentleman has been on a number of national radio and television shows about this and has debated some opponents of it from time to time, as I have. Have you ever had one of the opponents say that we should not do this because it would not work?

Mr. SHADEGG. Well, I have had a number of people engage in debate. In Arizona we debated this measure. The opponents of it predicted dire consequences. They said that this was an irresponsible measure, that we should never have a supermajority requirement, that we had always just had a simple majority.

They even go so far, and you may have heard this in debate yourself, as to say it is un-American to require anything other than a simple majority. And yet the Founding Fathers when they drafted our Constitution inserted a number of supermajority requirements, and when you combine the supermajority requirements that are already in our Constitution, such as to ratify a treaty, with others that have been added——

Mr. BARTON of Texas. Or to convict a President of impeachment proceedings.

Mr. SHADEGG. Or to convict a President in impeachment proceedings. If you add those supermajority provisions or requirements that were in our original Constitution with those that have been added to the Constitution by amendment, there are today already in our Constitution 10 different provisions which require not a simple majority, not 50 percent plus one, but a supermajority. And if it is appropriate in those circumstances, you and I are here tonight arguing that it should be appropriate in this one where we actually reach into people's pockets and take the productive efforts of their labor out of their pockets and give them to someone else to spend.

Mr. BARTON of Texas. Well, I have engaged in a number of debates, and most of the opponents are opposed to this for the very reason that it would work. They say quite emphatically that it would make it very difficult to raise taxes, therefore they are opposed to it. And I say exactly, that is the point. Let us make it more difficult than it is today.

I think that in an economy that is generating $7 trillion worth of goods and services with almost 300 million Americans, with over 80 million Americans working, paying a tax burden, if you combine State and local taxes it is approaching 40 percent of their gross income, that there should be a national consensus. There should be Republicans and Democrats who say we have to have a supermajority vote to raise taxes.

I would like to point out again that the group that most represents the State legislatures on a bipartisan basis, the American Legislative Council, has endorsed a tax limitation amendment. I am not going to read that letter again because I did earlier, but I think that is proof positive that this is not a gimmick, it is not a Republican election year ploy, it is common sense, good public policy.

We have got a number of Governors that have endorsed this. Governor Whitman in New Jersey has endorsed it. Governor Wilson in California, our largest State in the Union in terms of population, has endorsed it. We also pointed out earlier there are 15 States that are considering adding a supermajority requirement to their State constitutions to go along with the 14 States that already have it.

So tomorrow, beginning approximately 12:30, we will have a vote on the rule. That should take about an hour. It is an open rule. The minority party, if they wish, will have the right to offer a substitute. They will also have a right to offer a motion to recommit. The rule debate should take about an hour, and then we will have three hours of debate equally divided, an hour and a half for the proponents, an hour and a half for the opponents, and the gentleman from Arizona (Mr. SHADEGG) and I are going to be on the floor helping to manage the time for those that are in favor of this. And then the debate should conclude around 4 o'clock tomorrow afternoon, and we may vote immediately or we may hold the vote until a little after 5 o'clock.

Since this is a constitutional amendment, I think everybody knows that it takes a two-thirds vote of those present and voting to pass. So last year when we had the vote on April 15, we had 233 votes, which was a majority, a substantial majority. But that day we needed I believe 279 votes, so we failed by 40 or 50 votes since we did not quite have the two-thirds.

So tomorrow hopefully we will get well over 75 percent of the Republicans. I will predict that we get that. The key

question is if we can get the 63 percent of the Democrats who have said in a national poll that the gentleman from Arizona (Mr. SHADEGG) here alluded to, if they will support this amendment.

Mr. SHADEGG. Mr. Speaker, I would like to make a couple of points that I think are important and I will be emphasizing tomorrow in the debate, but in case anyone is out there listening tonight and not able to listen to the debate, one of them is an intellectual point that addresses a concern that some people have about, well, is it appropriate to insert a supermajority requirement in the Constitution, and the other is just a practical argument.

You know, I do not know if we have a large chart of this, but I have a small chart that I can hold up here and hopefully we can focus on. In 1950 the Federal tax bite was $1 out of every $50. So in 1950, when I was a young boy growing up in Arizona, if my dad earned a hundred dollars, the Federal Government got two of those dollars. He had to send $2 in for every $100 he earned.

By 1996 that figure had changed rather dramatically. By 1996 it had become not $1 in taxes to the Federal Government out of every $50 earned but $1 in taxes out of every $4 earned. So today, 1996, or at least in 1996 and it has gotten worse since then, if you earned $100, you did not send in $2 you sent in $25, one fourth, to the Federal Government alone.

That is a staggering increase in the tax burden on the American people, and I think it explains why it is appropriate to take the vehicle of amending the Constitution and amend it at this particular time.

We have already talked about the fact that Federal taxes are at their highest level that they have ever been in American history and placing a huge burden on the American people. But I now want to turn to kind of a practical side of this issue, and I actually like to quote often the quote which hopefully the camera can focus on at the front of the room. John Randolph, the author of this quote, was a Member of this body, United States House of Representatives, early in our Nation's history. He served in the United States House and then ultimately was elected to the United States Senate and served in the United States Senate.

Mr. BARTON of Texas. I think he was a member of the Constitutional Convention also.

Mr. SHADEGG. I think that is exactly right.

Mr. BARTON of Texas. I am not certain, but I believe that is correct.

Mr. SHADEGG. John Randolph said, as that quote reads, and I want people to read it with me and think about it, but he said at one point, talking about government and about the power of the Congress, that "It has been said that one of the most delicious of privileges is that of spending other people's money."

One of the most delicious of privileges is that of spending other people's money. What he was talking about is the power of government through taxation to take other people's money, and then for this Congress and Members of it to enjoy the privilege of spending it.

Well, I reflected on that quote back when I discovered it in the debate in Arizona over a tax limitation amendment, and about the point he was making. And the sad truth is that the privilege of taking other people's money through taxation and then being able as a government to spend it I believe has become abused.

I want to talk a little bit about a practical experience I had which led me to support the tax limitation amendment in Arizona and leads me to fight passionately for the adoption of the tax limitation amendment at the national level. For years in Arizona I worked in connection with the Arizona legislature. I was not a member of the legislature but I worked for the Arizona attorney general's office.

And members of the Arizona legislature would call me over to their office, and this happened hundreds of times in my career at the Arizona attorney general's office, and a member of the legislature would call me over to his or her office, and they would either have a letter from a constituent or they would have a constituent sitting there in the room. And the letter or the constituent would be making the case that there was a very serious problem, even sometimes a heart-rending problem, a sad problem, a tragic problem, somebody doing without, somebody suffering, somebody in need.

And the legislator member of the Arizona legislature with whom I would be talking would say, "Look, my constituent has identified this very serious problem, people in need. Can we solve this problem? Could we pass a bill and appropriate some money to fix this problem? Could we create a program to fix this problem? Could we take the resources of government to solve this very tragic problem?"

And the conversation occurred hundreds of times in my career at the attorney general's office, and of course the answer always was that we could, of course, pass such legislation, we could make an appropriation, we could create a program, we could spend money. What occurred to me is that in those conversations there was always one person missing.

There was always the constituent who wanted the program. And it was invariably a worthy program, something that you know almost all Americans and all Arizonans would say, "There really is a need there. We need to take care of that." And there was a legislator, a member of that legislative body, like we here in the Congress, with the power to write a bill and make an appropriation and create a program and spend the money to solve the problem.

But the person missing in those discussions, and they were missing in every single discussion I ever watched, was the taxpayer, the individual who would have to foot the bill to solve that problem, who would have to pay the tax bill to pay for that appropriation. The taxpayer, the man or woman, the young boy or girl starting their first job at a McDonalds or a Burger King who would have to have wages taken out, taxes taken out of their wages to pay for that program, they were never in the room. They were not a part of the conversation. There was always an empty chair where that person could not speak up and say, "Yes, this is a serious problem. Yes, maybe we ought to think about it, but we have to consider where is that money going to come from."

Mr. BARTON of Texas. Mr. Speaker, I can actually put a face to that anonymous person. Two weeks ago I went to Waco, Texas where my mother lives. She is a retired widow on Social Security, and she has some teacher retirement, and because her only income comes from three sources, Social Security, teacher retirement and some IRA dividend income from an IRA that she and my father had saved on when he was alive, she does not have any withholding taken out, and it is a relatively modest fixed income.

So last year I had done her taxes after my father passed away, and she did not have to pay any taxes. So this year I was not too worried when she said, "Are you going to come do my taxes?" I thought, "Well, it is not a big deal. She will not owe any tax, so I can just go ahead and do it."

So I finally went over there a week before the filing deadline and we sat down, and she had had to take a slightly larger dividend from her IRA because she is over 70 years of age and the law requires that you begin to disburse this particular type of a Keogh account.

So first time I went through and made the calculation. I said, "Well, mom, it looks like this year you're going to have to pay a little bit in tax," and it was like $200 or $300, and she said, "That's no problem."

Then I went back through again and I said, "I just want to double check the numbers," and I checked the Social Security number, and I checked the teacher retirement number, and then I checked the IRA number, and lo and behold, I had added incorrectly or missed something. So I said "Well, mom, I'm going to have to recalculate this tax," and when I did it was well over $1,000.

And she said, "Well, I don't have enough money to pay that." So she got real excited and called the bank and she wanted to know how much money

was in her account and whether she had enough money to pay the tax or she was going to have to take some money out of a savings account, this IRA account, or what. And it turned out after looking at her checkbook and looking at what her expenses the rest of the month were, we decided that she would be able to write a check, because you cannot tell the IRS, you know, "We will send it next week." You know, just you have got to send the money when you calculate your tax return.

So my mother, who is a widow on a fixed income, had to pay well over $1,000 in income taxes this year, and that does not come out of nowhere. I mean, that shows very clearly the need to make it much more difficult than it is today to raise taxes, because there are a lot of Nell Bartons in this country. In my mother's case, she was fortunate that she had enough money this year to pay her Federal income tax without having to borrow from me or to go into her savings account.

□ 1945

There are a lot of people come April 15 that are in real tough shape, and we need to protect those people by passing this constitutional amendment.

Mr. SHADEGG. There is no doubt about it. As the gentleman well knows, whenever you come to the floor and propose a constitutional amendment, one of the reticences, one of the resistance factors you face, is that people say we should not tamper with the Constitution lightly. We really ought to think about these issues gravely and seriously, about whether it is appropriate to amend the Constitution. We ought to consider the consequences of our conduct.

Is a constitutional amendment really necessary? If this was such a great idea, how come the Founding Fathers did not do it?

I know, because you have carried this amendment on this floor many times in the past, you face that argument where people say, no, if it was necessary the Founding Fathers would have put a tax limitation amendment in the original Constitution. They would not have said you could raise taxes with a simple majority. They would have said you could raise them only with a supermajority, so you must be wrong. We do not need this. This is a radical idea and bad idea.

When I tell the story, if I could just make this point, about that empty chair of the taxpayer who is not there in the conversation, I want to make the point that when we enact new programs, we never talk to the taxpayer, and the role of government is so dramatically different than it was at the founding of this country.

The first and most important difference is that we did not have an income tax. I think all students of American government know we did not have an income tax. We could not even have contemplated passing the kind of taxes and tax burden.

Mr. BARTON of Texas. It was unconstitutional.

Mr. SHADEGG. Until we amended the Constitution with the 16th amendment. So we did not even contemplate reaching into people's pockets time and time and time again with ever-increasing income taxes to pass that money on to some government program to solve a problem.

But there are dozens of other differences in the role of the Federal Government today. I firmly believe that the Enumerated Powers Doctrine says that this Congress can only do a certain limited number of things. There are actually only 18 enumerated powers in the U.S. Constitution. Yet this Congress does a whole lot of things that it is not supposed to do under that doctrine.

The 10th amendment says you are not supposed to do any of those things, but rather those authorities belong to the States and to the people. Yet the 10th amendment and the Enumerated Powers Doctrine have almost been completely read out of the Constitution.

While I regret that, those are the facts. That means that it is appropriate to amend the Constitution and to say wait; before you raise taxes yet one more time, we are going to make the bar a little higher. We are going to say instead of doing it with a simple majority and stealing that money from the American people yet one more time at a higher rate than today, when it is as high as it has ever been in our Nation's history, you cannot do it with a simple majority. You have to have a broad consensus represented by a two-thirds majority.

That is why I think this amendment at this point in time is appropriate and is not inconsistent with what the Founding Fathers intended.

Mr. BARTON of Texas. As the gentleman from Arizona has pointed out, when the Constitution was ratified by three-fourths of States in 1787 through 1789, it was unconstitutional to have any kind of a head tax or income tax.

That situation changed in the early 1900s. The constitutional amendment making income tax constitutional, the 16th amendment, passed, as the gentleman has pointed out. Since that time, the average marginal tax rate at the Federal level has gone from 1 to over 40 percent. So we do need to pass a constitutional amendment making it more difficult to raise taxes.

Again, it does not take college level algebra to understand this amendment. Two-thirds is a bigger fraction than one-half. Therefore, it would be more difficult to get two-thirds vote to raise taxes in the House and the Senate than the current one-half plus one.

Mr. SHADEGG. If the gentleman will yield quickly on that point, there are a lot of people who are my constituents who say Congressman, why just two-thirds? I would rather it was three-fourths or five-sevenths. They want it to be as high a fraction as possible. I think this is a reasonable figure, and we need to strive very hard to get support for it and encourage our colleagues to vote for it.

Mr. BARTON of Texas. I did a town meeting in Arlington, Texas, last week, and one of my constituents said we ought to make it by unanimous consent, 100 percent, which would be very difficult, indeed.

So we need to wrap this special order up. I want to thank the gentleman from Arizona (Mr. SHADEGG) for his strong leadership. The gentleman from Texas (Mr. HALL) and the gentleman from New Jersey (Mr. ANDREWS), our Democrat chief sponsors, could not be here this evening, but they are quite supportive. We should require a national consensus to raise taxes, and we should require a two-thirds vote.

Hopefully, the people that were polled in the poll that the gentleman alluded to will call their Congressmen and Congresswomen, and tomorrow we will get a bipartisan vote that ends up the requisite two-thirds to pass this and send it to the other body. I look forward to a big vote tomorrow.

ATTACK ON WORKING FAMILIES MUST CEASE

The SPEAKER pro tempore. Under the Speaker's announced policy of January 7, 1997, the gentleman from New York (Mr. OWENS) is recognized for 60 minutes.

Mr. OWENS. Mr. Speaker, we have just returned from a recess, the Easter recess, and I think the period between now and the 4th of July will be a very busy period where the Congress has some business that has to be conducted, and I hope that we will be able to make room on this very busy agenda for some items that I think are of great necessity.

I hope that in the next few months we can see an end to one feature of this Congress that is highly undesirable, and that is the attack on working-class families. The attack on working families must cease. It is counterproductive. It does no good. It is out of step with the present situation in America where we are enjoying unlimited prosperity.

The stock market, the Dow Jones average has jumped to the 9,000 level. It is double what it was 2 years ago. Unprecedented prosperity we are enjoying, and yet at a time like this, the war on working families has been intensified by the Republican majority.

I can speak from intimate experience about this war on working families, because I serve as the ranking member on

the Subcommittee on Workforce Protections of the Committee on Education and the Workforce. So we are having hearings; we are having markups; and I know intimately how this war is intensifying, and it has become a kind of a microguerrilla warfare.

The Republicans did a very strange thing in 1994 when they authored a Contract with America. It had nothing in there about attacking working families. It had nothing in there about attacking unions. There were no antilabor platforms parts of the contract. That was the overt contract.

Obviously, they had a covert contract, because immediately after the Republicans won the majority, in addition to pushing their overt Contract with America, there was an attack started in 1994 on the working families, a steady attack.

That was an attack which was sort of open warfare, out in the open, and with heavy armor. The public could clearly see what was happening; the workers could see what was happening clearly, and we rallied our forces against those people who wanted to end, at one point wipe out the Department of Labor, and then wanted to wipe out the National Labor Relations Board. They wanted to bring OSHA to a standstill.

There were numerous kinds of activities that were undertaken in 1994 that were beaten back. They basically lost their first set of assaults. But now we have a kind of microguerrilla warfare where they are going to chip away at the foundations of the protections for the working families of America. They have come with all kinds of camouflaged attacks.

Now, frequently we have bills that only take one small part of a major piece of labor regulations and law and begin to attack that, chip away at that, in the hope that they will be able to slowly erode and maybe gain some momentum later on for bigger attacks.

So I think that it is time to call a halt to the attack on working families. It should cease at this point. You lost the first phase of the war in the last Congress, so why not let that be a lesson. The new strategy of tactics, I do not think it will work, because if we maintain an open society, if we continue to debate the discussion, the common sense of the American people, the American voters will rise up and pass judgment on those who insist on repeatedly attacking working families.

In this atmosphere of prosperity, where unprecedented amounts of money are being made, and certainly the people in the top 10 percent, the top 20 percent, are doing very well, why even allow ourselves to be consumed with a discussion of how to make the pie smaller for working families? How to oppress working families in terms of their working conditions? How to block benefits from working families?

Why do we not have a more expansive attitude by both parties. Let us have a bipartisan initiative whereby we seek ways to spread the prosperity that we now enjoy to all of the American people, including the workers? We have got the wrong war going, the wrong set of energies being expended at this point. We should focus our energies on how to spread the prosperity, how to use this to make a better, a fairer playing field for workers.

We need a terrain where everybody in America can reasonably pursue happiness, the pursuit of happiness that is mentioned in the Declaration of Independence. It should still be our goal, and everybody should not just have the right to pursue happiness, but we ought to have a fair playing field, a terrain that allows that to happen.

We can do it. It is possible now. No society ever in the history of the world has enjoyed the kind of resources that we have at hand now. So instead of attacking working families, let us look at working families as being a major resource. Our human capital is our major resource.

In this very complex, modern society of ours, it is what happens to the human capital, the people and their minds, and the way they operate, which will determine where our society goes.

So I want to talk tonight about the attack on working-class families and how that ought to cease, and we ought to direct our energies instead towards spreading the resources to guarantee that working families participate in the present prosperity.

There are a number of areas in which the attack on working families does continue. It is quite obvious not too many weeks ago, a few weeks ago, we had one bold initiative brought to the floor here, the Paycheck Protection Act. The Paycheck Protection Act is one of the most dangerous pieces of legislation ever introduced in America. It has not been talked about in the proper context.

What the Paycheck Protection Act is seeking to do is to cut the throat of the working families, cut the throat, the voice, end the voice, completely shut them out of the dialogue, circumscribe our open society, which is so invaluable.

One element, one very strong element, the labor movement, the organized workers, would be destroyed if the Paycheck Protection Act was passed.

The Paycheck Protection Act boldly states that we are going to put unions in a position where they will not be able to function. We will give them so much democracy they will choke to death.

□ 2200

Now, I am going to take some time to talk about this, because it seems to have appeal to some people, whereas the chances of it going anywhere here on Capitol Hill, we would beat it back and the likelihood that it would get passed here is slim.

But the effort by the Republican majority has taken a guerilla warfare approach and spread out, and it now comes through all the States. Many States have introduced legislation very similar to the Federal legislation that was introduced here in Washington, paycheck protection, meaning silence the unions.

We can summarize it by saying it is a bill that says unions have to consult with all the members before they make major decisions. They have to have the approval of all the members on every decision. That kind of democracy is a democracy of death.

Even in a small unit like the family, if you told the person who is going out to shop for groceries, you will need to get approval from us on how you are going to spend this week's grocery money, on all the decisions, you would wipe out the process of being able to have anybody do the shopping. It is that simple.

If you want to destroy America, tell the voters that they have a right to demand from every congressman that they once a year check with them and no decisions can go forward, no actions can be taken, unless they approve it a year in advance.

Any institution can be brought to its knees that way. That is not honoring democracy. That is not exalting democracy. That is using democracy as a weapon. That is going to extremes in order to destroy it.

That is basically what the Paycheck Protection Act says, that unions, unlike corporations or any club that you ever belonged to, there is no institution that operates in a way where it has to get the approval of its members ahead of time for any basic decision. It is impossible to function that way, and yet unions are going to be required to do that.

Unions are already under great restrictions in that they have the Beck decision which, in essence, says a union member has a right to demand that his money not be spent on activities other than those connected with collective bargaining and the benefits that they receive and the administration of those benefits. So they can demand that their particular dues money be separated out in a way which allows it not to be spent for anything except the direct activities related to collective bargaining.

Already, that is almost impossible to administer. There is a whole lot of paperwork. Most unions, of course, are doing that already.

To go one step farther with a Paycheck Protection Act which demands that they lay out their plans, and certainly any positions that they are going to take with respect to public policy must be taken ahead of time,

the union members have a right to do that. So we have that bold step taken which is going for the jugular vein of the union movement, which is an example of how that attempt to oppress working families has taken a new turn. It is more intense than ever.

There are still great problems with Davis-Bacon being still a candidate for ambush behind the scenes. In every major bill related to construction expenditure, on Federal funds on construction, you have the Davis-Bacon ambush waiting, an attempt to put into law something to curb Davis-Bacon or even not allowing certain things to go forward and move.

One of the problems with the school construction initiative is that there are too many of the Republican majority who would, rather than see no schools built, if they have to be built under the Davis-Bacon provisions, they would rather not go forward.

It is really a blind approach, like the woman who came before King Solomon claiming to be the mother of a child, and yet she was willing to see the child cut in half. And Solomon, of course, immediately identified her as not possibly being the mother of the child. How can you be the mother of a child and want to see it cut in half? How can you care about education and worry about the problem of using Davis-Bacon regulations in the construction of schools?

We have a minimum wage problem that nobody wants to discuss. We passed a minimum wage bill 2 years ago. Some people said it would be over their dead bodies, but we managed to do it, and nobody died. Nobody in the Congress had to pay that final price, give the last measure. It passed. Nobody died.

We have gone two steps now. It is unto $5.15 an hour. It is time to increase the minimum wage again, if for no other than reason than to share the wealth.

But there are much better reasons because, as far as working people are concerned, the minimum wage still has not caught up with the years of inflation. We are still behind in terms of the buying power of the dollars that workers receive, so the minimum wage needs to be increased just to bring us one step closer to where the buying power of the dollar is today.

There are some moderate proposals on the table to increase it merely by 50 cents per year for the next 2 years, which would bring the minimum wage up to $6.15. Most workers are way ahead of that already. There are a good number that still need the floor of the minimum wage, but most are ahead of that already. It is only fitting and proper in a time of great prosperity that we increase the minimum wage. At least we can do that.

There are many, many ways to share the present prosperity we enjoy. We could go for a universal health system, a universal health system which guarantees everybody a decent health plan, and stop this kind of approach that we have now, a piecemeal approach which in the end may be costing us more, giving us worse health care and costing us more, to really having a universal, single-payer health plan. That is one way we could spread the prosperity and help us to guarantee the pursuit of happiness on a fair playing field for everybody. But if we do not want to go that far, the minimum, the least we can do, is to guarantee that working people receive a little more money for the hours they put in.

So the minimum wage, Davis-Bacon. We should stop the war on occupational safety and health issues. That still goes on. OSHA is being attacked every day from new angles, chipping away. The attempt to sort of bring OSHA to a standstill and paralyze the agency completely failed.

They did cut the budget. They have a trophy. They drastically cut the budget. They cut the budget of NLRB. They have some trophies to take home in this dangerous war against working families, but it still exists. OSHA is there and needs to be left alone to provide more safety for workers.

We still have a problem of more than 6,000 workers dying in the workplace. We still have a problem with more than 50,000 workers being injured in the workplace. It is not moving rapidly enough. Preventable deaths are still happening as a result of inadequate occupational safety and health procedures.

Migrant and seasonal agricultural workers, they are still trying to chip away at the small protections that they have.

I came back today for a hearing at 2 o'clock related to migrant and seasonal workers, where they are trying to take away the very measly, minimum protections that we have there. Those are the most exploited workers in America.

The fact that they do not give contributions to any party, the fact that a lot of them are immigrants as well as migrants, also lessens their political effectiveness. But a great country does not worry about human beings' capability of making contributions; a great country seeks to protect all of its citizens.

I am certainly glad that Abraham Lincoln did not worry about the fact that the slaves did not have any PACs. They could not give any contributions. The slaves had no political influence. In fact, the career of Abraham Lincoln might have been guaranteed as a rosy career, going on and on with the least amount of stress, if he had just forgotten about the slaves.

I am glad there was something in his American blood that made him care about those who could do nothing for him politically, and he set the slaves free. Migrant workers and a lot of people at the bottom of the rungs deserve that kind of protection, as do all of us.

The Federal Employees' Compensation Act, like Workmen's Compensation at the State level, we have a Federal Employees' Compensation Act which is not very different, but there are assaults on that as being too expensive and too costly. We had a hearing on that about a month ago, the Federal Employees' Compensation Act; FECA, it is called.

What came out of the hearing? That there are large amounts of payments going to workers who have now retired. Twenty-five percent of the payments are going to them, and a large part of that expense that is disturbing so many people is going to the older workers.

Why are there are so many older workers who are getting FECA? Because they had no occupational health and safety provisions years ago when those people were in the workplace, and large numbers became injured with serious injuries.

Preventive measures taken many years ago would have saved us untold numbers of dollars, millions and millions of dollars. But instead of taking those steps years ago to implement the kind of occupational safety and health procedures in the Federal workplace that we should have done, we did not do it, and we have these people now, and we want to prey upon the weak. We want to take away some of their benefits. We want to get very technical and talk about the fact that they should not be getting the money they would have received if they had not been injured, and a whole number of arguments are offered which run against the grain of the American legal system.

If each one of these people who were injured in the Federal workplace had been able, because there was no workmen's compensation, no restrictions on them, been able to go and sue in court, they would have gotten far more money for these injuries, probably far more.

They do very well in these cases. Many are open-and-shut kinds of cases, because the Federal Government has not been so generous. They challenge people who say they have injuries, and they challenge people who have disabilities, and it is not easy to get the compensation. But that attack on old workers who have gone out of the work force, who worked for the Federal Government, that attack is one of those attacks that is most despicable, but it goes on.

So I am here to talk about that, and I mentioned the Paycheck Protection Act first because it is important that we understand what is involved.

They are able to oppress the workers and squeeze them tighter, although why we should squeeze workers more I

do not know. Now with unprecedented prosperity, a Dow Jones average of 9,000, and the stock market roaring ahead, why we are preoccupied with squeezing workers? But whatever facets of human nature are driving this effort to oppress working families, it is there.

In order to do that, they feel they have to have a closed society. They have to get rid of the one voice out there that is able to keep pace with the Republican contributors. The Republican contributors are predominantly corporations, big business, people who may be misguided enough to believe that they have to squeeze more out of the workers.

How do the workers get to be the enemy, when the evidence and the facts show that the workers are not the enemy, they are part of the success of the American system? Why that cannot get through, we do not know, but that is the case.

They want to silence the one element that in the last election was able to stand up and challenge the multi-billion dollar electioneering process of the Republican party. Only organized labor could produce money out there to put issue ads in front of people and make them think about what was happening with Medicare, Medicaid, the minimum wage or any vital issue that had to be discussed in a way which required maximum visual exposure on television or radio. It was organized labor that was the one opposition voice that across the country could be mounted against the Republican majority's open-ended expenditures.

So the decision has been made to go after them, to cut off their voice, to end our open society.

The debate will be far more one-sided than it is now. Even with labor, organized labor, able to expend $1 million to get the other point out there, it is still a lopsided argument. The expenditures of soft money with respect to the Republican party versus the Democrats, who were supported by labor unions, was at least more than 20 to 1, the soft money. The rest of the money, it was like between 7 and 10 to 1 on the hard money. So it is way out of kilter in terms of the kind of money being spent. They want it to go even further. Let us wipe out any well-financed opposition totally.

George Soros, who happens to be a billionaire, and I commend him because I do not think that this discussion has to be stratified in terms of here are the rich here, and the poor over here, and all rich people are foolish enough to believe that they have to wage war against working people. I do not think all rich people are foolish enough to believe they have to wage war against working people. I do not think all corporations are foolish enough or misguided enough to think they have to wage war against working people.

In fact, the biggest corporations that make the most money have unions. They have not gone to great lengths to prevent the formation and continuation of unions. Unions are shrinking in size, and it is interesting that the American economy now, you know, is more and more a smaller set of entities.

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The businesses are in smaller units and that is part of what is happening with respect to the decreasing number of people who organize. We also have not kept pace with our labor laws and our National Labor Relations Board. It is too difficult to organize in these smaller units, and there are various reasons that I do not want to go into tonight why we have fewer unionized workers, but certainly we do not want a situation where the kind of opposition and strong national voice that unions can mount will be silenced.

George Soros talks about nothing is more important at this point in American history. We are so prosperous and so successful and there is no competing superpower. Nothing is more important than keeping an open society, whatever has to be done to keep an open society where we have a large number of newspapers and we have got a voice there, we have voices there that compete with each other, we have voices on television and radio that compete with each other. We have a society where the dialogue is not all forced to go one way.

Of course, we say we have freedom of speech. That is part of the Constitution. So why are we worried about that? It so happens that despite freedom of speech and despite the Bill of Rights, if one does not have money or resources, constitutional rights begin to get very weak. The fact of modern society is that we are going to have to take a look at the relationship between money and resources and rights, and one of the rights is freedom of speech.

George Soros says one of the great problems in totalitarian societies, and certainly in the case of the Soviet Union, was that it was a closed society. The Soviet Union has probably a higher literacy rate than America and most countries in the world. The Soviet Union, which put Sputnik up before we had a thing up there in space and put up a space station and had great rocket power and the power to land ballistic missiles, we think to mount intercontinental missiles and have them land, be deployed in Russia and land here, all of that great, very well-organized, very competent, scientifically competent society came crashing down. It came crashing down.

I agree with the analysis that says it is primarily because it was a closed society. Even if there are brilliant people, if they are making decisions in a closed circle and something goes wrong, and they all begin to go in the same direction and there is nothing to come in from the outside to make them get the perspective or correct it, then there is a problem.

Certainly when political decisions are overwhelming everything else, the scientists begin to look stupid. The financial masterminds, they are overridden. No matter what science, evidence, reason says, if the decision-makers at the political level are going wrong and there is nothing to correct them, no force will make them correct themselves, then that closed society becomes the engine for doom because the blundering and the decision-making will carry them downward and downward in a faster spiral.

Ridiculous things were being done, and still are to some degree, by a great Soviet society, a closed society. I will not say whether it was communism or socialism that brought them down. Closed capitalist societies suffer the same problem, and we have totalitarian societies that have also been closed, and some still are. They are capitalists but they are Fascists or they are totalitarian. They suffer the same problems.

And we have some semi-democratic societies. There is a rash now of problems in the Asian countries. The great Asian economic miracle, there is a problem now. Part of it is because they have so many dictators and patriarchs and old ways of doing things that will not allow other voices to come in which could challenge that closed society.

So labor should not be silenced. We are an indispensable Nation, the President says, and I think in order to remain an indispensable Nation with great resources we are going to have to keep the society open. And the last thing we want to see is a Republican majority victory over labor which puts the voices of the working families in chains.

We are an indispensable Nation and we must see workers as being indispensable, an indispensable part of our indispensable Nation. This term "indispensable Nation" was used by President Clinton, and I heartily agree that America at this point is an indispensable Nation.

We have to make up our minds about how we want to behave as an indispensable Nation. But the Roman Empire was merely a village compared to the American colossus. What we are now would make the Roman Empire look like a village. The American colossus is something that has never existed before on the face of the earth. It is a totally new phenomenon.

We do not have an empire which we maintain with bullets and guards and tanks. We are not oppressing anybody anywhere in the world in order to make them accept our influence, our systems. We have a great deal of influence without that.

Our popular culture probably is the most widespread phenomenon on the earth. That has no bullets and no tanks behind it. The American colossus as a successful economic system is now being emulated and imitated. And because it is so successful, and not all of the things that have been done would I endorse in this process of being successful, but it is a successful economic system compared to the other economic systems now, so dollars are going to flow at greater and greater rates into the American coffers.

Our stock market is up primarily because we are not demanding tribute from the rest of the world. The nations of the rest of the world, at least their investors and their capitalists, are bringing their tribute, are bringing their dollars to invest in our economic system. The Wall Street phenomenon, the stock market rise, the Dow Jones average increase, all of that is being driven by large amounts of money flowing in from all over the world. All roads used to lead to Rome. All roads now lead to Wall Street and the stock exchange, All money and all investment, because this is the place to put it. That is one part of our prosperity.

This American colossus ought to become for the working families a new phenomenon where we can guarantee that everybody will have a right to pursue happiness on a terrain that is reasonable. We do not want a worker's paradise. We do not want to use terms like that. When the rhetoric gets carried away by politicians and economists or we jump into the Bible, beware. Do not listen to anybody that says they are going to create a paradise. We are not going to create heaven on earth through a secular process. We are not going to create a paradise, but the least we can do is have a playing field where working families have a chance to make it.

We are a pivotal generation with an abundant supply of resources, and we ought to be thinking in terms of how can we use those resources to guarantee the most good for the most people.

We could mount big initiatives of many kinds. I do not have a list of initiatives that I would propose, but one thing I would propose is that we at least consider how can people who go out to work every day get a greater share of the pie? How can people that go out to work every day be rewarded for their labor in a way commensurate with the kind of money being made at the top, with the kind of prosperity being generated by the overall economy?

The Romans, and I have heard this example used at least twice over the last weekend. I think somebody has written a book on taxes and I do not unfortunately have the name of the person. I apologize to them.

But they use an example in the book that the Romans at one point had so much tribute being paid to them, that Rome decided that they had so much money coming in that they would just give a certain amount of money to every Roman family. They did not include the immigrants, maybe. They had to be a real Roman, and every Roman family got a set amount of money regardless of what they did. They did not have to do any work for it, and there was something like 200,000 Romans at that point who lived in Rome and who qualified for the money and they distributed it.

It was like a positive subsidy program. It could not be called welfare because it was a considerable amount of money. They did not have to work anymore. I suppose they had servants and slaves and others who were not Roman citizens.

But according to this example, the Romans in the surrounding countryside heard about Rome giving out the money and they began all to come into Rome and demand similar subsidies, and that broke the bank and broke the system. But it is kind of an example used to ridicule subsidy, ridicule the distribution-of-wealth theory, ridicule any kind of social system which sought to spread the prosperity of the Nation to the most people.

I do not think it is ridiculous. I do not think we should give subsidies to people and tell them every family deserves this money and they can take it and not have to work. I think the Saudi Arabians had so much money that that kind of thing was happening in Saudi Arabia. I do not think that is a wise step, but we certainly could spread the resources some other way. We could spread it through universal health care, and certainly through minimum wage increases, and we could stop oppressing workers in their working conditions.

The Romans also were great builders. They invented the science of engineering and they invented concrete. They were also depraved in many ways, and one of the great concrete monuments that they built was the Colosseum, which was built as a place where animals fought human beings. Gladiators fought each other and that was too boring, so they started having animals devour human beings, and there was something sick there. We know about how a society can be very advanced on the one hand scientifically and be very savage and backwards in many other ways.

We saw what the very well-organized and scientifically equipped Wehrmacht of Hitler did. We saw what a very civilized group of people, civilized in the usual sense of the word, did in World War II, and we have seen many examples of that in many places before. The fact that they were great builders and engineers did not mean that they knew how to make choices about the fact that they were indispensable and get a sense of mission that would make them rise above certain weaknesses.

Building for them was an indispensable activity, and our public buildings also will be the first evidence that we have for future generations to measure us by. We may have great poets and dramatists, but in the future the thing that is going to be most highly visible is our buildings and our public buildings are very important.

Which brings us back to the fact that it is a great shame that the war against working families leads to a situation where there is such a preoccupation with trying to prevent Davis-Bacon regulations from being utilized that we are stifling and inhibiting the process of building more public schools. There are a lot of other public buildings we need, but public schools we need most of all. $120 billion, according to the General Accounting Office, $120 billion is needed to just bring the infrastructure of public schools across America up to date.

The fact most of those buildings at this point would have to be under the Davis-Bacon regulations if they had Federal funding leads many Members of the Republican majority say, no, we will not do it. We would rather have no schools than to have them built under Davis-Bacon regulation.

It is very interesting that the Republican majority wages war on Davis-Bacon, and I have said this before and I must use it again and again to remind the Republican Majority of how ridiculous what they are doing is. Davis-Bacon is a Republican creation. Davis-Bacon was enacted, was really sponsored and supported by the Hoover administration. And that is one of the ironies.

Just to refresh the memory, Davis and Bacon were both Republicans. It was in 1927, in a time of economic prosperity, particularly in the construction industry, when representative Robert L. Bacon, who was from New York, a Republican from New York who was also a former banker. Davis-Bacon originated in the head of a banker. He introduced the forerunner of what would become the Federal Davis-Bacon Act.

Alarmed by increasing incidents of cutthroat bidding for Federal contracts by itinerant contractors, itinerant contractors using low-wage labor and as a result producing shoddy construction, Robert Bacon moved to protect Federal construction contracts. At that time shoddy construction was a major threat to a massive Federal building program that Members of Congress had just authorized. They had authorized a massive building program. And it was not the workers, the only thing they were concerned about, the wages of the workers at local level was a concern, that being undercut by the itinerant contractors, but also shoddy construction. Remember that.

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With the help of Senator James Davis of Pennsylvania, a former Secretary of Labor under three Republican Presidents, James Davis, Senator James Davis had been a Secretary of Labor under three Republican Presidents, the bill was passed. And in 1931 Republican President Hoover, Herbert Hoover signed the Davis-Bacon into law. Convinced of the law's benefits, Congress went on to incorporate Davis-Bacon labor standards into more than 60 Federal statutes. That is where it all originated.

There was a time when the Republican Party did not feel a great compulsion, some kind of blind passion to wage war on workers. There was a time when this was not the case. At this point in history, it is not the case. Every piece of legislation which has an opportunity for Federal funds to be appropriated for building is immediately subjected to scrutiny, and the possibility of a Republican ambush.

School construction, as I said before, is one of the casualties. School construction has been used as an example. It costs more to build schools if you use Davis-Bacon, if you build them under Davis-Bacon, which requires prevailing wages. Prevailing wages are not necessarily union wages.

Prevailing wages, in some instances, in some States, are really minimum wages. It has gone down to that in a few States; that the minimum wage in cases of some people, beginning laborers and even bricklayers in one State, were close to the minimum wage. That was the prevailing wage. So it is not something fixed in stone. It is not something unreasonable and irrational and wasteful, but Davis-Bacon does maintain some kind of standards.

Two sets of studies done by a professor at the University of Utah quite a number of years apart have come up with the same results; that Davis-Bacon regulations prevailing wages, whether the prevailing wages are under Davis-Bacon Federal statutes or under local State prevailing wage statutes, they do not drive up the cost of school construction.

What they found is that when you take away the prevailing wages statutes, whether you, at the State level they have taken away, several States have repealed their State prevailing wage statutes where if State money was being utilized and no Federal money was being utilized, they would not be subjected to the prevailing wage requirement. That has happened.

What has happened is that the workers wages have always gone down. But the cost of construction has either remained the same or gone up. What you have is the contractors walk away with a bigger profit. That is what the great war against Davis-Bacon is all about. There are contractors, large numbers of them, very powerful who want to make quick kills. They want to go in and make as much money as possible and get out. They know that untrained workers, people who are not receiving Davis-Bacon prevailing wages, often do shoddy work, but they do not care. They are willing to take their chances on litigation.

There has been so much of that, so many contractors out there who fight Davis-Bacon; who fight prevailing wages; who want a jungle. They want to be able to go in a wild situation, and be able to work their will and get maximum profits. So many of them out there have ruined the atmosphere and the environment for construction to the point where there are now large numbers of business people, including the Business Roundtable, who have concluded that they would rather deal with Davis-Bacon contractors.

Davis-Bacon contractors who work under Davis-Bacon regulations and are willing to do it, not fighting it, they have set up systems for training workers. They have done more to combat discrimination in the construction industry than any other set of forces or laws have done.

Yes; there is still construction industry discrimination in many places. I will not argue there is not. But the Davis-Bacon workers, with their training programs working with the government, stabilizing situations have made a great number of gains in terms of ending discrimination for people who are in those training programs, and allowing them to rise through the ranks, as well as creating a well-trained, stable force.

We are going to find ourselves in a situation where we do not have enough trained sheet metal workers, plumbers and bricklayers. We are going to find ourselves in a serious situation if we do not do a better job of training. Of course, the contractors, the itinerant contractors, the guys who want to make the quick kill, they do not care about the future. They only care about making a quick kill. We have had buildings fall down, school walls fall down as a result of sloppy work.

New York City, we had, in the middle of the city, we had enormous traffic jams for almost a month because the bricks were falling off the side of a building. The quick-kill artists, the itinerant contractors had done such a good job of covering up who they were, they could not find out who was responsible for the bricks that were falling out so they could sue them or make them put it back up. It was just the whole game that certain parts of the contracting industry play; whether they go out of business, go bankrupt, appear under some other name, all the games are easier to play when you are not among the more responsible contractors who are willing to participate in the Federal program that is going to train workers and cooperate with Davis-Bacon.

So the Business Roundtable came to the conclusion that they were going to consider, even though they were private contractors and not obligated to use Davis-Bacon contracts, they were going to consider setting the standard whereby as they bid on, they put out the bids, they were going to call for contractors to be participating in the Davis-Bacon program.

Each construction project should be considered a monument for the future, not so much because we are worried about being in the future generations looking back on us as Greeks or Romans and praising us for our great buildings. But the buildings have to be safe; they have to be functional. There are many large residences, co-ops, condominiums where people have had to pay large amounts of money, big prices and still find themselves suffering from leaking roofs and plumbing that does not work, all kinds of phenomena that arise as a result of the wild cat, quick-kill contractors who have no standards.

But the Republican majority refuses to accept the evidence. They want to make war on Davis-Bacon and they continue. We have had hearings in the last 2 or 3 years, several hearings on Davis-Bacon. We had an attempt to smear Davis-Bacon as an inevitably crooked operation. Take the Oklahoma example and make it apply all over the country. We have refused in our hearings, I will not say we because I am just a Democrat. The Republican majority, which controls the subcommittee and the committee, they refuse to listen to responsible representatives of the contracting industry.

Yes; of course they will not listen to workers. They do not want to listen to unions. They want to silence unions. But here are businessmen, the Mechanical Electrical Sheet Metal Alliance is one of them. They begged our committee to allow it to testify; let us come and talk to you. It did not happen.

In fact, I have a letter here which I would like to enter into the RECORD, and it is a letter from the Mechanical Electrical Sheet Metal Alliance where they say, on behalf of the Mechanical Electrical Sheet Metal Alliance, a coalition of more than 12,000 construction contracting corporations in the specialty sector of the construction industry, I want to propose a number of administrative improvements to the Davis-Bacon Act. We believe these administrative initiatives, if implemented, would significantly improve the quality, accuracy and timeliness of the prevailing wage determination process.

The Mechanical Electrical Sheet Metal Alliance is a coalition of members of the Mechanical Contractors Association of America and the National Electrical Contractors Association and

the Sheet Metal and Air Conditioning Contractors' National Association. It represents more than 12,000 construction contracting firms nationwide which exclusively employ more than 540,000 union trades people with state-of-the-art technical abilities.

I will include this letter for the RECORD:

THE MECHANICAL ELECTRICAL SHEET METAL ALLIANCE,
March 20, 1998.

Mr. BILL GROSS,
Employment Standards Division, U.S. Department of Labor, Washington, DC.

DEAR MR. GROSS: On behalf of the Mechanical Electrical Sheet Metal Alliance, a coalition of more than 12,000 construction contracting corporations in the specialty sector of the construction industry, I want to propose a number of administrative improvements to the Davis-Bacon Act. We believe these administrative initiatives, if implemented, would significantly improve the quality, accuracy and timeliness of the prevailing wage determination process.

The Mechanical Electrical Sheet Metal Alliance is a coalition of members of the Mechanical Contractors Association of America (MCAA), the National Electrical Contractors Association (NECA) and the Sheet Metal and Air Conditioning Contractors' National Association (SMACNA). It represents more than 12,000 construction contracting firms nationwide which exclusively employ more than 540,000 union trades people with state-of-the-art technical abilities. Alliance contractors hold a growing market share of more than 60 percent of the nation's non-residential construction activity. Alliance contractors annually train over 90,000 apprentice and journey persons upgrade training at a cost exceeding $175 million. These union contractor firms and their local association chapters sponsor over 1,000 local training programs staffed by approximately 5,600 instructors utilizing equipment and facilities owned by the training programs valued at more than $500 million.

The Alliance fully supports Employment Standards Administration (ESA) efforts to improve the wage determination process and the quality, accuracy, and timeliness of the wage rates. We support efforts to find new ways to administer the process with greater efficiency so that the resources saved can be used on increased compliance measures.

Mechanical Contractors Association of America, Inc., National Electrical Contractors Association, Sheet Metal and Air Conditioning Contractors' National Association, Inc.

One example of business and labor, business and working families who are not afraid to work together, and as a result of working together under a government regulation, a government regulation which, by the way, was constructed by Republicans, Herbert Hoover, Bacon, Davis, all Republicans. It made sense then; it makes sense now.

Republicans, call off your war on Davis-Bacon. Do not make war on Davis-Bacon. It does not make sense. It is out of step with reality. It is out of step with the present situation where we have unprecedented prosperity, and we should be seeking ways to spread that prosperity. Republicans, call off your war against the minimum wage increase.

Let us go forward and get behind the more, the most reasonable bill. I really think we should increase the minimum wage to the level of the livable wage. In New York, we have a provision now for all people who contract with the city of New York. They must pay a livable wage, which is above the minimum wage. We ought to go for that, but the realities of the situation are that the President and Senator KENNEDY in the Senate and Mr. BONIOR, minority leader here, they all agree that we can take, and it is doable now, more modest steps at 50 cents an hour in two steps over the next 2 years.

So 50 cents an hour increase on January 1, 1999, is proposed, and another 50 cents an hour increase on January 1, 2000. That means that in the year 2000 workers will be earning $6.15 an hour. In this indispensable Nation where the Dow Jones average is at 9000 and philanthropists are making billion-dollar contributions now, why can we not at least without too much discussion or further delay and more fighting by the Republican majority go on to increase the minimum wage by a dollar over a 2-year period?

Three polls taken in January of 1998 show that the American people overwhelmingly support an increase in the minimum wage. The Washington Post, Los Angeles Times and Peter Hart research poll showed support for raising the minimum wage ranging from 76 to 78 percent. Seventy-eight percent of the American people want an increase in the minimum wage. It is political; you cannot lose, Republican majority. Join us for a minimum wage increase.

The last increase in the minimum wage has not cost jobs. According to a new study released by economists David Card and Alan Krueger, employment in the fast food industry in eastern Pennsylvania actually went up by 11 percent after the 1996 minimum wage increase.

The Economic Policy Institute recently released a study entitled, "The Sky Hasn't Fallen," which determined that employment was not adversely affected by the last increase. They had a study, Pennsylvania did not have a State minimum wage higher than the Federal minimum wage. New Jersey had a minimum wage already, a State minimum wage higher than the Federal minimum wage.

When the Federal minimum wage went up, New Jersey was not affected because it was already above that level. But Pennsylvania, the industries in Pennsylvania had to raise their minimum wage. They studied the fast food industry in Pennsylvania and the fast food industry in New Jersey, and they found that Pennsylvania industry did not suffer any loss of profits at all compared to the New Jersey situation where they already were there. It was equal. There was no difference. Pennsylvania did not suffer as a result of having its fast food workers begin to earn more pay via the minimum wage.

Consider the fact that today a single mother with two children working full time at a minimum wage job earns $10,700 a year. That is $2,600 below the poverty line as defined by the Federal Government. An increase of $1 an hour only partially restores some of the lost buying power of this person. On and on it goes.

There are studies that show that the minimum wage does not hurt the economy even in times of normal economic growth. In a time like this when our GPI, the other measures of prosperity, Dow Jones average, leaping forward, surely we can at least spread the wealth by increasing the minimum wage.

There are many other labor issues, which I mentioned before that should be considered as we call upon the Republicans to end what I call now a microguerilla warfare. They are chipping away behind the scenes. Remember in January of 1997, we passed a bill on this floor which took away cash overtime. Fortunately, it has not gone any further. The other House has not considered it. But it is out there. This Congress passed it. It is still alive in this session. We took away the overtime and replaced it with comp time. That war on workers may hurt most of all, and people cannot get cash.

I remember I offered on this floor an amendment which said, okay, if you want to compromise, let us offer your compromise where people who are in the highest strata earning salaries, and they want more time to spend with their kids instead of more money, let them. Those who earn a certain amount of money above the minimum wage level, I think the figure was something like $11,000, everybody who earned less than $11,000 a year should be exempt from that requirement that they take their overtime in comp time instead of cash because they need the cash.

Can you consider people making $11–$12,000, how much they need the cash? That exemption made so much sense, but it was not permitted. It was voted down on the floor and we passed the bill anyhow. It is out there somewhere. The guerilla tactics means that one day as the session approaches the end, we may have the Republican majority offering that again here on the floor.

I close by saying that that is just one of the many microattacks; that is one of the many ambushes we have to fear. The bigger attack is still proposition 226 in California. That is what is similar to the Paycheck Protection Act here. California has the Paycheck Protection Act out there in a proposition.

□ 2245

California has done a lot of damage with propositions lately. And the referendum proposition 226 will require

unions to get annual approval of individual members before they can use any dues money for political purposes. If approved, the California proposal will become law in July and will greatly limit labor's role in November's pivotal gubernatorial election.

Here is the political process directly being affected. If that proposition passes, labor gets crippled. Backers of the California initiative said they plan to spend at least $10 million. Polls show that 70 percent of the voters support the proposal.

A lot of people are misguided and think this is democracy. They think we should have more democracy, unions should be more democratic. I say this is the kind of democracy that we choke on, this is the kind of democracy designed to destroy and kill organizations.

Similar proposals have been introduced in 30 other States and are actively being pushed by conservative and business groups. Supporters say these groups expect to spend $20 million outside of California this year.

This is the threat. This is the guerilla attack now coming up through the States. They will not win here this year. But if they can generate enough momentum through the States, we will have in the not-too-distant future a bill which gags working families. The voice of the working family would be shut out of the dialogue and the debate. America would no longer be an open society. It would be an endangered society.

CORRECTION TO THE CONGRESSIONAL RECORD OF THURSDAY, MARCH 26, 1998, PAGES 4926 TO 4931

GOP NATIONAL SALES TAX IS BAD IDEA

The SPEAKER pro tempore. Under the Speaker's announced policy of January 7, 1997, the gentleman from New Jersey (Mr. PALLONE) is recognized for 60 minutes as the designee of the majority leader.

Mr. PALLONE. Mr. Speaker, this evening the Democrats plan to discuss the Republican plan to abolish the Tax Code and replace it with either a flat tax or a sales tax.

I yield at this point to the gentlewoman from Connecticut (Ms. DELAURO).

Ms. DELAURO. Mr. Speaker, I thank the gentleman from New Jersey and I also thank my other colleagues who were on the floor and those who are coming tonight to join in this special order to talk about the need to cut taxes for working middle-class families and to reveal the true cost, as my colleague from New Jersey pointed out, the true cost of a dangerous Republican proposal to impose a national sales tax on the American people.

We have heard quite a bit lately from our Republican colleagues about tax reform. But behind the rhetoric and the calls to "scrap the code," that mantra, if you will, repeated over and over again to scrap the code, behind the rhetoric of that phrase lie some very radical and some dangerous proposals that will actually raise taxes on working families and cut taxes for the wealthiest 1 percent of taxpayers.

I think we all agree that that is not reform, that is not what we are about. Abolishing the Tax Code, replacing it with a sales tax is one of those kinds of easy-listening proposals that Republicans are famous for. If you will, it is the legislative equivalent of elevator music; we might find ourselves humming along. But when we snap out of it, we realize that we hate the song. We have all had this happen to us.

The Republican national sales tax is a very bad idea. My Republican colleagues argue that a national sales tax would be simple and it would be fair. But take a closer look at it and we find that there is nothing simple or fair about it.

A national sales tax is not simple. In fact, several renowned economists have declared a national sales tax as unworkable. Even the conservative Wall Street Journal has panned the proposal and highlighted concerns about administration and about enforcement.

A national sales tax is not fair. The Brookings Institute says that of the GOP sales tax, "The sales tax would raise burdens on low- and middle-income households and sharply cut taxes on the top 1 percent of taxpayers." That is not fair.

The GOP national sales tax proposals call for replacing all individual and corporate taxes with a 23 percent sales tax. But there is a new analysis by Citizens for Tax Justice that shows that the actual rate would be at least 30 percent. That means the American people would pay 30 percent more for everything. They would pay a 30 percent tax every time they opened their wallet. Talk about being nickeled and dimed to death.

What does that mean to the average middle-class family? Let us take a look. This week U.S. News and World Report did a cover story on the cost of raising a child in today's world. It is an astounding piece. According to U.S. News, for a child born in 1997, a middle-class family will spend $1.4 million to raise that child to age 18. This is the cover of U.S. News and World Report this week, "The Real Cost of Raising Kids." Would my colleagues believe it is $1.4 million a piece? Put a 30 percent tax on top of that and we are looking at life for working families under a GOP national sales tax.

Let us take a look at a few examples of what a 30 percent tax means in real life. This is a box of diapers. It costs $23 today. Add a 30 percent GOP tax of $6.90 and we have the GOP price of $29.90. Let us take a look at what it costs for a pair of children's shoes. They cost about $20. Add the GOP sales tax, which is about $6, and we are paying $26 for the same pair of shoes.

Let us take a look at a box of cereal, and we all want to give our kids cereal. We want to make sure that they are healthy. The price is $2.99 today. The GOP tax of an additional 90 cents would bring the price of a box of Kellogg's Raisin Bran, Two Scoops of Raisin Bran here, up to $3.89.

Let us take a look at a loaf of natural grain bread. Price $2.59. GOP tax, 78 cents. GOP price, $3.37.

And what about baby food? Price 45 cents. GOP tax, 14 cents. GOP price, 59 cents.

This gives my colleagues some idea of the reality of a national sales tax and a 30 percent increase in that tax. Of course, we all know that children's shoes get more and more expensive. We saw here. So if they take a look at what happens as they grow up and they have a child that is a teenager, his or her shoes could cost $120. Add a 30 percent sales tax, and they are looking at a $36 tax, bringing the cost to $156. It is no wonder that, according to U.S. News and World Report, the cost of clothing a middle-class kid to age 18 costs $22,063.

My colleagues will see on this chart that the GOP sales tax would increase that cost significantly. I think it is important to take a look at this chart. This is the GOP 30 percent sales tax list for working families, the cost of raising a child.

If my colleagues will bear with me, housing, today's cost is $97,549. The GOP 30 percent sales tax would add $29,000. We are looking at a price tag from the GOP of $126,000.

Food, $54,795. Add to that the 30 percent sales tax of $16,400. We are talking about $71,000 to provide food for our kids.

Transportation costs, $46,000. Add $13,000 from the GOP tax, bringing it up to $60,000 to provide transportation for their child.

Clothing, $22,000; an additional $6,600, $28,600 in providing clothing for their child.

Health care, $20,700; $6,200 additional from the GOP tax; 26,000, almost $27,000 to provide health care for their child.

Day-care, $25,600; an additional $7,700; $33,300 to provide day-care for their child while they are working and trying to make ends meet and scrambling every month to pay the bills.

Miscellaneous costs, whatever it costs to raise kids, and we know that they are not all set and pat, we never know what is going to come up, $33-, almost $34,000. An additional $10,000 is what we would have to pay because of the 30 percent sales tax that the Republicans are talking about, bringing the total up to $44,000.

The cost of a college education, every family wants to be able to send their children to college if they can afford to do that. And if a child can get into a college today, it is $158,000 to send a child to college.

□ 2100

You would have to add a 30 percent sales tax to that, another $47,000, making it $205,000 to get your kid to school. What are working families in our country to do today? It is incredible what they are talking about with this 30 percent sales tax. That is what the Republican sales tax would mean in real terms to real families in this country.

Let me just take one other group, because there is one group that would be hit harder than others by the Republican sales tax, and that is the senior citizens in this country. Senior citizens would gain nothing, nothing from the elimination of income taxes since most are retired and many pay no income tax. But a 30 percent sales tax would hit seniors on a fixed income right between the eyes. That is where it hits these folks. One of the most burdensome expenses that is faced by senior citizens is the price of medication. All of us when we go to senior centers, when we go to senior housing, that is what we hear about, is what they are paying for medication and for their prescription drugs which many of them need to lead productive and healthy lives. We have taken a look at five of the most common medications used by seniors and looked at how the 30 percent Republican sales tax would impact those prices. Bear with me. These are monthly costs. For blood pressure medication, $110 now, the sales tax would add an additional $33, GOP price tag, $143 a month for blood pressure medication. Arthritis, it is now $75 a month for medication, add another $22.50, bringing that cost to almost $100 a month for senior citizens, again people on fixed incomes. Diabetes, $125 today, $37.50 through an additional 30 percent sales tax, bringing the total cost per month to $162.50. It is incredible what we would be doing to senior citizens in this country. Heart disease, $90, $27 additional in sales tax, $117 is the final cost to them per month for again seniors, elderly, people who are on fixed incomes. Our mothers, our fathers, paying this cost per month. An inhaler, $80 a month today, the tax would add another $24, bringing the cost per month to senior citizens to $104. This is really incredible and outrageous of what they would add to the cost of people who are frightened to death that these later years, instead of being the golden years, are the lead years, when they are most vulnerable and we are going to add these kinds of costs to medications that they need.

We need to have a real debate about reforming our tax system. I believe everybody here believes that. We need to cut taxes for working middle class families. We are for cutting taxes for working middle class families. This proposal moves us in the wrong direction. In fact, the Brookings Institute study of the GOP sales tax found that taxes would rise for households in the bottom 90 percent of the income distribution while households in the top 1 percent would receive an average tax cut of over $75,000. Millionaires get tax breaks and working families and senior citizens will be paying more. That is not reform. That is just so blatantly unfair to working families today.

Let me open the conversation to my colleagues. I am sorry I took so long, I truly am, but it is important to put this in context. We need to be doing this every single day and every single night in this body to make the people of this country understand what our Republican colleagues and the Republican majority are talking about with a national sales tax. A bit later we can talk about some of the things that the Democrats have done and would like to do to cut taxes for working families. Let me yield now to the gentleman from Michigan (Mr. BONIOR), the whip of this House.

Mr. BONIOR. I thank my colleague for her comments and for laying this out. I tell the gentleman from New Jersey (Mr. PALLONE) and the gentlewoman from Michigan (Ms. STABENOW), who were here before me, that I will not take a lot of time but I thank them for being here and for participating in these remarks this evening. I think the gentlewoman has really demonstrated quite well and quite vividly the inequity here with the GOP 30 percent sales tax hike, which hits particularly hard those on fixed incomes, our senior citizens, as she has so well demonstrated, with the cost of medication for those who are suffering from blood pressure, arthritis, diabetes, heart disease or those who have lung problems.

This is really a loony idea, this whole sales tax thing. There is no other way to describe raising the sales tax 30 percent on American working men and women in this country, particularly those on a fixed income. I think the figure that the gentlewoman from Connecticut mentioned earlier with respect to the Brookings Institute and Mr. Gale's study is very interesting. William Gale of the Brookings Institute, a wonderful scholar, said taxes would rise for households in the bottom 90 percent. That means 90 percent of those people who are paying taxes today in America would have their taxes go up as a result of this. The top 10 percent would probably do okay. The top 1 percent would get about a $75,000 a year tax reduction out of this plan. This is so skewed, so regressive, so top heavy to the wealthy that it is sad. It is very tragic and it is very sad. The gentlewoman has given some very wonderful examples there. I liked the raisin bran particularly. I like raisin bran. I eat it in the morning. What else has she got there? Some bread.

Ms. DELAURO. Natural grain. We have children's shoes. Kids grow out of shoes very, very quickly.

Mr. BONIOR. In my district and in the district of the gentlewoman from Michigan (Ms. STABENOW), we have automobiles. It is a big thing in our districts. Under the plan, an economy car that now costs about $12,000, there is another example here, I am giving one that costs 12, would cost about $14,600. Under the proposal that the gentlewoman from Michigan has, you take a family car priced at $21,000, the GOP tax is about $6,500 and that price goes up to $28,000, which is out of the range of many, many families today. In addition to that, you are talking about a modest home that would cost $100,000 today, you add $30,000 onto it, you are up to $130,000 with a home purchase with this tax.

I would like to just, if I could, for one second move to another, this is loony tune number two, this is the flat rate tax that my colleagues on the other side of the aisle seem to be in love with. Let us just take a look at what this does.

This is the Armey flat tax. It is going to raise taxes on working families. The green marker right here is what is paid percentwise in taxes now for people who make 25, 50, 100, 250,000 and 1 million a year. Under the Armey tax plan, flat tax plan, those who make $25,000 a year or more will have this much of a jump, from roughly less than 4 percent almost up to 12 percent for their tax increase. Those who make $50,000 a year will have a tax increase, roughly about 12.5 percent, their tax increase will go up to maybe 16, 17 percent. Those who make $100,000 a year will even have a tax increase under the Armey plan, not very much, but about a 1 percent increase. But those who make a quarter of a million dollars a year, you get a tax cut and a big one. If you make a million bucks a year, you get an even bigger tax cut under the Armey flat tax plan. Basically what this plan does, it raises taxes substantially for the middle income people, between $25,000 and $100,000 a year, substantially, and then it gives a huge bonus to the very people at the top, those who need it the least, turning over the whole concept of progressive taxes.

I just wanted to come to the floor today to thank my friends for their concern on this issue and to raise some of these concerns with the American people today. Tax day is coming up, in terms of our income taxes. They ought to know that there are some very strange proposals that are being taken seriously out there and they ought to be leery of them and look at them very carefully.

Ms. DELAURO. Let me just ask my colleague from Michigan, with the

Armey flat tax, what happens to unearned income?

Mr. BONIOR. Unearned income, under the Armey proposal the last time I saw it, is not taxed.

Ms. DELAURO. These are stocks and bonds.

Mr. BONIOR. It is not taxed. If you make your money off the stock market or off of bonds, you do not have to pay a tax on that. That has got to be made up somewhere, so we can pay for the roads and for the military and for our national parks and the other things we do. Of course that is going to be taken out by who, well, these people here, the 25, the 100,000, here they go, up the red markers go, more taxes.

This is a huge tax shift, from working people to the wealthiest people in our society. What is so disturbing about this is that when we look at what happened to incomes over the last 20 years, it is the top 25, 20 percent in our country that have done extremely well. But everybody else below that have either stayed level in terms of their income ability, earnings, or they have fallen. Of course those at the bottom have fallen tremendously, over 25, 30 percent over the last decade or so.

The whole progressivity of what we are about as a party in terms of helping working, middle income families who are squeezed every day is being turned upside down by these regressive sales tax and flat tax proposals that the GOP is offering.

Mr. PALLONE. If I could point out another thing that is very unclear, it seems to me, and maybe the gentleman would respond to that right now, because he mentioned sale of a home, which is included in this proposal for the sales tax. We have people, homeowners that rely very heavily on mortgage interest deductions and also in my State, and I think many States, you can also deduct your local property taxes from your income tax. It is not at all clear to me that this would continue.

Mr. BONIOR. It would not under the Armey plan. Maybe the gentlewoman from Michigan who really knows these tax issues extremely well might want to comment on that.

Ms. STABENOW. If I might, just to add to what really is the burden under these proposals, not only would we lose the home mortgage deduction but on top of the price, and to continue with the charts, if we are looking at a $155,000 house, not only would the GOP price be $201,000, but under the sales tax proposal, this also taxes the insurance premium you pay every month, it taxes the electric bill that you have in your house, it taxes all services. I wanted to add that on top of what you have talked about, which is so important, in health care and so important as it relates to manufactured goods and so on, we are talking about every time we do something. So not only for the blood pressure medicine or the arthritis medicine, it is going to the doctor that will add 30 percent. We are now going to make doctors sales tax collectors, 30 percent. They have to now collect it.

We will be creating a whole new group of tax collectors, shifting the burden on to small business people and professionals. We will see a wide range of services that will now be taxed. If you go to the barber shop, add 30 percent, if you go to the dry cleaner, add 30 percent, if you come home to your house, not only is your house payment up 30 percent but again everything related to your home is up 30 percent. We are talking about a use tax literally on everything.

Let me mention a couple of other things that I think are very critical to this. As we look at higher education, we have all worked very hard to provide tax breaks so that more people can go to college, more people can go back to school, get job training. Tuition and fees are exempt from the retail sales tax, but room and board is not. My daughter starts school at Michigan State University next fall. She will live in the dorm. Under this proposal, I would be paying 30 percent more for her dorm room, 30 percent more for her books, 30 percent more for her food. If she lived off campus, 30 percent more for her rent. So we are not just talking about goods, we are talking about literally everything that we do.

Let me add something else, because there are several other things, very interesting, in this proposal. This proposal eliminates a number of different taxes. It eliminates all of the excise taxes on alcohol and tobacco, right at a time when we are saying that we ought to be doing more to discourage, particularly children, from smoking.

□ 2115

Mr. BONIOR. So you are saying that this eliminates the taxes on tobacco and on alcohol, and it raises by this amount the taxes on prescription drugs for blood pressure and arthritis and diabetes and heart disease, and all of that it raises it to a huge 30 percent.

Ms. STABENOW. Absolutely. Which makes no sense whatsoever.

Ms. DELAURO. I think your point, and please, you have got some wonderful data and personal experiences here, but the point you were making about we are in the midst here of trying to reduce smoking amongst youngsters, kids.

Ms. STABENOW. That is correct.

Ms. DELAURO. Middle school kids. And we found, all the studies have found that you add $1.50 a pack, it reduces the smoking. So, really, we are running at cross purposes here.

Ms. STABENOW. It is really crazy.

Another thing that we found today in analyzing this bill is that it also eliminates the funding for the highway trust fund.

Now, this is particularly crazy, because we are in the process right now of passing a very important bill, one that we fought for hard in Michigan to be able to increase our fair share. We have not in Michigan over the years received our fair share, and we worked very hard to do that. But in the middle of this, it eliminates a wide variety of excise taxes and trust fund taxes, one being the highway trust fund.

So in so many ways, this particular bill makes no sense. It eliminates those taxes, it raises taxes on seniors, middle-income people. I do not know where we get the dollars then for the highway trust fund; I think that is an important question to ask.

Mr. PALLONE. Is it not also true, the way I understand this sales tax, this national sales tax, that the 30 percent sales tax will also be attached to goods and services that local and State governments purchase? So is it not likely that my local property taxes or even my local—you know, my State taxes are also going to go up another 30 percent because of the fact that this national sales tax is added.

Ms. STABENOW. The other part that I might add that also adds on top of that, my city of Lansing will pay, for instance, 30 percent more for a police car. But this proposal also counts the wages of public employees as taxable, as value in terms of the sales tax. So the police officer in that car will pay 30 percent more on top of their wages. Either the local unit will pay it, or they will have a new income tax essentially on the wage of that police officer, that firefighter, that school teacher, because it taxes wages of government employees.

So we are going to see the taxes go up for people who serve us in local communities at the same time local units will have to pay 30 percent more to provide the service.

Mr. BONIOR. We are likely to see huge property tax increases in this because the local community, in order to afford the EMS, the ambulance, the police car and the wage structure that you just talked about, is going to have to come up with the resources, and that means property tax.

So this is a huge shift, not only from income, but it is a huge shift on sales tax and on property taxes as well.

Mr. PALLONE. You know, I have to say another thing too. It is very difficult for me to trust the fact that these other taxes are going to go away and this new sales tax is going to take their place. I mean we do not have a national sales tax, we never had a national sales tax, and I would be very reluctant to suggest that somehow now all of a sudden we are going to allow this door to open where this whole new Federal tax is going to come into play, but we are going to assume that the

Federal income tax and all these other taxes somehow are going to disappear.

So it bothers me to think that a precedent is even being set of establishing a new type of national tax that we have not had before, because it opens up a Pandora's box essentially, and I would be fearful of that in itself, just based on historical precedence.

Ms. STABENOW. And I would add, I know that the small business community is extremely concerned about that issue. Today we have been debating various issues related to small business, paperwork reduction, and so on, but the reality is that every small business, professional or retailer or manufacturer, will now become a tax collector for that sales tax.

And on top of that, the National Retail Federation, and I would quote, based on the last session's bill, this bill was put in last session, it has been put in in the same form this session. So last session when this bill was in front of us, in front of the Congress, the National Retail Federation said between 1990 and 1994 the retail industry created 708,000 new jobs. A study by Nathan Associates shows that a national sales tax would destroy 200,000 retail jobs over a similar period. Adding these jobs lost with the 708,000 that will not be created, we could result in a net impact of almost 1 million fewer jobs. This is the National Retail Federation talking about small business loss because there will be fewer people buying at Christmastime.

What are the headlines we always read? What are the retail sales, the concern of retailers that people be purchasing? This cuts down on purchasing, it eliminates jobs.

So this is a job killer on top of everything else.

Mr. PALLONE. You know the amazing thing to me, because you started to talk about implementing this, is that we have—you know, I understand we do a fairly good job compared to what would happen with the sales tax in terms of collecting taxes now, but it seems to me you are talking about a 30 percent sales tax. You are going to get a lot of cheating, it is going to be difficult to enforce. And you know here the Republicans and Democrats alike have been talking about trying to reform the IRS, and we have actually made some significant changes because we do not want them becoming like a police force cracking down.

Would you not have to do a tremendous amount of enforcement? Would not the IRS become even more, have to have more money and a larger budget in order to enforce this kind of a sales tax?

Ms. STABENOW. And on top of that. I would just indicate that one of the things we have heard over and over again from the other side of the aisle is that we are going to eliminate the IRS under this proposal. We will eliminate the IRS as we know it. In the bill it transfers all the powers of the IRS to a new Sales Tax Bureau. So the name is gone, but the powers are still there. So then we have to talk about reforming a sales tax bill.

I mean what we need to be doing is talking about ways to reform the system for taxpayers, not just playing around with the name, and that is what this does. It changes the name, and then it drops down and requires every businessperson now and every person that has never collected sales tax, like a doctor, like attorneys, accountants, anyone in any kind of business on their own that is providing service, a plumber, electrician, and so on, they now become a tax collector and have to report that to the government.

So this is certainly anti-small business.

Ms. DELAURO. I think it also, as our colleague from New Jersey pointed out, I mean it leaves you turning everybody, if you will, into a tax collector. You then have an enormous amount of room here for error, for fraud, for all kinds of things that are happening. It seems to me to be a multiplier effect here.

And I think the point you made before, that Mr. PALLONE made before, about folks are so skeptical about, you know, what taxes are going away before you begin to impose another 30 percent on whatever they are doing. And you know the public is smart. They are getting hammered, especially working families are getting hammered, and they have no guarantee over what is going to go away ultimately and what is going to be imposed on them.

I think the point that you made is so—really about the wage earner, the government wage earner; what happens with the property tax, in addition to which what happens to your own wages. So you are going to get hammered several times over on tax issues when people are feeling choked today by taxes, working people are.

I know in my State of Connecticut, I mean that is the cry that I hear about all the time, you know, that wherever they turn, there is another tax that they are paying.

Ms. STABENOW. Well, they certainly will feel that even more under this particular proposal, and right at a time when we have just passed a series of tax cuts, $95 billion in tax cuts. We have been able to focus more cuts on education. The ability for people to be able to go to school, all of those things would be gone.

In Michigan when I was a State senator, I sponsored the State's largest property tax cut. I am not interested in seeing this shift back and seeing property taxes go back up in the State of Michigan or in any State.

And so we are talking about those taxes that the average person pays. It is very easy for a wealthy individual to pick and choose what extra things they are going to buy, but the average person who is buying the house, sending the kids to school, needing to buy the clothes, the food, the car and so on, most of our income goes back out again in purchasing things, and that is why we see that shift that has been talked about onto middle-income and lower-income people, because we do not have as much discretionary income with which to decide whether or not to purchase items. Most of what we bring in, we are turning around and we are purchasing something with it.

Ms. DELAURO. I think it is worth pointing out what our colleague, Mr. Bonior, talked about in terms of the flat tax proposal and people who are dealing in stocks and bonds and unearned income, and they are not paying any taxes on that. So what you are saying is that those people who work in the workplace day in and day out, they are the folks who are getting socked with the additional taxes, in addition to which you are going to take away with the mortgage deduction and some of the other tax relief, if you will, that middle-class families have been counting on, relying on, surviving on.

So you are really hitting them again twice. You know, they are picking up the slack for the folks who are holding the stocks and bonds, and then getting hammered again on things that they have counted on, that American dream and owning that home, and not being able to take the mortgage deduction.

Mr. BONIOR. I am flabbergasted. I do not know what more to say. I mean, I just cannot believe these things are being offered. It really is quite staggering. The problem is that we have unfortunately let them get away with portraying this as an innocent, wonderful thing for the American working family, when in fact it is just the opposite. And I think as it gets more exposure and people understand the regressivity and the inequities in it, I think it falls flat on its face, pardon the pun, and I do not think it is going anywhere.

I mean. It is just like this other proposal that my colleagues on the other side of the aisle have had now to do away with—have a drop-dead date on the Federal income tax. I think it is going—it just goes out of business in X year. Well, what does that do to the small business person or the businessperson in terms of planning, when they do not know what it is going to be substituted with; whether they are going to substitute it with this 30 percent sales tax; are they going to substitute it with this regressive flat tax? I think not.

When the American people figure this all out, they are not going to want either of these provisions. I think they want our present code to be leaner and trimmer and slimmer, and they want

us to focus in on the things that the gentlewoman from Michigan mentioned: education, as we did in the last tax bill; they want us to focus in on tax credits for child care; they want us to be selective; and they want us to help average working families.

And I think that you could go overboard, and certainly these two proposals, the sales tax 30 percent increase and the flat tax by Mr. Armey, way overboard.

Ms. STABENOW. If I might also add that I do believe that the people I represent want to see a less complicated tax system, want to see it fairer. And I do, too. And they also want to see IRS reformed, which we passed in the House. It has not yet been taken up in the Senate, very important IRS reforms, changing the burden of proof from the taxpayer to the IRS in Tax Court, very significant changes that need to be moving quickly.

One of the things I am concerned about is that we have passed IRS reform in the House, it has not been taken up yet in the Senate, and that needs to happen, so that we can—we need to be calling on the majority in the Senate to be bringing that up, because while we talk about the proposals that do not make sense for middle-class families and working people, we do know that there needs to be change and that there needs to be positive things.

It is a question of where our values are, who it is that we believe needs to see tax cuts and tax reform. And my vote goes with small business people, family-owned farms, middle-class families working hard to make ends meet. Those are the folks who have not seen the same wage gains and have felt the burden, too much of the burden, on taxes.

And so those are the folks I want to see helped, not the kinds of proposals that have been submitted on the other side of the aisle that will just increase their taxes.

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Mr. PALLONE. Maybe we could talk a little bit, because I know the gentlewoman from Connecticut mentioned about how Democrats have fought for tax relief, in the time that we have left this evening. We have been basically fighting for families that really need the relief, those with children who are trying to save for their kids' education and their own retirement. As the gentlewoman from Michigan mentioned, thanks in large part to Democratic efforts, the Federal tax burden on families in the middle-income distribution and below has fallen since 1984.

There is an analysis by the Treasury Department that found that the average Federal income tax rate for a median family of four in 1988 will only be 7.8 percent, down from 10.3 percent in 1984. This is the lowest income tax burden for a median family since 1966.

These historically low income tax rates are as a result of Democratic policies. If I can mention a few, some of them have already been alluded to, and that is the expansion of the earned income credit in 1993 that cut taxes for millions of families with children; the $500-per-child credit the Democrats ensured would be available to moderate-income families. In addition, Democrats proposed the HOPE education scholarship tax credit to help families afford postsecondary education for the children. And in 1988, Democrats had proposed expansion of the child care tax credit to increase the amount of the credit from 30 percent to 50 percent of expenses and make it available to more families. So Democrats also support efforts to reduce the marriage penalty.

We are trying to reduce and we have been successful in reducing the tax burden for families in middle-income families with children who have to pay for education expenses, who have to pay for child care expenses. These are the kinds of tax reforms and tax cuts that we need to continue with.

I am very proud of the fact that we, as Democrats, have emphasized those targeted tax credits rather than the kind of crazy schemes that we are hearing from the other side.

Mr. Speaker, I yield to the gentlewoman from Connecticut.

Ms. DELAURO. I think that it is so important because not only can we not let folks get away with passing off these programs as a savior to working middle-class families, but when you go beneath the surface, you find out how seriously they are going to hurt working families. We should not let them get away with that, "the fact is that Democrats are not for tax cuts."

We have started that process over the last several years. It continues so that people can take advantage of a Tax Code and the tax credits to get their kids to school; to be able to afford the child care; that that small business that you speak so eloquently about has the opportunity for reducing health care costs; or for expanding their business and being able to get the tax relief on equipment that they might buy, and raising those percentages.

There were a whole series of capital gains tax cuts that went into effect for small businesses who ought to be able to take advantage of that, and farmers. And those continue. The benefits continue as pieces of these things get phased in, because I would venture to say today that people are not seeing, immediately, the results of some of these things, so that it is ongoing. We need to be working at that, increasing those opportunities and those targeted tax cuts. That is where they ought to be going. Those are the folks we ought to be helping at this point.

We ought to be helping seniors cope with fixed income, with a higher rate of illness, perhaps, so that these costs do not skyrocket for them. That is the way we bring some opportunity in folks' lives to be able to raise their standard of living, if you will.

Those who are at the upper end of the scale have these opportunities. Nobody is denying that. They can also be more selective in which taxes they are paying. They have different kinds of shelters, different kinds of opportunities within the Tax Code. I will not even call them loopholes, they are opportunities in the Tax Code, to take advantage of in some way. Working middle-class families do not have those opportunities.

Ms. STABENOW. If I might give just an example.

Ms. DELAURO. Sure.

Ms. STABENOW. In the last tax debate, when the original bill came to the floor, that was basically the Republican tax bill, we did not see an immediate increase in the exemption for the State tax for small businesses, family-owned businesses, and family-owned farms. It was a phased-in amount that you could exempt that was over 10 years. It really was not very much.

I have been hearing, particularly from my family-owned farmers, and also family-owned businesses, about the need it be exempting more of that income when there is a death and be able to protect that income. We fought hard. I voted no on that original bill because it did not have that in it. We have worked very, very hard.

When the final bill was written as a result of our initiatives, we have now exempted $1.3 million for family-owned farms, started this January, $1.3 million for family-owned farms or family-owned businesses. This is the amount of money you do not now have to pay taxes on in your estate. And this was a value that we had about family business and family-owned farms. We fought hard for it, and we were able to make the change.

So we have been moving. We have been taking the proposals and making them better and working very, very, very hard to make sure that we are focusing on families, we are focusing on middle-income people, small businesses, and so on.

I would mention one other thing that we are now working on, and that is, in working with the President in his new pension proposals for small business, I am very pleased to have introduced a bill that will give a tax credit over 3 years for small businesses that set up pension plans for their employees, another important use of the Tax Code in terms of tax relief.

We have now 51 million people working hard every day for small businesses, working full time, no pension; 40 million of those in small businesses with less than 100 employees. So we now are working on an effort to allow that small business to write off the

cost of setting up a pension plan so that those people working hard every day, who need that pension when they retire, will have the opportunity to do that.

Mr. PALLONE. Reclaiming my time, I just wanted to mention, I appreciate the comments that the gentlewoman from Michigan and the gentlewoman from Connecticut made, because I think the bottom line is that you are talking about targeted tax cuts that help the average working family.

I wanted to say, though, you know, that just for those who think that perhaps the Democrats do not have an alternative, we really have the only new tax system, if you will, new proposal out there that sweeps away the old Tax Code, but at the same time provides fairness. This is the one that was introduced by our Democratic leader, the gentleman from Missouri (Mr. GEPHARDT).

It is the only major tax reform proposal that retains the progressive rate structure and ensures that this new system is fair. It is a 10 percent tax plan that has been offered by our House Democratic leader, the gentleman from Missouri (Mr. GEPHARDT), recognizing that the Tax Code is too complex and filled with special interest tax breaks that result in higher tax rates for middle-income families.

So what the gentleman from Missouri (Mr. GEPHARDT) has proposed is basically ratifying and simplifying the system and cutting taxes for 70 percent of families with children, with income between $20,000 and $75,000. Under his plan, more than 70 percent of all taxpayers would have a tax rate of 10 percent or less.

This proposal by the gentleman from Missouri also eliminates the marriage penalty by making the standard deduction in tax brackets for couples double those for single people. It eliminates special interest tax breaks. Very important.

You keep reading on a regular basis, particularly around April 15, about all these special interest tax rates. It eliminates them. It eliminates the role of the army of lobbyists who now dominate tax policy discussions. We see them around here. Every one of us has seen these people. This is the time of year when we see them the most.

It calls for a commission to identify and recommend elimination of wasteful and unwarranted corporate tax and spending subsidies. I think this is something we should look at. This is a Democratic proposal by our leader. It stands for a tax system that is fair and simple, in the event you want to look at an alternative.

Ms. DELAURO. I think what is important to mention there, it also maintains that home mortgage deduction, again, which is so critical to families today. As I say, that is part of the American dream. I just wanted to point out, because I know the gentlewoman from Michigan, if you will, she is a technology maven, you know, and is there all the time pushing as how we need to move families and so forth to take advantage of technologies, the way our kids are going to get ahead and so forth.

I think it is interesting in terms of this sales tax here, in every family, kids are coming home today, "Why can't I have a computer? I would like a computer. Why don't have one? You know, Mary has one. Jessica has one. Freddie has one. What about us?"

Well, hold up the chart. I think it is important to note that chart. Family computer, today's price is almost $2,000. It would add an additional 30 percent, another $600, bringing the cost of a family computer to almost $2,600, you know, for the most part, trying to put it out of the reach for working families. They are trying to respond to their kids to allow their kids to get ahead.

It is wrong. This is not what we ought to do. Let us target our tax credits to working families, to small businesses, to small farmers. Let us take a look at that Tax Code. Let us make it simpler. Let us make it easier. These catchwords scrap the code. They are radical. They are dangerous.

We are going to make it our mission here to continue to have these conversations so that the American public knows that they are being sold a pig in a poke. We are going to bring it to their attention so that they do not get fooled by this dangerous and extreme rhetoric.

Mr. Speaker, I think we will be up on our feet again on this issue.

LEAVE OF ABSENCE

By unanimous consent, leaves of absence were granted to:

Mr. BATEMAN (at the request of Mr. ARMEY) for today and the balance of the week on account of illness.

Mr. RUSH (at the request of Mr. GEPHARDT) for today on account of official business in the district.

Mr. UNDERWOOD (at the request of Mr. GEPHARDT) for today and Wednesday, April 22, before 12 noon, on account of official business in the district.

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 Ms. NORTON) to revise and extend their remarks and include extraneous material:

Ms. NORTON, for 5 minutes.

Ms. MILLENDER-MCDONALD, for 5 minutes.

Mr. HINCHEY, for 5 minutes.

Mrs. MALONEY of New York, for 5 minutes.

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

Mr. PAUL, today and on April 22, for 5 minutes each day.

Mr. MCINNIS, today, for 5 minutes.

Mr. GREENWOOD, today, for 5 minutes.

Mr. GILCHREST, today, for 5 minutes.

Mr. KNOLLENBERG, on April 22, for 5 minutes.

Mr. SCARBOROUGH, on April 22, for 5 minutes.

Mr. HULSHOF, today, for 5 minutes.

Mr. JONES, on April 28, for 5 minutes.

Mr. RAMSTAD, today, for 5 minutes.

Mr. ROGAN, on April 22, for 5 minutes.

Mr. MCCOLLUM, today, for 5 minutes.

Mr. WHITFIELD, today and on April 22, for 5 minutes each day.

Mrs. MORELLA, today and on April 22, 23 and 24, for 5 minutes each day.

Mr. WELDON of Pennsylvania, today, for 5 minutes.

Mr. SMITH of Michigan, on April 22 and 23, for 5 minutes each day.

EXTENSION OF REMARKS

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

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

Mr. TRAFICANT.
Mr. RANGEL.
Mr. HAMILTON.
Mr. SCHUMER.
Mr. MENENDEZ.
Mr. SHERMAN.
Mr. CARDIN.
Mr. BONIOR.
Mr. LANTOS.
Mr. MARKEY.
Mr. ORTIZ.
Mr. SKELTON.
Mr. KIND.
Mr. BLAGOJEVICH.
Mr. ETHERIDGE.
Mr. KILDEE.
Mr. DEUTSCH.

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

Mr. RADANOVICH.
Mr. THOMAS.
Mr. GIBBONS.
Ms. EMERSON.
Mr. NEY.
Mr. SHUSTER.
Mr. PAPPAS.

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

Mr. SAXTON.
Mr. HALL of Texas.

ENROLLED BILLS SIGNED

Mr. THOMAS, from the Committee on House Oversight, reported that that

committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker pro tempore (Mrs. MORELLA) on April 8, 1998:

H.R. 1116. An act to provide for the conveyance of the reversionary interest of the United States in certain lands to the Clinton Independent School District and the Fabens Independent School District.

H.R. 2843. An act to direct the Administrator of the Federal Aviation Administration to reevaluate the equipment in medical kits carried on, and to make a decision regarding requiring automatic external defibrillators to be carried on, aircraft operated by air carriers, and for other purposes.

H.R. 3226. An act to authorize the Secretary of Agriculture to convey certain lands and improvements in the State of Virginia, and for other purposes.

SENATE ENROLLED BILL SIGNED

The SPEAKER pro tempore (Mrs. MORELLA) announced her signature to enrolled bills of the Senate of the following titles on April 8, 1998:

S. 419. An act to provide surveillance, research, and services aimed at prevention of birth defects, and for other purposes.

S. 493. An act to amend title 18, United States Code, with respect to scanning receivers and similar devices.

S. 1178. An act to amend the Immigration and Nationality Act to modify and extend the visa waiver pilot program, and to provide for the collection of data with respect to the number of nonimmigrants who remain in the United States after the expiration of the period of stay authorized by the Attorney General.

BILLS PRESENTED TO THE PRESIDENT

Mr. THOMAS, from the Committee on House Oversight, reported that the committee did on the following date present to the President, for his approval, bills of the House of the following titles:

On April 17, 1998:

H.R. 1116. An act to provide for the conveyance of the reversionary interest of the United States in certain lands to the Clint Independent School District and the Fabens Independent School District.

H.R. 2843. An act to direct the Administrator of the Federal Aviation Administration to reevaluate the equipment in medical kits carried on, and to make a decision regarding requiring automatic external defibrillators to be carried on, aircraft operated by air carriers, and for other purposes.

H.R. 3226. An act to authorize the Secretary of Agriculture to convey certain lands and improvements in the State of Virginia, and for other purposes.

ADJOURNMENT

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

The motion was agreed to; accordingly (at 10 o'clock and 47 minutes p.m.), the House adjourned until tomorrow, Wednesday, April 22, 1998, at 10 a.m.

OATH OF OFFICE MEMBERS, RESIDENT COMMISSIONER, AND DELEGATES

The oath of office required by the sixth article of the Constitution of the United States, and as provided by section 2 of the act of May 13, 1884 (23 State. 22), to be administered to Members, Resident Commissioner, and Delegates of the House of Representatives, the text of which is carried in 5 U.S.C. 3331:

> "I, AB, do solemnly swear (or affirm) that I will support and defend the Constitution of the United States against all enemies, foreign and domestic; that I will bear true faith and allegiance to the same; that I take this obligation freely, without any mental reservation or purpose of evasion; and that I will well and faithfully discharge the duties of the office on which I am about to enter. So help me God."

has been subscribed to in person and filed in duplicate with the Clerk of the House of Representatives by the following Members of the 105th Congress, pursuant to the provisions of 2 U.S.C. 25:

Honorable MARY BONO, Forty-fourth, California.

OATH OF OFFICE MEMBERS, RESIDENT COMMISSIONER, AND DELEGATES

The oath of office required by the sixth article of the Constitution of the United States, and as provided by section 2 of the act of May 13, 1884 (23 State. 22), to be administered to Members, Resident Commissioner, and Delegates of the House of Representatives, the text of which is carried in 5 U.S.C. 3331:

> "I, AB, do solemnly swear (or affirm) that I will support and defend the Constitution of the United States against all enemies, foreign and domestic; that I will bear true faith and allegiance to the same; that I take this obligation freely, without any mental reservation or purpose of evasion; and that I will well and faithfully discharge the duties of the office on which I am about to enter. So help me God."

has been subscribed to in person and filed in duplicate with the Clerk of the House of Representatives by the following Members of the 105th Congress, pursuant to the provisions of 2 U.S.C. 25:

Honorable BARBARA LEE, Ninth, California.

EXECUTIVE COMMUNICATIONS, ETC.

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

8394. A letter from the Congressional Review Coordinator, Animal and Plant Health Inspection Service, transmitting the Service's final rule—Commuted Traveltime Periods: Overtime Services Relating to Imports and Exports [Docket No. 98-022-1] received April 14, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

8395. A letter from the Congressional Review Coordinator, Animal and Plant Health Inspection Service, transmitting the Service's final rule—Commuted Traveltime Periods: Overtime Services Relating to Imports and Exports [Docket No. 98-017-1] received April 14, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

8396. A letter from the Congressional Review Coordinator, Animal and Plant Health Inspection Service, transmitting the Service's final rule—Brucellosis; Increased Indemnity for Cattle and Bison [Docket No. 98-016-1] received April 1, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

8397. A letter from the Congressional Review Coordinator, Animal and Plant Health Inspection Service, transmitting the Service's final rule—Oriental Fruit Fly; Removal of Quarantined Area [Docket No. 97-073-5] received April 14, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

8398. A letter from the Congressional Review Coordinator, Animal and Plant Health Inspection Service, transmitting the Service's final rule—Official Pseudorabies Tests [Docket No. 96-013-2] received April 7, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

8399. A letter from the Administrator, Food Safety and Inspection Service, Department of Agriculture, transmitting the Department's final rule—Use of Glycerine as a Humectant in Shelf Stable Meat Snacks [Docket No. 95-038DF] (RIN: 0583-AB97) received March 31, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

8400. A letter from the Administrator, Agricultural Marketing Service, Department of Agriculture, transmitting the Department's final rule—Onions Grown in South Texas; Decreased Assessment Rate [Docket No. FV98-959-1-FIR] received April 13, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

8401. A letter from the Administratior, Agricultural Marketing Service, Department of Agriculture, transmitting the Department's final rule—Grapes Grown in a Designated Area of Southeastern California; Revision to Container Requirements [Docket No. FV98-925-2 FIR] received April 13, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

8402. A letter from the Acting Administrator, Agricultural Marketing Service, Department of Agriculture, transmitting the Department's final rule—Revision of Laboratory Service Fees [Docket Number S&TD-97-001] received April 7, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

8403. A letter from the Administrator, Food Safety and Inspection Service, Department of Agriculture, transmitting the Department's final rule—Pathogen Reduction; Hazard Analysis and Critical Control Point (HACCP) Systems—Sample Collection—Technical Amendments and Corrections: Direct Final Rule [Docket No. 97-056DF] (RIN: 0583-AC40) received April 1, 1998, pursuant to

5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

8404. A letter from the Administrator, Food Safety and Inspection Service, Department of Agriculture, transmitting the Department's final rule—Carrageenan, Locust Bean Gum and Xanthan Gum Blend Used as a Binder in Certain Cured Pork Products [Docket No. 96-01 4DF] (RIN: 0583-AC16) received April 1, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

8405. A letter from the Administrator, Food Safety and Inspection Service, Department of Agriculture, transmitting the Department's final rule—Designation of the State of Florida Under the Federal Meat Inspection Act and the Poultry Products Inspection Act [Docket No. 97-050F] received April 1, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

8406. A letter from the Administrator, Agricultural Marketing Service, Department of Agriculture, transmitting the Department's final rule—Fees for Destination Market Inspections of Fresh Fruits, Vegetables and Other Products [Docket Number FV-97-302] (RIN: 0581-AB51] received April 1, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

8407. A letter from the Administrator, Department of Agriculture, transmitting the Department's final rule—Limes and Avocados Grown in Florida; Establishment of a Continuing Assessment Rate for Limes and a Decrease in the Continuing Assessment Rate for Avocados [Docket No. FV98-911-1 FR] received April 7, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

8408. A letter from the Administrator, Department of Agriculture, transmitting the Department's final rule—Nectarines and Peaches Grown in California; Revision of Handling and Reporting Requirements for Fresh Nectarines and Peaches [Docket No. FV98-916-1 IFR] received April 7, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

8409. A letter from the Manager, Federal Crop Insurance Corporation, Department of Agriculture, transmitting the Department's final rule—Apple Crop Insurance Regulations; and Common Crop Insurance Regulations, Apple Crop Insurance Provisions [7 CFR Parts 405 and 457] received April 7, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

8410. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Propiconazole; Extension of Tolerance for Emergency Exemptions [OPP-300633; FRL-5781-7] (RIN: 2070-AB78) received March 31, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

8411. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Hexythiazox; Extension of Tolerance for Emergency Exemptions [OPP-300631; FRL-5779-2] (RIN: 2070-AB78) received March 31, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

8412. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Bacillus thuringiensis subspecies tolworhti Cry9C Protein and the Genetic Material Necessary for its Production in Corn; Exemption from the Requirement of a Tolerance [OPP-300612; FRL-5770-4] (RIN: 2070-AB78) received April 7, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

8413. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Rimsulfuron (N-((4,6-dimethoxypyrimidi -2-yl)amincarbonyl)-3-(ethylsulfonyl)-2-pyridinesulfonamide); Pesticide Tolerance [OPP-300639; FRL-5784-4] (RIN: 2070-AB78) received April 7, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

8414. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Cyprodinil; Pesticide Tolerance [OPP-300643; FRL-5785-1] (RIN: 2070-AB78) received April 8, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

8415. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Clethodim; Time-Limited Pesticide Tolerance [OPP-300642; FRL-5784-9] (RIN: 2070-AB78) received April 6, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

8416. A letter from the Administrator, Rural Utilities Service, transmitting the Service's final rule—General Information, Organization and Functions, and Loan Making Authority [7 CFR Part 1700] received April 8, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

8417. A letter from the Administrator, Rural Utilities Service, transmitting the Service's final rule—Rural Utilities Service Water and Waste Program Regulations [7 CFR Parts 1942 and 1951] received April 8, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

8418. A letter from the the Director, the Office of Management and Budget, transmitting the cumulative report on rescissions and deferrals of budget authority as of April 8, 1998, pursuant to 2 U.S.C. 685(e); (H. Doc. No. 105-237); to the Committee on Appropriations and ordered to be printed.

8419. A letter from the Under Secretary for Acquisition and Technology, Department of Defense, transmitting the Secretary's Selected Acquisition Reports (SARS) for the quarter ending December 31, 1997, pursuant to 10 U.S.C. 2432; to the Committee on National Security.

8420. A letter from the Assistant Secretary for Defense Programs, Department of Energy, transmitting the letter stating the Department's plans to submit the Stockpile Stewardship Plan by April 30, 1998, pursuant to Public Law 105-85; to the Committee on National Security.

8421. A letter from the Director, Office of Personnel Management, transmitting the proposal for the Department of Defense Civilian Acquisition Workforce Personnel Demonstration, pursuant to Public Law 105-85; to the Committee on National Security.

8422. A letter from the Assistant to the Board, Board of Governors of the Federal Reserve System, transmitting the System's final rule—Equal Credit Opportunity [Regulation B; Docket No. R-0978] received April 1, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Banking and Financial Services.

8423. A letter from the President and Chairman, Export-Import Bank of the United States, transmitting a report involving U.S. exports to Russia, pursuant to 12 U.S.C. 635(b)(3)(i); to the Committee on Banking and Financial Services.

8424. A letter from the General Counsel, Federal Emergency Management Agency, transmitting the Agency's final rule—National Flood Insurance Program (NFIP); Standard Flood Insurance Policy (RIN: 3067-AC73) received April 1, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Banking and Financial Services.

8425. A letter from the Federal Trade Commission, transmitting the Twentieth Annual Report to Congress on the administration of the Fair Debt Collection Practices Act, pursuant to 15 U.S.C. 1692m; to the Committee on Banking and Financial Services.

8426. A letter from the Secretary of Education, transmitting Final Regulations—Early Intervention Program for Infants and Toddlers with Disabilities (RIN: 1820-AA97) received April 14, 1998, pursuant to 20 U.S.C. 1232(f); to the Committee on Education and the Workforce.

8427. A letter from the Chief Executive Officer, Corporation for National Service, transmitting the Corporation's Fiscal Year 1996 Annual report; to the Committee on Education and the Workforce.

8428. A letter from the Assistant General Counsel for Regulations, Department of Education, transmitting the Department's final rule—Early Intervention Program for Infants and Toddlers with Disabilities (RIN: 1820-AA97) received April 14, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Education and the Workforce.

8429. A letter from the Deputy Executive Director and Chief Operating Officer, Pension Benefit Guaranty Corporation, transmitting the Corporation's final rule—Allocation of Assets in Single-Employer Plans; Interest Assumptions for Valuing Benefits [29 CFR Part 4044] received April 8, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Education and the Workforce.

8430. A letter from the Secretary, Consumer Product Safety Commission, transmitting the Commission's final rule—Safety Standard for Bicycle Helments [16 CFR Part 1203] received April 14, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

8431. A letter from the Director, Regulations Policy and Management Staff, Department of Health and Human Services, transmitting the Department's final rule—Expedited Safety Reporting Requirements for Human Drug and Biological Products; Correction [Docket No. 93N-0181] (RIN: 0910-AA97) received March 31, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

8432. A letter from the Director, Regulations Policy and Management Staff, Department of Health and Human Services, transmitting the Department's final rule—Listing of Color Additives Exempt from Certification; Canthaxanthin [Docket No. 93C-0248] received March 31, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

8433. A letter from the Director, Regulations Policy and Management Staff, Department of Health and Human Services, transmitting the Department's final rule—Food Additives Permitted for Direct Addition to Food for Human Consumption Sucralose [Docket No. 87F-0086] received April 6, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

8434. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Light Truck Average Fuel Economy Standard, Model Year 2000 [Docket No. NHTSA-97-3130] (RIN: 2127-AG72) received April 7, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

8435. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Air Quality Implementation Plans; Delaware New Source Review [Docket No. DE-12-5886; FRL-5990-2] received March 31, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

8436. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of State Implementation Plans; Minnesota [MN49-01-7274a; MN50-01-7275a; FRL-5990-6] received March 31, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

8437. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Announcement of Competition for EPA's Brownfields Job Training and Development Demonstration Pilots [FRL-5989-1] received March 31, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

8438. A letter from the Administrator, Environmental Protection Agency, transmitting the Agency's determination that the Clean Air Act provides the Agency sufficient legal authority to protect public health and the environment from air toxics falling into the Great Lakes, Lake Champlain, Chesapeake Bay and many U.S. coastal waters; to the Committee on Commerce.

8439. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Deletion of Certain Chemicals; Toxic Chemical Release Reporting; Community Right-to-Know [OPPTS-400082D; FRL-5785-5] (RIN: 2070-AC00) received April 20, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

8440. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Air Quality Implementation Plans; Vermont; VOC Regulations [VT-006-01-1219a; A-1-FRL-5998-1] received April 20, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

8441. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Air Quality: Revision to Definition of Volatile Organic Compounds—Exclusion of Methyl Acetate [FRL-5992-4] (RIN: 2060-AH27) received April 7, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

8442. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of State Air Quality Plans for Designated Facilities and Pollutants, Allegheny County, Pennsylvania; Control of Landfill Gas Emissions from Existing Municipal Solid Waste Landfills [PA-107-4066a; FRL-5994-4] received April 9, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

8443. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Implementation Plans; Arkansas; Recodification of Air Quality Control Regulations and Correction of Sulfur Dioxide Enforceability Deficiencies [AR-2-1-5646a; FRL-5990-0] received April 9, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

8444. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Air Quality Implementation Plans; Utah; 1993 Periodic Carbon Monoxide Emission Inventories for Utah [UT-001-004a; FRL-5993-4] received April 8, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

8445. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Financial Assurance Mechanisms for Corporate Owners and Operators of Municipal Solid Waste Landfill Facilities [FRL-5994-7] (RIN: 2050-AD77) received April 9, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

8446. A letter from the AMD—Performance Evaluation and Records Management, Federal Communication Commission, transmitting the Commission's final rule—In the Matter of Toll Free Service Access Codes [CC Docket No. 95-155] received April 1, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

8447. A letter from the AMD—Performance Evaluation and Records Management, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.202(b) Table of Allotments, FM Broadcast Stations (Dallas, Oregon) [MM Docket No. 97-220; RM-9179] received April 14, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

8448. A letter from the AMD—Performance Evaluation and Records Management, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations (Lake Crystal, Minnesota and Vernon Center Minnesota) [MM Docket No. 96-260 RM-8965] received April 14, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

8449. A letter from the AMD—Performance Evaluation and Records Management, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations (Prineville, Oregon) [MM Docket No. 97-226 RM-9184] received April 14, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

8450. A letter from the AMD-Performance Evaluation and Records Management, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Part 90 of the Commission's Rules to Adopt Regulations for Automatic Vehicle Monitoring Systems [PR Docket No. 93-61] received April 7, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

8451. A letter from the Director, Regulations Policy and Management Staff, Office of Policy, Food and Drug Administration, transmitting the Administration's final rule—Food Labeling: Health Claims; Soluble Fiber From Certain Foods and Coronary Heart Disease; Correction [Docket No. 96P-0338] received April 14, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

8452. A letter from the Chairman, National Committee on Vital and Health Statistics, transmitting the Annual Report to Congress on the Implementation of the Adminstrative Simplification Provisions of the Health Insurance Portability and Accountability Act, pursuant to Public Law 104—191, section 263 (110 Stat. 2033); to the Committee on Commerce.

8453. A letter from the Secretary of Energy, transmitting a draft of proposed legislation with the Administration's specifications for electricity competition legislation; to the Committee on Commerce.

8454. A letter from the Secretary of Health and Human Services, transmitting the Department's "Major" final rule—Organ Procurement and Transplantation Network [Docket Number: 98-HRSA-01] (RIN: 0906-AA32) received March 27, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

8455. A letter from the Deputy Secretary, Securities and Exchange Commission, transmitting the Commission's final rule—Confirmation and Affirmation of Securities Trades; Matching [Release No. 34-39829; File No. S7-10-98] received April 7, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

8456. A communication from the President of the United States, transmitting a 6-month periodic report on the national emergency declared by Executive Order 12924 of August 19, 1994, to deal with the threat to the national security, foreign policy, and economy of the United States caused by the lapse of the Export Administration Act of 1979, pursuant to 50 U.S.C. 1641(c); (H. Doc. No. 105-239); to the Committee on International Relations and ordered to be printed.

8457. A communication from the President of the United States, transmitting a report on the status of efforts to obtain Iraq's compliance with the resolutions adopted by the U.N. Security Council, pursuant to Public Law 102-1, section 3 (105 Stat. 4); (H. Doc. No. 105-240); to the Committee on International Relations and ordered to be printed.

8458. A letter from the Acting Director, Defense Security Assistance Agency, transmitting a report authorizing the transfer of up to $100M in defense articles and services to the Government of Bosnia-Herzegovina, pursuant to Public Law 104-107, section 540(c) (110 Stat. 736); to the Committee on International Relations.

8459. A letter from the Director, Defense Security Assistance Agency, transmitting a copy of Transmittal No. 09-98 for Final Authority to Conclude a Project Arrangement (PA) with the United Kingdom to investigate the potential tactical aircraft survivability improvements, pursuant to 22 U.S.C. 2767(f); to the Committee on International Relations.

8460. A letter from the Acting Director, Defense Security Assistance Agency, transmitting a copy of Transmittal No. 08-98 for U.S. involvement with Australia in a Project concerning *Collins* Class Submarine Acoustic Measurement, pursuant to 22 U.S.C. 2767(f); to the Committee on International Relations.

8461. A letter from the Acting Director, Defense Security Assistance Agency, transmitting a copy of Transmittal No. 06-98 which constitutes a Request for Final Approval for the Memorandum of Understanding between the U.S. and NATO member nations to establish an organizational structure for the implementation and operation of the Battlefield Information Collection and Exploitation Systems (BICES), pursuant to 22 U.S.C. 2767(f); to the Committee on International Relations.

8462. A letter from the Director, Defense Security Assistance Agency, transmitting the Department of the Navy's proposed lease of defense articles to Oman (Transmittal No.

09-98), pursuant to 22 U.S.C. 2796a(a); to the Committee on International Relations.

8463. A letter from the Acting Director, Defense Security Assistance Agency, transmitting the Department of the Navy's proposed lease of defense articles to Turkey (Transmittal No. 11-98), pursuant to 22 U.S.C. 2796a(a); to the Committee on International Relations.

8464. A letter from the Acting Director, Defense Security Assistance Agency, transmitting notification concerning the Department of the Air Force's Proposed Letter(s) of Offer and Acceptance (LOA) to Singapore for defense articles and services (Transmittal No. 98-35), pursuant to 22 U.S.C. 2776(b); to the Committee on International Relations.

8465. A letter from the Acting Director, Defense Security Assistance Agency, transmitting notification concerning the Department of the Air Forces's Proposed Letter(s) of Offer and Acceptance (LOA) to Saudi Arabia for defense articles and services (Transmittal No. 98-36), pursuant to 22 U.S.C. 2776(b); to the Committee on International Relations.

8466. A letter from the Acting Director, Defense Security Assistance Agency, transmitting notification concerning the Department of the Air Force's Proposed Letter(s) of Offer and Acceptance (LOA) to Norway for defense articles and services (Transmittal No. 98-34), pursuant to 22 U.S.C. 2776(b); to the Committee on International Relations.

8467. A letter from the Acting Director, Defense Security Assistance Agency, transmitting notification concerning the Department of the Navy's Proposed Letter(s) of Offer and Acceptance (LOA) to Canada for defense articles and services (Transmittal No. 98-30), pursuant to 22 U.S.C. 2776(b); to the Committee on International Relations.

8468. A letter from the Acting Director, Defense Security Assistance Agency, transmitting notification concerning the Department of the Navy's Proposed Letter(s) of Offer and Acceptance (LOA) to Italy for defense articles and services (Transmittal No. 98-25), pursuant to 22 U.S.C. 2776(b); to the Committee on International Relations.

8469. A letter from the Acting Director, Defense Security Assistance Agency, transmitting notification concerning the Department of the Air Forces's Proposed Letter(s) of Offer and Acceptance (LOA) to Israel for defense articles and services (Transmittal No. 98-37), pursuant to 22 U.S.C. 2776(b); to the Committee on International Relations.

8470. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of defense articles or defense services sold commercially to Israel (Transmittal No. DTC-66-98), pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

8471. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting a report on chemical and biological weapons proliferation control efforts for the period of February 1, 1997 to January 31, 1998, pursuant to Public Law 102-182, section 308(a) (105 Stat. 1257); to the Committee on International Relations.

8472. A communication from the President of the United States, transmitting the bimonthly report on progress toward a negotiated settlement of the Cyprus question, including any relevant reports from the Secretary General of the United Nations, pursuant to 22 U.S.C. 2373(c); to the Committee on International Relations.

8473. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b(a); to the Committee on International Relations.

8474. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting notification that two rewards have been paid, pursuant to 22 U.S.C. 2708(h); to the Committee on International Relations.

8475. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b; to the Committee on International Relations.

8476. A letter from the Secretary of Defense, transmitting notification supplements regarding the Cooperative Threat Reduction Program; to the Committee on International Relations.

8477. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 12-313, "Mortgage Lender and Broker Act of 1996 Amendment Act of 1998" received March 31, 1998, pursuant to D.C. Code section 1-233(c)(1); to the Committee on Government Reform and Oversight.

8478. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 12-312, "Omnibus Sports Consolidation Amendment Act of 1998" received March 31, 1998, pursuant to D.C. Code section 1-233(c)(1); to the Committee on Government Reform and Oversight.

8479. A letter from the Executive Director, Committee For Purchase From People Who Are Blind Or Severely Disabled, transmitting the Committee's final rule—Additions to the Procurement List—received April 9, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Government Reform and Oversight.

8480. A letter from the Acting Assistant Secretary for Management, Department of Veterans Affairs, transmitting a report of activities under the Freedom of Information Act for the calendar year 1997, pursuant to 5 U.S.C. 552(d); to the Committee on Government Reform and Oversight.

8481. A letter from the Senior Deputy Chairman, National Endowment of the Arts, transmitting a report of activities under the Freedom of Information Act from January 1, 1997 to September 30, 1997, pursuant to 5 U.S.C. 552(d); to the Committee on Government Reform and Oversight.

8482. A letter from the Chairman, National Transportation Safety Board, transmitting the FY 1997 annual report under the Freedom of Information Act (FOIA) covering the period from January 1, 1997 through September 30, 1997, pursuant to 5 U.S.C. 552(d); to the Committee on Government Reform and Oversight.

8483. A letter from the Director, Office of Personnel Management, transmitting the Office's final rule—Revised Application Procedures For Disability Retirement Under CSRS and FERS (RIN: 3206-AH68) received April 7, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Government Reform and Oversight.

8484. A letter from the President and Chief Executive Officer, Overseas Private Investment Corporation, transmitting the Seventh Annual Management Report, pursuant to 31 U.S.C. 9106; to the Committee on Government Reform and Oversight.

8485. A letter from the Secretary of the Treasury, transmitting a report on the Consolidated Financial Statements of the United States Government for Fiscal Year 1997, pursuant to 31 U.S.C. 331 (e)(1); to the Committee on Government Reform and Oversight.

8486. A letter from the Secretary of Housing and Urban Development, 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.

8487. A letter from the Secretary of Labor, transmitting a report of activities under the Freedom of Information Act for the first nine months of 1997, pursuant to 5 U.S.C. 552(d); to the Committee on Government Reform and Oversight.

8488. A letter from the Vice Chairman, Federal Election Commission, transmitting 60 recommendations for legislative action, pursuant to 2 U.S.C. 438(a)(9); to the Committee on House Oversight.

8489. A letter from the Secretary of Defense, transmitting the Fifteenth Report of the Federal Voting Assistance Program, pursuant to Public Law 99-410; to the Committee on House Oversight.

8490. A letter from the Assistant Secretary, Land and Minerals Management, Department of the Interior, transmitting the Department's final rule—Wild Horse and Burro Adoptions; Power of Attorney [NV-960-1060-00-24-1A] (RIN: 1004-AD28) received April 13, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

8491. A letter from the Director, Office of Surface Mining Reclamation and Enforcement, Department of the Interior, transmitting the Department's final rule—Illinois Regulatory Program [SPATS No. IL-089-FOR] received April 5, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

8492. A letter from the General Counsel, Department of Housing and Urban Development, transmitting the Department's final rule—Technical Amendments to HUD's Regulations Governing Environmental Review Procedures for Entities Assuming HUD Environmental Responsibilities [Docket No. FR-4138-F-01] (RIN: 2501-AC32) received March 30, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

8493. A letter from the Acting Assistant Administrator For Fisheries, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Atlantic Sea Scallop Fishery; Area Closures [Docket No. 980318065-8065-01; I.D. 030698B] (RIN: 0648-AK68) received April 14, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

8494. A letter from the Acting Assistant Administrator For Fisheries, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Fisheries of the Exclusive Economic Zone Off Alaska; Maximum Retainable Bycatch Percentages [Docket No. 971231319-8070-02; I.D. 112697A] (RIN: 0648-AK09) received April 14, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

8495. A letter from the Acting Administrator For Fisheries, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Atlantic Shark Fisheries; Large Coastal Shark Species [I.D. 032098A] received April 14, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

8496. A letter from the Assistant Administrator for Fisheries, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Sea Turtle

Conservation; Shrimp Trawling Requirements [Docket No. 980331080-8080-01; I.D. 032398C] (RIN: 0648-AK66) received April 14, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

8497. A letter from the National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—North and South Atlantic Swordfish Fishery; Directed Fishery Closure [I.D. 021998C] received April 14, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

8498. A letter from the Acting Assistant Administrator For Fisheries, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Fisheries of the Northeastern United States; Northeast Multispecies Fishery; Framework Adjustment 25 [Docket No. 980318066-8066-01; I.D. 022698A] (RIN: 0648-AK77) received April 7, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

8499. A letter from the Assistant Administrator, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Jade Collection in the Monterey Bay National Marine Sanctuary [Docket No. 950609150-8003-04] (RIN: 0648-AI06) received April 7, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

8500. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Amendment to Class E Airspace; Andover, NJ [Airspace Docket No. 97-AEA-50] received March 27, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8501. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Amendment to Class E Airspace; Galax, VA [Airspace Docket No. 97-AEA-48] received March 27, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8502. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Amendment to Class E Airspace; Wilmington, DE [Airspace Docket No. 97-AEA-49] received March 27, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8503. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Amendment to Class E Airspace; Danville, VA [Airspace Docket No. 97-AEA-46] received March 27, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8504. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Amendment to Class D and Class E Airspace; Topeka, Philip Billard Municipal Airport, KS; Correction [Airspace Docket No. 97-ACE-36] received March 27, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8505. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Amendment to Class D and Class E Airspace; Salina, KS; Correction [Airspace Docket No. 97-ACE-35] received March 27, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8506. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Amendment to Class E Airspace; Iola, KS [Airspace Docket No. 97-ACE-37] received March 27, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8507. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Modification of Class D Airspace; Minot AFB, ND; and Class E Airspace; Minot, ND [Airspace Docket No. 97-AGL-61] received March 27, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8508. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Amendment to Class E Airspace; Sheridan, WY [Airspace Docket No. 97-ANM-18] received March 27, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8509. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Amendment of Class E Airspace; Colorado Springs, CO [Airspace Docket No. 98-ANM-06] received March 27, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8510. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Fairchild Aircraft Inc. Models SA226-AT, SA226-TC, SA227-AC, and SA227-AT Airplanes [Docket No. 96-CE-68-AD; Amendment 39-10403; AD 98-06-25] (RIN: 2120-AA64) received March 27, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8511. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives, Boeing Model 747-400 Series Airplanes [Docket No. 97-NM-65-AD; Amendment 39-10407; AD 98-06-29] (RIN: 2120-AA64) received March 27, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8512. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Raytheon (Beech) Model 400, 400A, 400T, MU-300, and MU-300-10 Airplanes [Docket No. 97-NM-68-AD; Amendment 39-10408; AD 98-06-30] (RIN: 2120-AA64) received March 27, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8513. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Fokker Model F28 Mark 0100 Series Airplanes [Docket No. 94-NM-117-AD; Amendment 39-10405; AD 98-06-27] (RIN: 2120-AA64) received March 27, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8514. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Airbus Model A320 Series Airplanes [Docket No. 95-NM-216-AD; Amendment 39-10398; AD 98-06-20] (RIN: 2120-AA64) received March 27, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8515. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Fokker Model F28 Mark 0100 Series Airplanes [Docket No. 93-NM-193-AD; Amendment 39-10404; AD 98-06-26] (RIN: 2120-AA64) received March 27, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8516. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Special Local Regulations; U.S. National Waterski Racing Championship [CGD11-97-008] (RIN: 2115-AE46) received April 7, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8517. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Anchorage Regulations; San Diego Harbor, CA [CGD11-97-007] (RIN: 2115-AA98) received April 7, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8518. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Special Local Regulations; Parker Enduro [CGD11-98-002] (RIN: 2115-AE46) received April 7, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8519. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Drawbridge Operating Regulation; Back Bay of Biloxi, Mississippi [CGD 08-98-014] received April 7, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8520. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Fatigue Evaluation of Structure [Docket No. 27358; Amdt. No. 25-96] (RIN: 2120-AD42) received April 7, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8521. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Modification of Class D Airspace South of Abbotsford, British Columbia (BC), on the United States Side of the U.S./Canadian Border, and the Establishment of a Class C Airspace Area in the Vicinity of Point ROBERTS, Washington (WA) [Airspace Docket No. 93-AWA-16] (RIN: 2120-AA66) received April 7, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8522. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; British Aerospace Model BAe 146-100A, -200A, and -300A, and Model Avro 146-RJ Series Airplanes [Docket No. 97-NM-163-AD; Amendment 39-10424; AD 98-07-06] (RIN: 2120-AA64) received April 7, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8523. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; CFM International CFM56-2, -3, -3B, and -3C Series Turbofan Engines [Docket No. 98-ANE-16-AD; Amendment 39-10420; AD 98-07-02] (RIN: 2120-AA64) received April 7, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8524. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Dornier Model 328-100 Series Airplanes [Docket No. 97-NM-108-AD; Amendment 39-10422; AD 98-07-04] (RIN: 2120-AA64) received April 7, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8525. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Saab Model SAAB 2000 Series

Airplanes [Docket No. 97-NM-306-AD; Amendment 39-10423; AD 98-07-05] (RIN: 2120-AA64) received April 7, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8526. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Safety Zone: San Francisco Bay, CA [COTP San Francisco Bay; 98-005] (RIN: 2115-AA99) received April 9, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8527. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Bell Helicopter Textron Canada Model 407 Helicopters [Docket No. 97-SW-67-AD; Amendment 39-10428; AD 97-24-17] (RIN: 2120-AA64) received April 7, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8528. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Agusta S.p.A. Model AB 412 Helicopters [Docket No. 97-SW-63-AD; Amendment 39-10430; AD 98-07-10] (RIN: 2120-AA64) received April 7, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8529. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; GKN Westland Helicopters Limited WG-30 Series 100 and 100-60 Helicopters [Docket No. 97-SW-28-AD; Amendment 39-10431; AD 98-07-11] (RIN: 2120-AA64) received April 7, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8530. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Israel Aircraft Industries (IAI), Ltd., Model 1125 Westwind Astra and Astra SPX Series Airplanes [Docket No. 98-NM-104-AD; Amendment 39-10427; AD 98-07-08] (RIN: 2120-AA64) received April 7, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8531. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; British Aerospace Model HS 748 Series Airplanes [Docket No. 97-NM-98-AD; Amendment 39-10443; AD 98-07-22] (RIN: 2120-AA644) received April 7, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8532. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Aerospatiale Model ATR-42 and ATR-72 Series Airplanes [Docket No. 97-NM-228-AD; Amendment 39-10413; AD 98-06-34] (RIN: 2120-AA64) received April 7, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8533. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Bell Helicopter Textron, Inc. Model 47B, 47B-3, 47D, 47D-1, 47G, 47G-2, 47G-2A, 47G-2A-1, 47G-3, 47G-3B, 47G-3B-1, 47G-3B-2, 47G-3B-2A, 47G-4, 47G-4A, 47G-5, 47G-5A, 47H-1, 47J, 47J-2, 47J-2A, and 47K Helicopters [Docket No. 96-SW-28-AD; Amendment 39-10429; AD 98-07-09] (RIN: 2120-AA64) received April 7, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8534. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Amendment to Class E Airspace; Blacksburg, VA [Airspace Docket No. 97-AEA-45] received April 7, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8535. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Amendment to Class E Airspace; Lincoln, NE; Correction [Airspace Docket No. 97-ACE-24] received April 7, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8536. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Amendment to Class E Airspace; Pennington Gap, VA [Airspace Docket No. 97-AEA-47] received April 7, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8537. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Amendment to Class E Airspace; Audubon, IA [Airspace Docket No. 97-ACE-30] received April 7, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8538. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Amendment of Class E Airspace; Daytona Beach, FL [Airspace Docket No. 97-ASO-31] received April 7, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8539. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Boeing Model 767-200 and -300 Series Airplanes [Docket No. 97-NM-50-AD; Amendment 39-10433; AD 98-07-13] (RIN: 2120-AA64) received April 7, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8540. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Boeing Model 747 Series Airplanes [Docket No. 96-NM-245-AD; Amendment 39-10435; AD 98-07-15] (RIN: 2120-AA64) received April 7, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8541. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Final Policy on Part 150 Approval of Noise Mitigation Measures: Effect on the Use of Federal Grants for Noise Mitigation Projects [Docket No. 28149] received April 7, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8542. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Standards for Acceptance Under the Primary Category Rule [14 CFR Part 21] received April 7, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8543. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Amendment to Class E Airspace; Laconia, NH [Airspace Docket No. 98-ANE-92] received April 7, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8544. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Amendment to Class D Airspace; Westfield, MA [Airspace Docket No. 98-ANE91] received April 7, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8545. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Airbus Model A340 Series Airplanes [Docket No. 97-NM-338-AD; Amendment 39-10446; AD 98-07-24] (RIN: 2120-AA64) received April 7, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8546. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Aerospatiale Model ATR-42-500 Series Airplanes [Docket No. 98-NM-48-AD; Amendment 39-10447; AD 98-07-25] (RIN: 2120-AA64) received April 7, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8547. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Airbus Model A340 Series Airplanes [Docket No. 97-NM-327-AD; Amendment 39-10445; AD 98-07-23] (RIN: 2120-AA64) received April 7, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8548. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Boeing Model 737-300, -400, and -500 Series Airplanes [Docket No. 95-NM-207-AD; Amendment 39-10436; AD 98-07-16] (RIN: 2120-AA64) received April 7, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8549. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Dornier Model 328-100 Series Airplanes [Docket No. 96-NM-119-AD; Amendment 39-10432; AD 98-07-12] (RIN: 2120-AA64) received April 7, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8550. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; McDonnell Douglas Helicopter Systems Model 369F and 369FF Helicopters [Docket No. 97-SW-03-AD; Amendment 39-10440; AD 98-07-19] (RIN: 2120-AA64) received April 7, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8551. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Eurocopter France Model AS 332C, L, and L1 Helicopters [Docket No. 97-SW-13-AD; Amendment 39-10441; AD 98-07-20] (RIN: 2120-AA64) received April 7, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8552. A letter from the General Counsel, Federal Emergency Management Agency, transmitting the Agency's final rule—Disaster Assistance; Restoration of Damaged Facilities (RIN: 3067-AC60) received April 1, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

8553. A letter from the Secretary of Transportation, transmitting the Department's report regarding regulations concerning oils, including animal fats and vegetable oils related to the Edible Oil Regulatory Reform Act, pursuant to Public Law 104-324, section 1130; to the Committee on Transportation and Infrastructure.

8554. A letter from the Deputy Associate Administrator for Procurement, National Aeronautics and Space Administration, transmitting the Administration's final rule—Equitable Adjustments Under Contracts for Construction, Dismantling, Demolishing, or Removing Improvements [48 CFR Parts 1843 and 1852] received April 9, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Science.

8555. A letter from the Director, Office of Regulations Management, Department of Veterans Affairs, transmitting the Department's final rule—VA Acquisition Regulations: Department Protests (RIN: 2900–AI51) received March 27, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Veterans' Affairs.

8556. A letter from the Director, Office of Regulations Management, Department of Veterans Affairs, transmitting the Department's final rule—VA Acquisition Regulations: Commercial Items (RIN: 2900–AI05) received April 6, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Veterans' Affairs.

8557. A letter from the Secretary of Labor, transmitting the annual report evaluating the Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA) for fiscal year 1996, pursuant to 38 U.S.C. 4332; to the Committee on Veterans' Affairs.

8558. A communication from the President of the United States, transmitting notification of his determination that a waiver of the application of subsections 402(a) and (b) of the Trade Act of 1974 with respect to Vietnam will substantially promote the objectives of section 402, pursuant to 19 U.S.C. 2432(c) and (d); (H. Doc. No. 105–238); to the Committee on Ways and Means and ordered to be printed.

8559. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Service's final rule—Guidance under Subpart F Relating to Partnerships and Branches [REG–104537–97] (RIN: 1545–AV11) received March 24, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

8560. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Service's final rule—Guidance under Subpart F Relating to Partnerships and Branches [TD 8767] (RIN: 1545–AW07) received March 24, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

8561. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Service's final rule—Examination of returns and claims for refund, credit or abatement; determination of correct tax liability [Revenue Procedure 98–34] received April 14, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

8562. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Service's final rule—Effective Date of Regulations Under Section 1441 and Qualified Intermediary Procedures [Notice 98–16] received April 14, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

8563. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Service's final rule—Examination of returns and claims for refund, credit, or abatement; determination of correct tax liability [Revenue Procedure 98–30] received April 14, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

8564. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Service's final rule—Tax forms and instructions [Revenue Procedure 98–32] received April 14, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

8565. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Service's final rule—Transfers in General [Revenue Ruling 98–21] received April 14, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

8566. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Service's final rule—Net Unrealized Appreciation in Employer Securities [Notice 98–24] received April 14, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

8567. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Service's final rule—Application of 1.1295–1T(b) (4), (f) and (g) to taxable years beginning before January 1, 1998 [Notice 98–22] received April 14, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

8568. A letter from the Chief Reulations Unit, Internal Revenue Service, transmitting the Service's final rule—Election to Continue To Treat Trust as a United States Person [Notice 98–25] received April 14, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

8569. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Service's final rule—Taxation of Social Security Benefits Under U.S.-Canada Income Tax Treaty [Notice 98–23] received April 17, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

8570. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Service's final rule—Qualified Intermediary Withholding Agreement [Rev. Proc. 98–27] received April 2, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

8571. A letter from the Chief Regulations Unit, Internal Revenue Service, transmitting the Service's final rule—Changes in accounting periods and in methods of accounting [Rev. Proc. 98–29] received April 1, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

8572. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Service's final rule—Valuation of Plan Distributions [TD 8768] (RIN: 1545–AT27) received April 7, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

8573. A letter from the Chief, Regulations Branch, United States Customs Service, transmitting the Service's final rule—Increase of Maximum Amount For Informal Entries to $2000 (RIN: 1515–AC11) received April 1, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

8574. A letter from the Chief, Regulations Branch, United States Customs Service, transmitting the Service's final rule—Centralized Examination Stations (RIN: 1515–AC07) received April 1, 1998, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

8575. A letter from the General Sales Manager and Vice President, Commodity Credit Corporation, Department of Agriculture, transmitting the annual report summarizing the availability, distribution and value of commodities donated under section 416(b) in FY 1993, FY 1994, and FY 1995, pursuant to 7 U.S.C. Article 1431 (b), 416(b); jointly to the Committees on Agriculture and International Relations.

8576. A letter from the Acting Assistant Secretary for Environmental Management, Department of Energy, transmitting notification of a delay in submitting a report on the Savannah River Site Comprehensive Planning Process, pursuant to 42 U.S.C. 9203(c); jointly to the Committees on National Security and Commerce.

8577. A letter from the Chairman, Defense Nuclear Facilities Safety Board, transmitting the Board's annual report describing health and safety activities relating to the Department of Energy's defense nuclear facilities during the calendar year 1997; jointly to the Committees on National Security and Commerce.

8578. A letter from the Chairman, District of Columbia Financial Responsibility and Management Assistance Authority, transmitting a report on the changes in the present system for administering medical malpractice liability in the District of Columbia; jointly to the Committees on Government Reform and Oversight, Appropriations, the Judiciary, and Commerce.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

[Submitted April 17, 1998]

Mr. GOODLING: Committee on Education and the Workforce. H.R. 6. A bill to extend the authorization of programs under the Higher Education Act of 1965, and for other purposes; with an amendment (Rept. 105–481). Referred to the Committee on the Whole House on the State of the Union.

[Submitted April 21, 1998]

Mr. YOUNG of Alaska: Committee on Resources. H.R. 755. A bill to amend the Internal Revenue Code of 1986 to allow individuals to designate any portion of their income tax overpayments, and to make other contributions, for the benefit of units of the National Park System; with an amendment (Rept. 105–482 Pt. 1). Ordered to be printed.

Mr. YOUNG of Alaska: Committee on Resources. H.R. 2376. A bill to reauthorize and amend the National Fish and Wildlife Foundation Establishment Act; with an amendment (Rept. 105–483). Referred to the Committee of the Whole House on the State of the Union.

Mr. YOUNG of Alaska: Committee on Resources. H.R. 1522. A bill to extend the authorization for the National Historic Preservation Fund, and for other purposes; with an amendment (Rept. 105–484). Referred to the Committee of the Whole House on the State of the Union.

Mr. YOUNG of Alaska: Committee on Resources. H.R. 3164. A bill to describe the hydrographic services functions of the Administrator of the National Oceanic and Atmospheric Administration, and for other purposes; with an amendment (Rept. 105–485). Referred to the Committee of the Whole House on the State of the Union.

Mr. McCOLLUM: Committee on the Judiciary. H.R. 3565. A bill to amend Part L of the Omnibus Crime Control and Safe Streets Act of 1968 (Rept. 105–486). Referred to the Committee of the Whole House on the State of the Union.

Mr. COBLE: Committee on the Judiciary. H.R. 3528. A bill to amend title 28, United States Code, with respect to the use of alternative dispute resolution processes in United

States district courts, and for other purposes; with an amendment (Rept. 105–487). Referred to the Committee of the Whole House on the State of the Union.

Ms. PRYCE of Ohio: Committee on Rules. House Resolution 407. Resolution providing for consideration of the joint resolution (H.J. Res. 111) proposing an amendment to the Constitution of the United States with respect to tax limitations (Rept. 105–488). Referred to the House Calendar.

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. BARRETT of Wisconsin:

H.R. 3693. A bill to amend title 11, United States Code, to limit the value of certain real and personal property that a debtor may elect to exempt under State or local law, and for other purposes; to the Committee on the Judiciary.

By Mr. GOSS:

H.R. 3694. A bill to authorize appropriations for fiscal year 1999 for intelligence and intelligence-related activities of the United States Government, the Community Management Account, and the Central Intelligence Agency Retirement and Disability System, and for other purposes; to the Committee on Intelligence (Permanent Select).

By Mr. HEFLEY (for himself and Mr. ABERCROMBIE) (both by request):

H.R. 3695. A bill to authorize certain construction at military installations for fiscal year 1999, and for other purposes; to the Committee on National Security.

By Mr. HILL:

H.R. 3696. A bill to designate the Federal Courthouse located at 316 North 26th Street in Billings, Montana, as the "James F. Battin Federal Courthouse"; to the Committee on Transportation and Infrastructure.

By Mr. LEVIN (for himself, Mr. ENGLISH of Pennsylvania, and Mr. RANGEL):

H.R. 3697. A bill to enhance the Federal-State Extended Benefit program, to provide incentives to States to implement procedures that will expand eligibility for unemployment compensation, to strengthen administrative financing of the unemployment compensation program, to improve the solvency of State accounts in the Unemployment Trust Fund, and for other purposes; to the Committee on Ways and Means.

By Mr. MATSUI (for himself and Mr. FAZIO of California):

H.R. 3698. A bill to provide for improved flood protection along the American River Watershed, and for other purposes; to the Committee on Transportation and Infrastructure.

By Mrs. MORELLA (for herself and Ms. STABENOW):

H.R. 3699. A bill to amend the Family Violence Prevention and Services Act to reauthorize the national toll-free telephone domestic violence hotline; to the Committee on Education and the Workforce.

By Mr. WYNN:

H.R. 3700. A bill to amend title 31, United States Code, to require the provision of a written prompt payment policy to each subcontractor under a Federal contract and to require a clause in each subcontract under a Federal contract that outlines the provisions of the prompt payment statute and other related information; to the Committee on Government Reform and Oversight.

By Mr. WYNN:

H.R. 3701. A bill to amend the Small Business Act to provide a penalty for the failure by a Federal contractor to subcontract with small businesses as described in its subcontracting plan, and for other purposes; to the Committee on Small Business.

MEMORIALS

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

280. The SPEAKER presented a memorial of the Senate of the State of Louisiana, relative to Senate Resolution No. 5 memorializing the Congress of the United States to support, and to urge and request the secretary of agriculture to incorporate, Option 1A as the pricing procedure in all federal milk marketing orders; to the Committee on Agriculture.

281. Also, a memorial of the House of Representatives of the State of Maine, relative to House Joint Resolution 1598 memorializing the Congress of the United States to resolve trade barriers between Maine and the Province of New Brunswick; to the Committee on Ways and Means.

ADDITIONAL SPONSORS

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

(Submitted April 17, 1998)

H.R. 6: Mrs. ROUKEMA, Mr. RIGGS, Mr. BARRETT of Nebraska, Mr. UPTON, Mr. GREENWOOD, Mr. CASTLE, Mr. FATTAH, Mr. ROEMER, Mr. ANDREWS, and Mr. HINOJOSA.

(Submitted April 21, 1998)

H.R. 27: Mr. STRICKLAND.

H.R. 44: Mr. PICKERING, Mr. KENNEDY of Massachusetts, Mr. NORWOOD, Ms. KILPATRICK, and Mr. ENGEL.

H.R. 54: Mr. BOUCHER and Mrs. CAPPS.

H.R. 55: Mr. SAXTON and Mr. PALLONE.

H.R. 65: Ms. KILPATRICK, Mr. ENGEL, and Mr. WATKINS.

H.R. 96: Mr. STUMP, Ms. STABENOW, and Mr. GEKAS.

H.R. 107: Mr. CALVERT, Mr. BAKER, Mr. HILLEARY, and Mr. DUNCAN.

H.R. 303: Mr. KENNEDY of Massachusetts and Ms. KILPATRICK.

H.R. 306: Mr. BLAGOJEVICH.

H.R. 339: Mr. COOK.

H.R. 450: Mr. ANDREWS.

H.R. 457: Mr. NETHERCUTT and Mr. LUTHER.

H.R. 623: Mr. KENNEDY of Massachusetts.

H.R. 633: Mr. LANTOS.

H.R. 738: Mr. ETHERIDGE and Mrs. MALONEY of New York.

H.R. 814: Mrs. MINK of Hawaii.

H.R. 859: Mr. EHRLICH and Mr. FRELINGHUYSEN.

H.R. 880: Ms. KAPTUR.

H.R. 884: Mr. FRANK of Massachusetts and Mr. WYNN.

H.R. 919: Mr. MENENDEZ.

H.R. 953: Mr. DAVIS of Virginia and Mr. SANDERS.

H.R. 971: Mr. MENENDEZ and Mr. SCHUMER.

H.R. 979: Mr. HASTINGS of Florida, Mr. JENKINS, Mr. MARKEY, Mr. DAVIS of Illinois, Mr. MORAN of Kansas, Mr. GUTIERREZ, Mr. NADLER, and Mr. HILLEARY.

H.R. 1023: Mr. CHRISTENSEN.

H.R. 1126: Mr. PICKERING, Mr. GIBBONS, Mr. WYNN, Mr. SKAGGS, Mr. KENNEDY of Rhode Island, and Mr. HYDE.

H.R. 1134: Mrs. THURMAN, Mr. HALL of Texas, Mr. SANDLIN, Mr. MARKEY, and Mrs. KELLY.

H.R. 1140: Mr. MARKEY.

H.R. 1202: Mr. BLAGOJEVICH, Mr. DELAHUNT, Mr. GILMAN, and Ms. KILPATRICK.

H.R. 1261: Ms. WOOLSEY.

H.R. 1320: Mr. LAFALCE.

H.R. 1322: Mr. MCKEON, Mr. SMITH of New Jersey, and Mr. CUNNINGHAM.

H.R. 1354: Mrs. LOWEY.

H.R. 1362: Mrs. CLAYTON, Mr. OLVER, Mr. PALLONE, and Mr. KIND of Wisconsin.

H.R. 1375: Mr. JENKINS, Ms. WATERS, Mr. MANTON, and Ms. MILLENDER-MCDONALD.

H.R. 1376: Mr. BORSKI.

H.R. 1401: Mr. BOSWELL, Mr. CARDIN, and Mr. HOUGHTON.

H.R. 1450: Mr. KENNEDY of Massachusetts.

H.R. 1481: Mr. NEY.

H.R. 1531: Mr. TIERNEY, Mr. MANTON, Mrs. MORELLA, and Mr. HINCHEY.

H.R. 1571: Mr. BROWN of California and Mr. LANTOS.

H.R. 1601: Mr. PICKERING.

H.R. 1608: Mr. YOUNG of Florida, Mrs. MEEK of Florida, Mr. KENNEDY of Rhode Island, and Mr. FROST.

H.R. 1689: Mr. BURTON of Indiana, Mr. SENSENBRENNER, Mr. DOOLITTLE, Mr. ACKERMAN, Mr. SOUDER, Mr. WOLF, Mr. GUTKNECHT, and Mr. SMITH of Texas.

H.R. 1788: Ms. DELAURO.

H.R. 1858: Mrs. CAPPS.

H.R. 2021: Mr. COOKSEY.

H.R. 2023: Mr. ALLEN, Mr. LAMPSON, Mr. WEYGAND, and Mr. MCNULTY,

H.R. 2113: Mr. SAXTON, Mr. BATEMAN, Mr. KLINK, and Mr. MANTON.

H.R. 2201: Mr. FOSSELLA, Mr. WAXMAN, Mr. GEJDENSON, and Mr. DEFAZIO.

H.R. 2332: Mrs. CAPPS.

H.R. 2348: Mrs. CAPPS AND Ms. LEE.

H.R. 2349: Mrs. CAPPS and Ms. LEE.

H.R. 2409: Mr. PORTMAN, Mr. FRANK of Massachusetts, Ms. DEGETTE, Mr. LANTOS, and Mr. RODRIGUEZ.

H.R. 2488: Mr. NEY, Mr. FROST, Mrs. MEEK of Florida, and Mr. FRANK of Massachusetts.

H.R. 2504: Ms. STABENOW.

H.R. 2537: Mr. BURTON of Indiana, Mr. SMITH of Texas, and Mr. COLLINS.

H.R. 2549: Mr. HILLIARD, Mr. COYNE, Mr. LANTOS, and Mr. GORDON.

H.R. 2568: Mr. POMEROY and Mr. BARRETT of Nebraska.

H.R. 2592: Mr. PICKERING.

H.R. 2670: Ms. BROWN of Florida, Mr. KENNEDY of Rhode Island, Mr. FORBES, and Mrs. CAPPS.

H.R. 2699: Ms. ESHOO.

H.R. 2701: Mr. GOODE, Mr. MEEKS of New York, Mr. FOX of Pennsylvania, and Ms. DELAURO.

H.R. 2721: Mr. HALL of Texas.

H.R. 2754: Mrs. MEEK of Florida, Mrs. MORELLA, and Mr. PASCRELL.

H.R. 2819: Mr. GEJDENSON, Mr. WAXMAN, Mr. NADLER, Mr. BLUMENAUER, Ms. STABENOW, and Mr. FARR of California.

H.R. 2821: Mr. MCINTOSH, Mr. WAMP, and Mr. COMBEST.

H.R. 2825: Mr. MOLLOHAN.

H.R. 2854: Mr. PASCRELL.

H.R. 2908: Mr. MORAN of Kansas, Mrs. KELLY, Mr. SANDLIN, Mr. NETHERCUTT, Mr. COMBEST, and Mr. FARR of California.

H.R. 2914: Mr. FORBES.

H.R. 2922: Mr. PORTER and Mr. NORWOOD.

H.R. 2923: Mr. CLYBURN, Mr. SOLOMON, Mrs. MINK of Hawaii, Mr. MOAKLEY, Mr. WAXMAN, Mr. SKEEN, Mr. DUNCAN, Mr. HOUGHTON, Mr. HOYER, and Mrs. LOWEY.

H.R. 2925: Ms. JACKSON-LEE, Ms. ESHOO, and Mr. WAXMAN.

H.R. 2931: Mr. BASS and Mr. MCNULTY.
H.R. 2936: Mr. GREENWOOD.
H.R. 2938: Mr. REYES and Mr. SANDLIN.
H.R. 2946: Mrs. MCCARTHY of New York.
H.R. 2955: Mr. SERRANO and Mr. ADAM SMITH of Washington.
H.R. 2990: Mr. HOEKSTRA, Mr. GILLMOR, Mr. MARKEY, Mr. BLAGOJEVICH, Mr. EVANS, Mr. YATES, Mr. MASCARA, Mr. SHAYS, and Mr. NADLER.
H.R. 3008: Mr. GUTKNECHT, Mr. HILLIARD, Mr. COBURN, Mr. CHAMBLISS, and Ms. STABENOW.
H.R. 3014: Mr. FAZIO of California.
H.R. 3048: Ms. FURSE, Mr. MCDERMOTT, Mr. SKAGGS, and Mr. KILDEE.
H.R. 3052: Mr. RUSH, Mr. STARK, Mr. MCGOVERN, and Mr. MARTINEZ.
H.R. 3107: Mrs. FOWLER and Mr. RYUN.
H.R. 3110: Mr. SNOWBARGER, Mr. EHLERS, Mr. MANZULLO, Mr. KLINK, Ms. LOFGREN, Mr. SHAYS, and Mr. WYNN.
H.R. 3127: Mr. COX of California, Mr. EWING, Mr. EHLERS, Mr. DOYLE, Mr. SUNUNU, Mr. FAWELL, Mr. FRANK of Massachusetts, Mr. WELDON of Pennsylvania, Ms. LOFGREN, and Mr. TAYLOR of North Carolina.
H.R. 3135: Ms. MILLENDER-MCDONALD, Mr. ABERCROMBIE, and Mr. GUTIERREZ.
H.R. 3137: Mr. HILLEARY, Mr. NEY, Mrs. LOWEY, Mrs. CLAYTON, Mrs. EMERSON, Mr. GOODLING, Mr. GILCHREST, Mr. HILLIARD, and Mr. KIND of Wisconsin.
H.R. 3150: Mr. BLILEY, Mr. STUMP, Mr. FOLEY, Mr. HILL, Mrs. TAUSCHER, Mr. WELDON of Florida, Mr. SENSENBRENNER, Mr. CLYBURN, Mrs. ROUKEMA, Mr. BURTON of Indiana, Mr. ROYCE, Mr. CANADY of Florida, Mr. WYNN, Mr. COLLINS, Mr. SMITH of Michigan, Mr. EVERETT, Mr. RIGGS, Mr. PETRI, Mr. LATOURETTE, Mr. BARTON of Texas, Mr. BALLENGER, and Ms. GRANGER.
H.R. 3156: Mr. PRICE of North Carolina, Mr. EVANS, Mr. HINOJOSA, Mr. OWENS, Mr. BECERRA, and Mr. ROEMER.
H.R. 3160: Mr. MANTON.
H.R. 3161: Mr. OLVER.
H.R. 3181: Mr. GUTIERREZ, Mrs. THURMAN, and Ms. HOOLEY of Oregon.
H.R. 3188: Mr. NORWOOD.
H.R. 3205: Mr. NADLER, Mr. SANDLIN, Mr. LANTOS, and Mr. GREEN.
H.R. 3229: Mr. ADERHOLT, Mr. GOODLING, Mr. CHABOT, and Mr. SENSENBRENNER.
H.R. 3230: Mr. ADERHOLT, Mr. GOODLING, and Mr. CHABOT.
H.R. 3240: Mrs. MORELLA.
H.R. 3255: Mr. NADLER.
H.R. 3269: Mr. WAXMAN, Mr. OWENS, and Mr. MCDERMOTT.
H.R. 3279: Mr. POSHARD, Mr. NEY, and Ms. SANCHEZ.
H.R. 3284: Mr. TALENT.
H.R. 3290: Mr. WALSH, Mrs. KELLY, Mr. ENSIGN, Mr. WATKINS, and Mr. GUTKNECHT.
H.R. 3318: Mr. ACKERMAN, Mr. STARK, Mr. WISE, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. LANTOS, Mrs. TAUSCHER, and Mr. HOUGHTON.
H.R. 3341: Mr. YATES.
H.R. 3376: Mr. MATSUI.
H.R. 3396: Mr. COX of California, Ms. DUNN of Washington, Mr. COOK, Mr. MCHALE, Mr. REYES, Mr. RODRIGUEZ, Mr. DOOLITTLE, Mr. GALLEGLY, Mr. WATTS of Oklahoma, Mr. MCINTOSH, Mr. RUSH, Mr. HINOJOSA, Mrs. THURMAN, Mr. POMBO, Mrs. NORTHUP, Mr. HOLDEN, Mr. MOLLOHAN, Mr. DOYLE, Mr. BORSKI, Mr. KANJORSKI, Mrs. MEEK of Florida, Ms. JACKSON-LEE, Mr. SCOTT, Mr. GREEN, Mr. CLYBURN, and Mr. REDMOND.
H.R. 3400: Mr. PAYNE and Mr. BONIOR.
H.R. 3438: Mr. SANDLIN.
H.R. 3456: Mr. BLUNT, Mr. MILLER of Florida, Mr. FOLEY, and Mr. GRAHAM.
H.R. 3502: Mr. WISE, Mrs. LOWEY, and Mr. TORRES.
H.R. 3506: Ms. DUNN of Washington, Mr. FALEOMAVAEGA, Mr. RADANOVICH, Mrs. MORELLA, Mr. EHRLICH, Mr. SESSIONS, Mr. HOBSON, Mr. DUNCAN, Mr. RIGGS, Mr. DINGELL, Mr. LEWIS of California, Mr. WAXMAN, Mr. DREIER, Mr. DIAZ-BALART, Mr. JENKINS, Mr. BALLENGER, Mr. KLUG, Mr. ROMERO-BARCELO, Mr. ORTIZ, and Mr. ROHRABACHER.
H.R. 3510: Mr. ANDREWS, Ms. EDDIE BERNICE JOHNSON of Texas, and Mr. MEEKS of New York.
H.R. 3514. Ms. EDDIE BERNICE JOHNSON of Texas, Mr. WYNN, Mr. DICKS, Mr. BONIOR, Mr. SANDLIN, and Mr. SHAYS.
H.R. 3523: Mr. METCALF, Mr. MANZULLO, Mrs. MCCARTHY of New York, Mr. FOX of Pennsylvania, Mr. RODRIGUEZ, Mr. BORSKI, Mr. MORAN of Kansas, Mr. TOWNS, Mr. BISHOP, Mr. MALONEY of Connecticut, Mr. GRAHAM, Mr. RAHALL, Mr. CALLAHAN, Mrs. JOHNSON of Connecticut, Mr. COMBEST, Mr. CAMP, Mr. BLUNT, Mrs. EMERSON, Mr. PASCRELL, Mr. HALL of Texas, Mr. SOUDER, Mr. GORDON, Mr. BALLENGER, Mr. COOK, Mr. WICKER, Mr. GILMAN, and Mr. KENNEDY of Rhode Island.
H.R. 3526: Mr. WAXMAN, Mr. GREENWOOD, and Ms. ESHOO.
H.R. 3535: Mr. HASTINGS of Washington, Mr. SMITH of New Jersey, and Mr. WATKINS.
H.R. 3555: Mr. GUTIERREZ and Ms. WOOLSEY.
H.R. 3563: Ms. FURSE and Ms. ESHOO.
H.R. 3567: Mrs. MCCARTHY of New York, Mr. SUNUNU, Mr. HOLDEN, Mr. BORSKI, Mr. KANJORSKI, Mr. TRAFICANT, Mrs. ROUKEMA, and Mr. ACKERMAN.
H.R. 3570: Mr. BROWN of Ohio, Mr. RODRIGUEZ, Mr. OLVER, Mr. FRANK of Massachusetts, Ms. KAPTUR, and Mr. ABERCROMBIE.
H.R. 3571: Ms. WOOLSEY, Mr. BARRETT of Wisconsin, Mr. POSHARD, Mr. KILDEE, Mr. MCDERMOTT, and Mr. LANTOS.
H.R. 3572: Mr. DEFAZIO, Mr. NETHERCUTT, and Mr. NORWOOD.
H.R. 3577: Mr. BERMAN, Ms. KILPATRICK, and Mr. MARTINEZ.
H.R. 3599: Mr. ROHRABACHER.
H.R. 3615: Ms. NORTON, Mr. BROWN of California, Mrs. CLAYTON, Mr. UNDERWOOD, Mr. RUSH, Mr. MILLER of California, Mr. NEY, Mr. BARRETT of Wisconsin, Mr. MCDERMOTT, and Mr. WAXMAN.
H.R. 3626: Mr. WATKINS.
H.R. 3661: Ms. STABENOW, Mr. SCHUMER, Mr. ACKERMAN, Mr. MCDERMOTT, Mr. WOLF, Mr. HALL of Ohio, Mr. GORDON, and Mr. UPTON.
H.R. 3666: Mr. FILNER, Mr. LEWIS of Georgia, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. MCGOVERN, Ms. LOFGREN, Mrs. KENNELLY of Connecticut, Mr. FALEOMAVAEGA, and Mr. BALDACCI.
H.R. 3668: Mrs. KELLY.
H.R. 3682: Mr. BARTON of Texas and Mr. MCINTYRE.
H.J. Res. 26: Mr. CALLAHAN.
H.J. Res. 71: Mr. MCKEON, Mr. SMITH of New Jersey, and Mr. CUNNINGHAM.
H.J. Res. 102: Mr. BOSWELL, Mr. MCHALE, Ms. RIVERS, Mr. ROMERO-BARCELO, Mrs. LINDA SMITH of Washington, Mr. SOUDER, amd Mr. UPTON.
H.J. Res. 111: Mr. HORN.
H. Con. Res. 55: Mr. SMITH of Michigan and Mr. PASCRELL.
H. Con. Res. 107: Mr. QUINN.
H. Con. Res. 126: Mr. FRANKS of New Jersey, Mr. STARK, Mr. KIM, and Mrs. KELLY.
H. Con. Res. 166: Mrs. LOWEY.
H. Con. Res. 181: Mr. ABERCROMBIE, Mr. BLILEY, Mr. BLUMENAUER, Mr. CRANE, Mr. DIXON, Mr. FOLEY, Mr. FRANK of Massachusetts, Mr. FRELINGHUYSEN, Mr. GEJDENSON, Mr. HOLDEN, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. KLUG, Mr. KNOLLENBERG, Mr. LATOURETTE, Mr. MARKEY, Mrs. MEEK of Florida, Mr. OLVER, Mr. QUINN, Mr. SHAW, Mr. TAYLOR of North Carolina, Ms. WOOLSEY, Mr. BACHUS, Ms. BROWN of Florida, Mr. BROWN of California, Mr. COOK, Mr. DELAHUNT, Mr. EVANS, Mr. GONZALEZ, Mrs. JOHNSON of Connecticut, Mrs. MINK of Hawaii, Ms. PRYCE of Ohio, Mr. RAHALL, Ms. ROYBAL-ALLARD, Mr. ROYCE, Mr. SERRANO, Mrs. THURMAN, and Mr. WAMP.
H. Con. Res. 182: Mr. WYNN.
H. Con. Res. 188: Mr. BLUNT and Mr. GOODLING.
H. Con. Res. 191: Mr. STARK, Mr. WAXMAN, Ms. LOFGREN, Mr. FILNER, Mr. MILLER of California, and Mr. BERMAN.
H. Con. Res. 203: Mrs. MCCARTHY of New York, Mr. PICKERING, Mr. DUNCAN, and Mrs. ROUKEMA.
H. Con. Res. 210: Mr. POMEROY, Mr. SESSIONS, Mr. NADLER, Mr. WEYGAND, Mr. BERRY, Ms. RIVERS, Mr. MINGE, and Mr. BOEHLERT.
H. Con. Res. 229: Mr. ADERHOLT, Mr. BARRETT of Nebraska, Mr. BROWN of California, Mr. COOK, Mr. DOYLE, Mr. EVANS, Mr. GILLMOR, Mr. HANSEN, Mr. HINCHEY, Ms. KAPTUR, Mr. KILDEE, Mr. LANTOS, Mr. LEWIS of Georgia, Mr. ROTHMAN, Mr. BOB SCHAFFER, Mr. TALENT, Mrs. TAUSCHER, Mr. WELDON of Florida, and Mr. WYNN.
H. Con. Res. 232: Ms. DANNER, Mr. COYNE, Mr. BORSKI, Ms. SLAUGHTER, Mrs. NORTHUP, Mr. FOSSELLA, and Mrs. LOWEY.
H. Con. Res. 239: Mrs. KELLY, Mr. ROHRABACHER, Mr. WEXLER, Mr. MCGOVERN, Mr. BROWN of Ohio, and Mr. WAXMAN.
H. Con. Res. 248: Ms. DELAURO.
H. Res. 37: Mr. CRAMER, Mr. DINGELL, and Mr. KILDEE.
H. Res. 119: Mr. BONIOR.
H. Res. 312: Mr. ROMERO-BARCELO, Mr. LANTOS, Ms. CHRISTIAN-GREEN, Ms. MILLENDER-MCDONALD, and Mr. SMITH of New Jersey.
H. Res. 363: Mr. FATTAH, Mr. RUSH, Mr. GEJDENSON, and Mr. JENKINS.
H. Res. 399: Mrs. MYRICK, Mr. LAZIO of New York, and Ms. LOFGREN.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

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

[Omitted from the Record of April 1, 1998]

H. Res. 399: Mr. FRANK of Massachusetts.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 3164

OFFERED BY: MR. YOUNG OF ALASKA

(Amendment in the Nature of a Substitute)

AMENDMENT NO. 1: Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Hydrographic Services Improvement Act of 1998".

SEC. 2. DEFINITIONS.

In this Act:

(1) ADMINISTRATOR.—The term "Administrator" means the Administrator of the National Oceanic and Atmospheric Administration.

(2) ADMINISTRATION.—The term "Administration" means the National Oceanic and Atmospheric Administration.

(3) HYDROGRAPHIC DATA.—The term "hydrographic data" means information acquired through hydrographic or bathymetric surveying, photogrammetry, geodetic measurements, tide and current observations, or other methods, that is used in providing hydrographic services.

(4) HYDROGRAPHIC SERVICES.—The term "hydrographic services" means—

(A) the management, maintenance, interpretation, certification, and dissemination of bathymetric, hydrographic, geodetic, and tide and current information, including the production of nautical charts, nautical information databases, and other products derived from hydrographic data;

(B) the development of nautical information systems; and

(C) related activities.

(5) ACT OF 1947.—The term "Act of 1947" means the Act entitled "An Act to define the functions and duties of the Coast and Geodetic Survey, and for other purposes", approved August 6, 1947 (33 U.S.C. 883a et seq.).

SEC. 3. FUNCTIONS OF THE ADMINISTRATOR.

(a) RESPONSIBILITIES.—To fulfill the data gathering and dissemination duties of the Administration under the Act of 1947, the Administrator shall—

(1) acquire hydrographic data;

(2) promulgate standards for hydrographic data used by the Administration in providing hydrographic services;

(3) promulgate standards for hydrographic services provided by the Administration;

(4) ensure comprehensive geographic coverage of hydrographic services, in cooperation with other appropriate Federal agencies;

(5) maintain a national database of hydrographic data, in cooperation with other appropriate Federal agencies;

(6) provide hydrographic services in uniform, easily accessible formats;

(7) participate in the development of, and implement for the United States in cooperation with other appropriate Federal agencies, international standards for hydrographic data and hydrographic services; and

(8) to the greatest extent practicable and cost-effective, fulfill the requirements of paragraphs (1) and (6) through contracts or other agreements with private sector entities.

(b) AUTHORITIES.—To fulfill the data gathering and dissemination duties of the Administration under the Act of 1947, and subject to the availability of appropriations, the Administrator—

(1) may procure, lease, evaluate, test, develop, and operate vessels, equipment, and technologies necessary to ensure safe navigation and maintain operational expertise in hydrographic data acquisition and hydrographic services;

(2) may enter into contracts and other agreements with qualified entities, consistent with subsection (a)(8), for the acquisition of hydrographic data and the provision of hydrographic services;

(3) shall award contracts for the acquisition of hydrographic data in accordance with title IX of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 541 et seq.); and

(4) may, subject to section 5, design and install where appropriate Physical Oceanographic Real-Time Systems to enhance navigation safety and efficiency.

SEC. 4. QUALITY ASSURANCE PROGRAM.

(a) DEFINITION.—For purposes of this section, the term "hydrographic product" means any publicly or commercially available product produced by a non-Federal entity that includes or displays hydrographic data.

(b) PROGRAM.—

(1) IN GENERAL.—The Administrator may—

(A) develop and implement a quality assurance program, under which the Administrator may certify hydrographic products that satisfy the standards promulgated by the Administrator under section 3(a)(3);

(B) authorize the use of the emblem or any trademark of the Administration on a hydrographic product certified under subparagraph (A); and

(C) charge a fee for such certification and use.

(2) LIMITATION ON FEE AMOUNT.—Any fee under paragraph (1)(C) shall not exceed the costs of conducting the quality assurance testing, evaluation, or studies necessary to determine whether the hydrographic product satisfies the standards adopted under section 3(a)(3), including the cost of administering such a program.

(c) LIMITATION ON LIABILITY.—The Government of the United States shall not be liable for any negligence by a person that produces hydrographic products certified under this section.

(d) HYDROGRAPHIC SERVICES ACCOUNT.—

(1) ESTABLISHMENT.—There is established in the Treasury a separate account, which shall be known as the Hydrographic Services Account.

(2) CONTENT.—The account shall consist of—

(A) amounts received by the United States as fees charged under subsection (b)(1)(C); and

(B) such other amounts as may be provided by law.

(3) Limitation; Deposit. Fees deposited in this account during any fiscal year pursuant to this section shall be deposited and credited as offsetting collections to the National Oceanic and Atmospheric Administration, Operations, Research, and Facilities account. No amounts collected pursuant to this section for any fiscal year may be spent except to the extent provided in advance in appropriations Acts.

(e) LIMITATION ON NEW FEES AND INCREASES IN EXISTING FEES FOR HYDROGRAPHIC SERVICES.—After the date of the enactment of this Act, the Administrator may not—

(1) establish any fee or other charge for the provision of any hydrographic service except as authorized by this section; or

(2) increase the amount of any fee or other charge for the provision of any hydrographic service except as authorized by this section and section 1307 of title 44, United States Code.

SEC. 5. OPERATION AND MAINTENANCE OF PHYSICAL OCEANOGRAPHIC REAL-TIME SYSTEMS.

(a) NEW SYSTEMS.—After the date of enactment of this Act, the Administrator may not design or install any Physical Oceanographic Real-Time System, unless the local sponsor of the system or another Federal agency has agreed to assume the cost of operating and maintaining the system within 90 days after the date the system becomes operational.

(b) EXISTING SYSTEMS.—After October 1, 1999, the Administration shall cease to operate Physical Oceanographic Real-Time Systems, other than any system for which the local sponsor or another Federal agency has agreed to assume the cost of operating and maintaining the system by January 1, 1999.

SEC. 6. REPORTS.

(a) PHOTOGRAMMETRY AND REMOTE SENSING.—

(1) IN GENERAL.—Not later than 6 months after the date of enactment of this Act, the Administrator shall report to the Congress on a plan to increase, consistent with this Act, contracting with the private sector for photogrammetric and remote sensing services related to hydrographic data acquisition or hydrographic services. In preparing the report, the Administrator shall consult with private sector entities knowledgeable in photogrammetry and remote sensing.

(2) CONTENTS.—The report shall include the following:

(A) An assessment of which of the photogrammetric and remote sensing services related to hydrographic data acquisition or hydrographic services performed by the National Ocean Service can be performed adequately by private-sector entities.

(B) An evaluation of the relative cost-effectiveness of the Federal Government and private-sector entities in performing those services.

(C) A plan for increasing the use of contracts with private-sector entities in performing those services, with the goal of obtaining performance of 50 percent of those services through contracts with private-sector entities by fiscal year 2003.

(b) PORTS.—Not later than 6 months after the date of enactment of this Act, the Administrator shall report to the Congress on—

(1) the status of implementation of real-time tide and current data systems in United States ports;

(2) existing safety and efficiency needs in United States ports that could be met by increased use of those systems; and

(3) a plan for expanding those systems to meet those needs, including an estimate of the cost of implementing those systems in priority locations.

(c) MAINTAINING FEDERAL EXPERTISE IN HYDROGRAPHIC SERVICES.—

(1) IN GENERAL.—Not later than 6 months after the date of enactment of this Act, the Administrator shall report to the Congress on a plan to ensure that Federal competence and expertise in hydrographic surveying will be maintained after the decommissioning of the 3 existing National Oceanic and Atmospheric Administration hydrographic survey vessels.

(2) CONTENTS.—The report shall include—

(A) an evaluation of the seagoing capacity, personnel, and equipment necessary to maintain Federal expertise in hydrographic services;

(B) an estimated schedule for decommissioning the 3 existing survey vessels;

(C) a plan to maintain Federal expertise in hydrographic services after the decommissioning of these vessels; and

(D) an estimate of the cost of carrying out this plan.

SEC. 7. AUTHORIZATION OF APPROPRIATIONS.

There is authorized to be appropriated to the Administrator the following:

(1) To carry out nautical mapping and charting functions under the Act of 1947 and sections 3 and 4, except for conducting hydrographic surveys, $33,000,000 for fiscal year 1999, $34,000,000 for fiscal year 2000, $35,000,000 for fiscal year 2001, $36,000,000 for fiscal year 2002, and $37,000,000 for fiscal year 2003.

(2) To conduct hydrographic surveys under section 3(a)(1), including leasing of ships, $33,000,000 for fiscal year 1999, $35,000,000 for fiscal year 2000, $37,000,000 for fiscal year

2001, $39,000,000 for fiscal year 2002, and $41,000,000 for fiscal year 2003. Of these amounts, no more than $14,000,000 is authorized for any one fiscal year to operate hydrographic survey vessels owned and operated by the Administration.

(3) To carry out geodetic functions under the Act of 1947, $20,000,000 for fiscal year 1999, and $22,000,000 for each of fiscal years 2000, 2001, 2002, and 2003.

(4) To carry out tide and current measurement functions under the Act of 1947, $22,500,000 for each of fiscal years 1999 through 2003. Of these amounts, $2,500,000 is authorized for each fiscal year to implement and operate a national quality control system for real-time tide and current data, and $7,500,000 is authorized for each fiscal year to design and install real-time tide and current data measurement systems under section 3(b)(4) (subject to section 5).

EXTENSIONS OF REMARKS

ARMY RESERVE BIRTHDAY TRIBUTE

HON. JIM GIBBONS

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 21, 1998

Mr. GIBBONS. Mr. Speaker, I would ask my colleagues in the House of Representatives to join me in recognizing the birthday of the United States Army Reserve. April 23rd marks 90 years of service by the Army Reserve to the United States of America.

Throughout our history, the purpose of the United States Army has been to fight and win the nation's wars. To be sure, America's Army Reserve has existed side-by-side with the Army to accomplish that mission, but the scope and method of that support has changed commensurate with the nation's needs. Simply stated, the United States Army Reserve has been and will always be a model of flexibility that is a crucial national treasure and the envy of the world.

In its early days, America's Army Reserve existed to ensure that the sons and daughters of America, who were put in harm's way in the name of defending freedom, received the finest medical care as far forward as possible. It was an extraordinary success. During World War One, almost 45,000 officer and enlisted Army Reservists served in medical units throughout the European theater.

What was an experiment in the medical arena alone soon had application in combat and other combat support specialities as well. America's Army Reserve was crucial in the years between the world wars. Its officers ran hundreds of Civilian Conservation Corps camps here at home during the Depression. Not only did they keep their own leadership skills sharp, they also helped others to become productive citizens at a time when the nation was in dire economic straits.

During World War Two, the hundreds of thousands of Army Reservists who served spelled the difference as America thwarted the forces of darkness, deceit and dictatorship around the world. They responded again when freedom called on the Korean peninsula. Almost a quarter of a million citizen-soldiers were called to active duty during that conflict, and their valor, fidelity and bravery were above reproach. Seven Army Reservists earned the Congressional Medal of Honor for their service in Korea.

America's Army Reserve was needed, and was there, in Vietnam, again providing the vital combat support that makes the combat soldier's life a little more bearable.

No amount of superlatives can begin to describe the contributions of the United States Army Reserve during Operations Desert Shield and Desert Storm. Of all reserve component forces mobilized by the Department of Defense, clearly a third of them proudly wore the uniform of America's Army Reserve. Almost 85,000 Army Reserve citizen-soldiers answered freedom's call, again, 20,000 of them being members of the Individual Ready Reserve.

In the post-Cold War era, it is not just a slogan, but a clearly established fact, that America's Army cannot accomplish its mission and cannot go to war without America's Army Reserve. The Army Reserve provided 70 percent of the Army's reserve component support during Operation Restore Democracy in Haiti. In Bosnia, the Army Reserve is also providing over 70 percent of the Army's reserve component support. Not leaving anything to chance, the Army Reserve in fact has established a chain of support that begins here in the United States and culminates in Bosnia itself. While America's Army Reserve helped restore democracy in Haiti, its citizen-soldiers have literally restored hope and faith in the future for the civil war-weary people of Bosnia-Herzegovina.

Mr. Speaker, I believe that many of my colleagues here have also experienced the competence and magnificence of the United States Army Reserve right here at home. It was the Army Reserve that guided people to safety following the onslaught of Hurricane Andrew. It was the Army Reserve that provided clean, potable water to the people of North Dakota following the ravages of last spring's flooding. And it was the Army Reserve that quickly and efficiently established recovery operations in the devastating aftermath of Typhoon Paka in Guam.

Mr. Speaker, it is my sincere conviction that there is no better defense bargain today than America's Army Reserve. As the geostrategic environment has changed, so has the Army Reserve. This proactive, visionary understanding of the nation's needs has led to an Army Reserve that is more trained, more ready and more relevant than any other comparable force on this earth. As we speak, there is a miracle taking place whose impact may be felt half a world away. The 310th Chemical Company, headquartered at Fort McClellan, Alabama, epitomizes the seamless integration between the Active Army and the Army Reserve. This unit is, in fact, a combined active-reserve outfit, with four of its platoons belonging to the Army Reserve and one belonging to the Active Army. The 310th was identified to receive new biological weapons detection equipment, which is of utmost importance to the Army's defense, but also to the defense of the United States should we, as a nation, ever face the consequences of these terrible weapons. On just four days advance notice, the 310th was rescheduled for its annual training from this coming summer to this past February. The unit's soldiers, and the civilian employers who support them, responded magnificently, with virtually no problems encountered during this training change. What makes the 310th all the more extraordinary is that, while its soldiers were undergoing that training, they were also notified that they were being mobilized as part of the U.S. response to the transgressions of Saddam Hussein against the United Nations. They progressed through their training and mobilized in anticipated deployment to the Persian Gulf region. It was the ability of this unit to train and mobilize on such a short notice that, I feel, contributed to Iraq's decision to accommodate U.N. inspectors searching for the very weapons that the 310th is designed and equipped to detect.

In closing, I ask that we pause and reflect on what our nation's defenses would be without America's Army Reserve. I shudder to think of that possibility. We cannot and must never take for granted what these citizen-soldiers, and just as importantly, their families and civilian employers, sacrifice for the benefit for every citizen of this nation. We have been blessed with freedoms that are the dream and envy of peoples in far-flung corners of the globe. This April 23rd, think about your freedom of speech, your freedom of assembly and your freedom of religion. Consider your right to vote and our freedom of the press. And as you reflect on these basic freedoms, think about the people who make that all possible. When you do, I hope you will join me in taking a minute out of our busy schedules to personally thank and salute the men and women of America's Army Reserve.

TRIBUTE TO MARY LOU LANGONE, RECIPIENT OF THE 1998 MAPLE LEAF AWARD

HON. BILL PASCRELL, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 21, 1998

Mr. PASCRELL. Mr. Speaker, I would like to call to your attention Ms. Mary Lou Langone of Maplewood, New Jersey who is being honored with the 1998 Maple Leaf Award on this occasion of the 30th Annual Maple Leaf Award Ceremony.

Mary Lou Langone has certainly had a positive impact on the community of Maplewood, both through her work in the Maplewood Chamber of Commerce and, through her service in numerous volunteer organizations and service groups. After attending Columbia University, completing business and accounting courses, and working at ADP, Mary Lou changed direction toward a vocation in which she has had both talent and success. She attended the New Jersey School of Floral Design and then opened her own business, Patina's Florist, which has flourished under her creative direction.

As a successful Maplewood businesswoman, Mary Lou's contributions to the Maplewood Chamber of Commerce, include her membership on the Board of Directors, founder and past President of the Profile Program

for the Maplewood Chamber of Commerce, and Chairwoman and Coordinator of the Chamber Holiday Decorations. Professional recognitions include Vice-Presidency of the Eastern Region of New Jersey for FTD, design teacher at New Jersey School of Floral Design, and "Designer of the Year" in 1983. Patina's has also received awards several times as "Shop of the Year."

Mary Lou had begun much of her volunteer work in the 1970s, and includes being a member of the Maplewood Woman's Club Evening Membership Department, Board member of the YWCA of the Oranges and Maplewood, member and past Board member of UNICO, and fundraiser for St. Johns Children Residence and the Make-a-Wish Program. Additionally she has worked to benefit charitable causes, including being the past President and former Board Member of the Wives of the Maplewood Firemen. She has also worked as the Scouting Chairperson and Group Leader for both the Boy Scouts and Girl Scouts, and worked to establish the permanent outdoor theater for the Tuscan School.

Mary Lou has also served the community on the Maplewood Economic Development Committee and as a CPR instructor for the community. But perhaps the most significant gift of time and talent has been in Mary Lou's dedication of energy and talent to the Maplewood First Aid Squad, where she is a founder, a 10-year service veteran, and is a First Aid Squad Alumni member. Mary Lou and her husband Pat, a retired Maplewood Fireman, have two children, Patsy and Christina.

Mr. Speaker, I ask that you join me, our colleagues, the family and friends of Mary Lou Langone, and the Township of Maplewood in recognizing Mary Lou's many outstanding and invaluable contributions to the community of Maplewood and to the State of New Jersey.

CONGRATULATIONS TO SHARON LEVY, WILLIAM H. RANDOLPH, AND MANUEL A. ESQUIBEL

HON. GEORGE P. RADANOVICH

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 21, 1998

Mr. RADANOVICH. Mr. Speaker, I rise today to congratulate Fresno County Supervisor Sharon Levy for receiving the annual Rose Ann Vuich Ethical Leadership Award. I also rise today to congratulate Fresno County Administrative Officer Will Randolph and Selma City Manager Manuel Esquibel for receiving the Excellence In Public Service Award. As public servants in the Valley, Sharon Levy, Will Randolph, and Manuel Esquibel exemplify the focus and integrity that is deserving of this recognition.

Sharon Levy was first elected to the Fresno County Board of Supervisors in 1975 and was re-elected for her 7th term in March of 1996. Levy, who served as Governor Deukmejian's appointee to the State Board of Corrections, is a member of the following organizations: Airport Land Use Commission, Ambulance Authority, Association Of Metropolitan Water Agencies, Audit & Debit Advisory Committee, Board of governors of the California State University, Fresno Foundation, Co-Chairman of Adult Volunteer Crossing Guard Program, Economic Development Corporation, Fresno City & County Consortium, Fresno Convention/Victors Bureau, Fresno Rotary, Mental Health Advisory Board, San Joaquim River Conservancy, and the Transportation Authority. Sharon has been a resident of Fresno County since 1955. She has been President of the Mallock PTA, Junior League, and Women's Symphony League. She is married to Joe Levy and has three children and seven grandchildren.

Fresno County Administrative Officer William H. Randolph has served as Chief Executive Officer of Butte County, City Administrator of Oroville, California, District Director for the Second Congressional District of California, and Legislative Director for the Second Congressional District of California. William Randolph has a Bachelor of Arts Degree in Political Science from the University of California at Berkeley and a Masters Degree in Public Administration from California State University, Chico. He has served in a public capacity in many different instances including serving on the Board of Directors for the Economic Development Corporation of Fresno and the New United Way of Fresno.

Selma City Manager Manuel A. Esquibel has over twenty-five years experience in local government. He has served in the City of Selma for the past seven years. During his professional career, he has developed an effective team approach style among community members and local government officials in addressing community needs. He earned his Bachelor of Science Degree in Behavioral Sciences from the University of Southern Colorado. Manuel Esquibel has served as City Manager for the City of Lindsburg, Kansas, Assistant City Manager for the City of Pueblo, Colorado, and Executive Director for the Human Resources Commission of Pueblo Colorado just to name a few.

The awards were presented by the Fresno Business Council and the Fresno Bee. I applaud the efforts of Ann Speaker, President of the Fresno Chamber of Commerce; Jim Boren, Editor of the Fresno Bee; and Deborah Nankivell and Dick Johnson of the Fresno Business Council for their efforts in organizing and putting this program and award together. Their commitment to public service and the community is exceptional.

Mr. Speaker, it is with great honor that I congratulate Fresno County Supervisor Sharon Levy for receiving the annual Rose Ann Vuich Ethical Leadership Award. I also congratulate Fresno County Administrative Officer Will Randolph and Selma City Manager Manuel Esquibel for receiving the Excellence In Public Service Award. As dedicated public servants in the Fresno Community they are very deserving of this honor. I ask my colleagues to join me in wishing Sharon Levy, William H. Randolph and Manuel A. Esquibel many more years of success.

TRIBUTE TO DR. JOSHUA AND DORIS LEVY

HON. BRAD SHERMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 21, 1998

Mr. SHERMAN. Mr. Speaker, I rise today to pay tribute to Dr. Joshua and Doris Levy for their visionary leadership and dedication to building our community by donating their time and energy to the recent expansion and renovation of Temple Shaarey Zedek.

The Talmud tell us, "He who does charity and justice is as if he had filled the whole world with kindness." Since arriving in the San Fernando Valley in 1967, Dr. and Mrs. Levy have done just this. They have assumed many key leadership roles and responsibilities in the Jewish community, selflessly dedicating their time to enriching others. In their most recent positions, Joshua Levy has spearheaded Shaarey Zedek's $2 million expansion and renovating project while Doris Levy remains active in the Shaarey Zedek Sisterhood. In addition, Joshua has served on the boards of various Jewish organizations in the West Valley, among them Emek Hebrew Academy and Valley Torah High School.

Mr. Speaker, distinguished colleagues, please join me in honoring Doctor Joshua and Doris Levy for their community activism and visinary leadership in helping to strengthen our community.

TRIBUTE TO THE NATIONAL WRITE YOUR CONGRESSMAN PROGRAM

HON. JO ANN EMERSON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 21, 1998

Mrs. EMERSON. Mr. Speaker, I rise today to recognize an organization that is making a contribution to American democracy nationwide—The National Write Your Congressman program (NWYC).

The NWYC organization reminds me a great deal of the work that I did as a grassroots coordinator before coming to Congress to serve the people of Southern Missouri. The program encourages participation at the very level our nation's desires and dreams were founded upon—the grassroots level that encourages personal involvement. I believe that this wonderful organization is to be commended for the efforts it undertakes to educate others about the necessity and value of letting lawmakers like you and I know what the American people are thinking and saying about the policies that we debate when we are in Washington. Without a doubt, the program provides an open line of communication between citizens and elected officials—an essential element in the process of keeping voters engaged in important public policy discussions.

Mr. Speaker, before I conclude today, I would like to call to mind one of my favorite movies—"Mr. Smith Goes to Washington." Whenever I am walking over to the Capitol from my office and I see the Capitol Dome, I

often feel like Jefferson Smith the first time he saw the Capitol—awed and truly amazed by the tremendous spirit of community and passion that our forefathers had about serving our country. I believe that National Write Your Congressman has helped keep that spirit of community participation and energy alive, and I am grateful for their hard work and the dedication they show to keeping everyone at home apprised of the work being done here each and every day.

TRIBUTE TO ENRIQUE "RICKY" O. FERNANDEZ, RECIPIENT OF THE 1998 MAPLE LEAF AWARD

HON. BILL PASCRELL, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 21, 1998

Mr. PASCRELL. Mr. Speaker, I would like to call to your attention Mr. Enrique "Ricky" O. Fernandez of Maplewood, New Jersey who is being honored with the 1998 Maple Leaf Award on this occasion of the 30th Annual Maple Leaf Award Ceremony.

Ricky Fernandez, a retired high school language teacher from the Dover School System, has been doing volunteer work since the 1960s when he joined the Kiwanis Club, an organization in which he served a term as President and is still a very active member. Working to benefit several children's causes, he devoted special energy to the Children's Identification Program. Ricky and fellow members of the Kiwanis Club provided for free Polaroid pictures and fingerprinting of children, creating a permanent identification of each child for the parents to have in case the child disappeared.

As an active member of the VFW Post 10120, Ricky served as commander in 1989 and again as commander from 1996 to the present. He also served as commander of American Legion Post 80 in 1975. Since 1992, Ricky has served as the Maplewood Memorial Day Parade Chairman, ensuring that Maplewood organizations and residents have an opportunity to participate in this annual memorial event. Additionally, Ricky has visited numerous schools to distribute materials for, and to promote, the "Voice of Democracy Contest" sponsored by the VFW, and he visits hospitalized veterans regularly to play games with them, distribute cash canteen booklets, and provide friendship and assistance. He also is a volunteer as St. Barnabas Hospital where his warmth and generous spirit have made a significant difference in the lives of many who have been hospitalized.

Ricky, a member of Maplewood Service Men's and Women's Committee since 1943, has served as the organization's Chairman since 1995, and has since revitalized this important volunteer effort. For decades, he has worked tirelessly to ensure that Maplewood's service personnel receive newspapers from home, cards, letters, and holiday gifts as remembrance from their hometown of Maplewood. In addition to these other services he has rendered to Maplewood, Ricky also serves as a member of the Civil Defense and Disaster Control Committee and has served as an active member of the Maplewood Citizen's Budget Advisory Committee. He continues to teach English as a Second Language at the Summit Y, and he is an active member in Morrow Memorial Church where he serves as Head Usher. He and his wife, Bette White, are both excellent dancers who have integrated the joy of dancing within their personal and professional lives.

Mr. Speaker, I ask that you join me our colleagues, the family and friends of Ricky Fernandez, and the Township of Maplewood in recognizing Ricky's many outstanding and invaluable contributions made to the community of Maplewood and to the State of New Jersey.

AMERICAN WINE DELEGATION CONTRIBUTES TO IMPROVED U.S.-SOUTH AFRICAN BUSINESS RELATIONS

HON. GEORGE P. RADANOVICH

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 21, 1998

Mr. RADANOVICH. Mr. Speaker, fellow members of the House and Senate, and colleagues in the U.S. wine industry, last May 20th to 30th, 1997, I had the opportunity to again lend my support to an American Delegation of Viticulture and Enology that spent two weeks visiting and studying all aspects of the Republic of South Africa's wine industry.

In April of 1996, I had the opportunity of providing support and guidance to a similar trip, the first officially invited U.S. wine delegation to visit the People's Republic of China since 1949. A summary of that report, which is still hailed as a primary source of information on the PRC wine industry, was entered into the CONGRESSIONAL RECORD of September 28, 1996, Vol. 142, No. 137, pp. E1776–E1777.

The trip to South Africa, also organized under the sponsorship of the People to People Citizen Ambassador Program, was conducted for the purposes of establishing contacts at all levels of the South African wine industry, assessing the status and growth of the industry and identifying the potentials for American wine interest involvement, including trade, marketing, investment, and joint venture activities, as well as the problems that may be encountered in pursuing such business interests.

The resulting 72-page delegation report entitled, "A Window on the Wine Industry of South Africa," not only addresses the above points of interest, but provides a current picture of how the South African wine industry is structured and operates.

Descriptions are given of the organization and functions of the various government elements that have oversight responsibilities for the nation's alcohol beverage industry, supporting research institutions, including the University of Stellenbosch's Viticulture and Oenology academic program, and other industry/private sector wine education initiatives. Also, vineyard management and winemaking practices in South Africa are addressed, along with site visit descriptions of the nation's largest wine cooperative, KWV, and several individual wineries from the most northerly positioned wine estate outside of Johannesburg to wine estates of the Cape Town region.

This report, I feel, given the current national attention being focused on U.S.-South African relations, particularly in the field of business and trade, will serve as a valuable up-to-date source of information for anyone in the U.S. wine community who is interested in developing a business relationship with or in South Africa.

I wish to commend the members of this delegation and its leader, Gordon Murchie, President of the Vinifera Wine Growers Association, for their professionalism in representing the United States in this valuable fact-finding and trade relations trip.

It is with considerable pleasure that I offer the Prologue of this report, which not only summarizes the potentials and challenges for American wine industry involvement, but outlines how to proceed and who to contact, both in the United States and South Africa, to establish business and trade relations.

The full report is available by contacting the Vinifera Wine Growers Association.

For further information on making contact with the government or private sector agencies and organizations listed herein, please contact my Washington, D.C. office.

SOUTH AFRICAN WINE INDUSTRY TRADE AND BUSINESS OVERVIEW—PROLOGUE

South Africa is a proud nation with a history that dates back to 1652 when the first European settlement was established by Jan van Riebeeck and his party at the Cape of Good Hope.

It is one of the most developed countries on the continent of Africa. It boasts a highly sophisticated national infrastructure of transportation, communications, social and economic organizations. The water from the public system is potable in the entire country.

But the nation, also, faces some of the most challenging social, labor, political and economic problems of any country. However, as the post apartheid period was achieved without a major civil uprising, the new South Africa is a nation of considerable domestic and international economic promise.

South Africa's wine industry has a 342 year history. It is a developed, technologically sophisticated and fully modern industry. Generally, the level of viticultural and ecological practices and research are equal to any wine producing nation.

With a population of approximately 43 million, a growing consumer base, and a developed product distribution and marketing system, the growth of domestic wine sales should continue to increase, inhibited only by the industry's inability to produce sufficient quantities to meet consumer demand. This is also true of South Africa's potentials of marketing its premium wines on the international market.

Overall, if the South African wine industry can resolve the problems of limited water resources and lack of a dependable, trained, skilled, and affordable work force, there is little reason that South Africa cannot become a major wine exporting nation.

The climate and opportunities for American wine industry joint venture and investment activities, as well as for the exporting of American wines to South Africa, are considerable.

However, interested parties should first conduct an economic feasibility study on shipping bottled wines to the South African market. As the consumer base grows in South Africa, the appeal of international products also grows. The possibility of a joint venture arrangement of shipping bulk wine to South Africa for local bottling and marketing at competitive prices would appear most doable.

One of the present drawbacks to doing business with South Africa, particularly as it applies to the alcohol beverage industry, is the complexity and diffusion of the government's bureaucracy that deals with the importation of alcohol beverage products. The number of government and quasi government entities that have jurisdiction or partial jurisdiction over taxes, tariffs, licensing, quality control, authentication of origin, etc., is confusing to say the least.

This is a situation that the South African government and the wine industry are well aware of and are in the process of trying to restructure to be more export-import business friendly.

For the immediate future, however, it would appear that foreign wine interests should consider contacting and working through one of the established commercial agents in South Africa who knows how to work his or her way through the maze of import regulations and necessary paper work.

For more complete information than contained in this report, a starting point for anyone interested in doing business with South Africa would be to contact the U.S. Department of Agriculture, Foreign Agriculture Service, Africa Desk, Washington, D.C. (Paul Hoffman, Africa Area Officer); and for current market information, contact the Department of Agriculture, Foreign Agricultural Service, Trade Assistance and Promotion Office, Washington, D.C.; or contact directly the U.S. Foreign Agricultural Service in Pretoria, South Africa. Additional information can be obtained by contacting the U.S. Department of Commerce, International Trade Administration, South Africa Desk, Washington, D.C., (office Industry Specialist for the Alcohol beverage industry is Donald Hodges); and the U.S. Trade Information Center for current commercial and economic information regarding South Africa.

South Africa is a signatory to the Tokyo Round Agreement on Import Licensing Procedures. Among other products, alcohol beverage products require an import permit which the South African importer or foreign exporter agent obtains from the Directorate of Import and Export Control within the Department of Trade and Industry.

Since the end of the trade embargo in 1994, U.S. companies can freely engage in trade activities with South Africa. But, again, it would be advisable for interested industry parties to check with several of the U.S. and South African industry-related government and private sector entities for advice and up-dated data on current export (e.g., tariff rates and customs valuations) and business regulations and procedures. For example, the Department of Commerce maintains a U.S. and Foreign Commercial Service (U.S. & F.C.S.) office in Johannesburg and a branch office in Cape Town. U.S. companies/individuals interested in doing wine-related business in South Africa may wish to contact these offices directly for further advice, information and recommended contacts: U.S. Foreign and Commercial Service, c/o American Consulate General, Johannesburg, S.A. and U.S. Foreign and Commercial Service, Johannesburg, or Cape Town, American Consulate General, c/o Department of State, Washington, D.C.

Also, there are a number of U.S. and South African business organizations both in Washington, D.C., and in South Africa that are good sources of information and potential business contacts. They include the following: American Chamber of Commerce in Southern Africa; U.S.-South Africa Business Council, Washington, D.C.; and Investor Responsibility Research Center, Inc. (IRRC), Washington, D.C. The IRRC publishes a number of informational materials about American business activities in South Africa.

For information on possible U.S. government assistance in the establishment of joint venture capital development projects, e.g., an American equipped bottling plant, contact the U.S. Trade and Development Agency, Africa Division, Washington, D.C., Mr. John Richter, Director.

For more information on import permits, contact the Director of Imports and Exports, Department of Trade and Industry, South Africa.

For more information on import policy and tariffs, contact the Commissioner, Customs and Excise Administration, Department of Finance, South Africa; South African Import and Export Association; South African Chamber of Business (SACOB); South African Foreign Trade Organization (SAFTO); or Embassy of South Africa, Economic/Commercial Section.

Additionally, if one has an interest in marketing a U.S. wine product in South Africa, there is the benefit of being able to access an in-country modern public media network and advertising resource. For further information on advertising agencies and advertising programs in South Africa, inquiries should be directed to the Association of Advertising Agencies, Johannesburg, S.A.

Current customs duties payable on importation of wine to the Republic of South Africa: Fortified—customs duty, .31 per liter; excise duty, .5315 per 100 liters; vat payable, 14%. Unfortified—customs duty, .31 per liter; excise duty, .36 per 100 liters; vat payable, 14%.

The South African wine industry has made great strides forward with the application of modern scientific viticultural and enological practices and the use of state-of-the-art production equipment. The continuing research into varieties, soil types, disease and plant quality control, fermentation, etc., at the nation's research facilities will help ensure the future growth and economic viability of the South African wine industry.

American business involvement in the evolving South African wine industry is worth investigating!

Members of the Delegation: Gordon W. Murchie, Delegation Leader and President, Vinifera Wine Growers Association, Alexandria, Virginia; Professor Lena B. Brattsten, Department of Entomology, Rutgers University, Jackson, New Jersey; Leah J. Jones, Wine Label Sales, FP Label Company, Napa, California; Carolyn J. Kelley, M.Ed., Wakefield, Massachusetts; Michael & Jacque Martini, Louis M. Martini, Calistoga, California; Anita J. Murchie, Delegation Reporter, VWGA; Albert A. Oliveira Basport Vineyard, King City, California; Donna M. Oliveira, Amaral Vineyard, King City, California; Sharon Osgood, Esq., Law Offices of Sharon Osgood, Grand Island, New York; Wilburt E. Rojewsky, Alasco Rubber & Plastics Corp., Belmont, California.

TRIBUTE TO DAVID BLOOME

HON. BRAD SHERMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 21, 1998

Mr. SHERMAN. Mr. Speaker, I rise today to pay tribute to David Bloome, the creator of the Eco-Heroes Program, a community action program organized by the UCLA Policy Forum in conjunction with the U.S. Forest Service, the California Environment Project and the Los Angeles Unified School District. This program educates high school students about protecting the forests and encourages them to perform community service.

William Inge wrote that "The aim of education is not of facts but of values." David Bloome, for more than a decade, has managed community action programs that promote activism as well as awareness. His efforts had their genesis while he was still a student at UCLA when he initiated one of the largest curriculum reforms in the University's history. Working with the administration, faculty and students, David developed a new foreign language policy for all undergraduates.

While on the staff of the UCLA Alumni Association, he conceived and implemented Target Literacy, a nationally recognized program that recruited university alumni as tutors in schools throughout California. His endeavor was awarded the 1991 National Education Gold Medal from the Council for Advancement and Support of Education and adopted as a model by universities across the nation. Under his direction, the UCLA Alumni Scholars Program was re-organized so that volunteer participation in its projects increased by 800%.

The Eco-Heroes program is another example of David's dedication to motivating the youth of the community. This pilot program has made students more aware of their roles and responsibilities in the natural environment. Students from El Camino Real High School in the San Fernando Valley and Garfield High School in East Los Angeles have been given the opportunity to participate in a series of educational in-class briefings and on-site projects in the Angeles National Forest. Not only were they educated about the environment, they also assisted with important tasks such as litter abatement and tree planting, including the removal of over 350 pounds of trash and recyclables. This program exemplifies David's tireless effort to ensure the education of future generations.

Mr. Speaker, distinguished colleagues, please join me in honoring David Bloome for his service as an administrator at UCLA's School of Public Policy and Social Research, and for his continual work to foster action and

education in the community. He is a role model for our education system and an example of how we must reach out to others around us if we wish to ensure a bright future for our children.

TRIBUTE TO THE COTTON BOLL AREA GIRL SCOUT COUNCIL

HON. JO ANN EMERSON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 21, 1998

Mrs. EMERSON. Mr. Speaker, 50 years ago, in rural Southern Missouri, a small group of individuals banded together and decided that there needed to be an organization for young girls in Missouri's Bootheel. Today, I rise to pay tribute to the more than 146,000 girls and young women who heard the call and who have been a part of the Girl Scouts in this most Southern area of the State.

Thanks to the hard work and tireless dedication of the Cotton Boll Area Girl Scout Council, today the hard work of the past 50 years is a bright and shining reality for Southern Missouri's young women. Officially chartered in 1948, the Council serves girls from kindergarten through high school in a nine-county region including: Scott, New Madrid, Mississippi, Pemiscot, Dunklin, Stoddard, Butler, Ripley and Carter Counties. In fact, two of my staff members are veterans of the Cotton Boll Area Girl Scouts.

The direct involvement of the Girl Scouts is reflected in the daily lives of individuals from throughout Southern Missouri. The young women who have been involved in the program exemplify the qualities of truth, loyalty, helpfulness, courtesy, purity, kindness, obedience, cheerfulness, and thriftiness that the National Girl Scouts of America were founded upon.

Those qualities, which were found in the first Girl Scout, are ever present today. The standards of excellence and commitment have inspired young girls for the last five decades to aspire to highest ideals of character, patriotism and conduct that are attainable. I am confident that the standards and ideals of the Girl Scouts of America will continue to be the standard which future generations will strive to achieve.

In conclusion, Mr. Speaker, I would like to ask all of my colleagues to join me and the entire Cotton Boll Area Girl Scout Council on Sunday, April 26, as they celebrate their Golden Anniversary. One thing is certain, while some things may have changed throughout the years, the heart of the Girl Scouting program has remained the same. And as one of my local Girl Scouts once said, "Our past is what connects us to the future—a bright and golden future for today and tomorrow's girls."

That is so true. Happy 50th Anniversary!

IN SUPPORT OF H.R. 3662—THE HOLOCAUST ASSETS COMMISSION ACT OF 1998

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 21, 1998

Mr. LANTOS. Mr. Speaker, I invite my colleagues to join me in strong support of H.R. 3662, the Holocaust Assets Commission Act of 1998, which was introduced in the House by our distinguished colleague and my dear friend, the Chairman of the Banking Committee, Congressman JIM LEACH of Iowa. The identical legislation, S. 1900, has been introduced in the other body by Senator ALFONSE D'AMATO of New York.

This legislation will establish a U.S. Holocaust Assets Historical Commission to examine and locate Holocaust-era assets which came under the control of our Federal government during the tyrannical reign of Adolf Hitler's Third Reich or during the period of U.S. military occupation immediately after World War II.

For several years, due the principled leadership of the Clinton Administration and its able Under Secretary of State for Economic Affairs, Ambassador Stuart Eizenstat, our government has worked tirelessly to seek answers to questions about Nazi investments and holdings in wartime neutral nations. Now, as Ambassador Eizenstat has eloquently stated, "the time has come to look more closely at assets here at home—and to do so with sensitivity and urgency." The U.S. Holocaust Assets Commission will follow through on this important mission. Due to the dwindling population of Hitler's victims, this task becomes more and more pressing with each passing day.

Under the legislation which has been introduced, the Commission will be composed of 23 Members of Congress, government officials, and private citizens. They will have the broad mandate and the responsibility to research all available information to determine assets which may have come under the control of the Federal government after January 30, 1933—the day Hitler seized power in Germany. It will work with state and local officials to locate dormant bank accounts from this era that may, after years of inactivity, have been taken into the possession of state governments.

The Commission will also be authorized by this legislation to coordinate its efforts with other fact-finding endeavors currently being pursued through private and public sector channels, and to carefully review studies which may overlap with its mandate. Finally, the Commission will detail its findings in a final report to President Clinton to be issued no later than December 31, 1999. It is my sincere hope that, in cooperation with the efforts of other nations which are reviewing similar wartime issues, we can finally close this most sorry chapter of the last century before the birth of the new millennium.

Mr. Speaker, this legislation builds on the dedicated efforts of Ambassador Eizenstat to seek justice for Holocaust survivors. A man of outstanding intellectual ability, unimpeachable integrity and boundless compassion, Ambassador Eizenstat is one of the finest public servants that I have met during my service as a Member of Congress. He was one of the first to champion this cause during his tenure as United States Ambassador to NATO, and he has since worked ably and devotedly to reinforce our nation's role as a moral leader on this critical matter.

Last May, Ambassador Eizenstat authored a ground-breaking report issued by the Clinton Administration which analyzed and made recommendations regarding U.S. policy towards the wartime neutral countries, and in particular Switzerland. A second report, due to be released later this month, will no doubt shed an even brighter light on those bodies that did Hitler's bidding and fed his war machine and his murderous genocidal policies.

In addition to these significant efforts, Ambassador Eizenstat recently joined Chairman Miles Lerman of the U.S. Holocaust Memorial Council to announce that a Washington Conference on Holocaust-era assets will take place at the State Department on November 9–12 of this year. This Conference will further earlier explorations of Nazi-looted assets, including artwork and insurance, and it will work to establish a broad international consensus for future actions. I am truly honored to have the privilege of working with Ambassador Eizenstat on this and other subjects of concern to the American people.

Ambassador Eizenstat, Congressman LEACH, and Senator D'AMATO are joined by many of our distinguished colleagues in supporting H.R. 3662 and S. 1900. Original cosponsors in the House include Congressman BENJAMIN A. GILMAN of New York, Chairman of the House International Relations Committee, as well as Congressman SAM GEJDENSON of Connecticut, Congressman BRAD SHERMAN of California, and Congressman JON D. FOX of Pennsylvania. In the Senate, cosponsors are Senator BARBARA BOXER of California, Senator CAROL MOSELEY-BRAUN of Illinois, Senator ROBERT F. BENNETT of Utah, Senator WAYNE ALLARD of Colorado, Senator CHRISTOPHER J. DODD of Connecticut, Senator RICHARD H. BRYAN of Nevada, Senator MIKE DEWINE of Ohio, Senator LAUCH FAIRCLOTH of North Carolina, Senator JACK REED of Rhode Island, Senator JOHN F. KERRY of Massachusetts, Senator RICHARD C. SHELBY of Alabama, and Senator PAUL S. SARBANES of Maryland.

Mr. Speaker, the Holocaust Assets Commission Act of 1998 is not a partisan issue—members on both sides of the aisle have united to support this legislation. It is not a national issue—over a dozen countries from around the world have formed similar fact-finding bodies to uncover the truth about Nazi-looted assets in their own countries.

This is a moral issue. This is the final opportunity for justice for many Holocaust survivors who were powerless to defend Hitler's attempts to destroy their families, their culture, and their lives. They are getting older and their population is declining rapidly—the "biological solution" leaves us little time to secure for them a measure of (albeit imperfect) justice during their lifetimes. It is time for America to lead by example. I ask my colleagues to join me in strong support of H.R. 3662 to seek the truth about Holocaust assets in the United States.

TRIBUTE TO REV. JAMES ARNOLD KUYKENDALL

HON. BILL PASCRELL, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 21, 1998

Mr. PASCRELL. Mr. Speaker, I would like to call to your attention the Reverend James Arnold Kuykendall of Paterson, New Jersey. Reverend Kuykendall who, this evening, is being conferred an honorary "Doctorate of Divinity" degree from Shiloh Theological Seminary.

James Arnold Kuykendall was born on December 8, 1952 in Paterson, New Jersey. His parents were the late James Kuykendall of Oakland, Mississippi, and the late Mattie Burns-Kuykendall of Whitehall, South Carolina. Reverend Kuykendall was educated in the public schools of Paterson and attended Montclair State College, Ramapo College, as well as Gilmore Memorial and Hawthorne Bible Institutes.

Reverend Kuykendall began serving the local church as a member of the Junior Usher and Deacon Boards at Gilmore Memorial Tabernacle Church of God in Christ. In 1977 he rededicated his life to Christ, became Assistant Choir Director, and served as Youth Minister.

Reverend Kuykendall preached his first sermon in 1983 and received his ministerial license in April of that same year. He later served as associate minister at Gazaway Baptist Church under the pastorate of Dr. Lester I. Glover, and was ordained in December 1985.

Reverend Kuykendall is the founder and Pastor of the Agape Christian Ministry of Paterson. Agape Christian Ministry is an interracial, non-denominational church established on March 1, 1987. The first service was held in the home of Mrs. Margaret Hicks, at 19th Avenue and East 33rd Street in Paterson. The congregation began with seven people and has since grown to include over one thousand members.

On February 16, 1973 Reverend Kuykendall was sworn into active duty in the United States Army. He served in the capacity as a Finance and Accounting Clerk, and did an overseas tour of duty with the 8th Army in Seoul, Korea for 24 months. He was later transferred to stateside duty in Fort Knox, Kentucky, until being honorably discharged on October 22, 1976.

Reverend Kuykendall has an extensive record of community service which began with him serving as a county committee person for the 6th District, 4th Ward in Paterson, and later as district leader. He was also a Commissioner of the Rent Leveling Board and Commissioner of the Parking Authority in the City of Paterson. Reverend Kuykendall has served as an aide to the Honorable Martin G. Barnes, and presently serves as an aide to Assemblyman Alfred E. Steele.

Reverend Kuykendall is also serving as assistant treasurer to the Congress of National Black Churches—Paterson affiliate, and renders pastoral care at Barnert Memorial Hospital. He is a member of the Board of Directors of Eva's Village Sheltering program, the Youth Services Commission of Passaic County, and a volunteer minister in the New Jersey Superior Court—Passaic County Division, Minister's program.

Reverend Kuykendall is a charter board member of the Fellowship of Inner City Word of Faith Ministries under leadership of Dr. Frederick K.C. Price, the Kingdom Council of Interdependent Christian Churches and Ministries under the leadership of Reverend Dr. David M. Copeland, and serves on the board of directors of both organizations. Reverend Kuykendall is currently the executive vice-president of the Paterson Pastor's Workshop Minister's Association and has served as the chairman of the Political Screening Committee of that organization. He is the Chief Executive Officer of the Agape Christian Ministries Scholarship Fund, which provides scholarships to senior high school students of the City of Paterson, is the Senior Pastor of the Agape Fellowship Association of Churches, and is a member of the board of directors at the Agape Pre-School Child Development Center.

Reverend Kuykendall is married to Minister Kathy A. Ivy Kuykendall of Paterson. They are the proud parents of one daughter, Tanisha Vonetta, and the adoring grandparents of Tera Trae Samuels.

Mr. Speaker, I ask that you join me, our colleagues, the family and friends of Reverend Kuykendall, and the City of Paterson, in recognizing Reverend James Arnold Kuykendall's many outstanding and invaluable contributions made to the City of Paterson and the State of New Jersey.

CONGRATULATIONS TO THE ORDER OF THE ARMENIAN SISTERS OF THE IMMACULATE CONCEPTION

HON. GEORGE P. RADANOVICH

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 21, 1998

Mr. RADANOVICH. Mr. Speaker, I rise today to congratulate the Order of the Armenian Sisters of the Immaculate Conception on the occasion of their 150th anniversary. The Order of the Armenian Sisters is highly respected, supported, and admired by Armenian communities world-wide. Their unparalleled accomplishments, dedicated service, and commitment to future generations are deserving of recognition.

The Order of the Armenian Catholic Sister of the Immaculate Conception was founded on June 5, 1847 in Istanbul, Turkey by Archbishop Andon Hassounian. Hassounian later became Catholicos and the first Cardinal of Armenian ancestry.

Serpouhi Haji-Andonian intended to travel to Italy in order to join a Roman Sisters' order. However, Archbishop Hassounian persuaded her to remain in Istanbul and help him to establish an Armenian Sisters' Order with the mission of educating Armenian girls. Soon, Sister Serpouhi's selfless dedication had resulted in many others joining the Order. The Sisters established many schools in local towns and villages. This expansion spread even to Cilicia.

The Order suffered many casualties during the Turkish Genocide of Armenians in 1915. Numerous schools were destroyed and many sisters were massacred. The surviving sisters, with about 400 orphans, migrated to Italy. They settled in the Kastel Gondolphio Palace of the priest Bios. The number of orphans grew to 500 and the Sisters resettled in Torino's Sanitarium of Love. The headquarters relocated to Rome, and in time, the order once again began to expand.

Soon, Rome was in the grip of World War II, and the expansion of the Order was interrupted. Nevertheless, at the end of the war, twenty new candidates came to Rome to take their vows. Today, the Order has approximately 100 nuns, and new applicants continue to come from Armenia.

Presently, the Order administers over twenty schools, orphanages, and boarding centers for university students. The schools are located in such diverse areas as Lebanon, Syria, Egypt, France and the United States of America. The Armenian Sisters operate three schools in the United States located in Philadelphia, Boston, and Los Angeles. The school in Philadelphia was founded in 1967, the school in Boston was founded in 1982, and the school in Los Angeles (located in Montrose) was founded in 1985.

Mr. Speaker, it is with great honor that I congratulate the Order of the Armenian Sisters of the Immaculate Conception on the occasion of their 150th anniversary. Their dedication and commitment to their heritage should serve as a model for people the world over. I ask my colleagues to join me in wishing the Order of the Armenian Sisters of the Immaculate Conception many more years of success.

TRIBUTE TO KNUD DYBY

HON. BRAD SHERMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 21, 1998

Mr. SHERMAN. Mr. Speaker, I rise today to pay tribute to Knud Dyby for his courage, heroism, and humanitarian actions as a member of the Danish resistance movement during World War II, as well as his participation in one of the most daring and successful evacuations of Jewish citizens from Nazi occupied Europe undertaken during the war.

Margaret Mead once urged us, "Never [to] doubt that a small group of thoughtful, committed citizens can change the world; indeed, it is the only thing that ever does." In Denmark during the Second World War, a small group of dedicated resistors unwilling to fold under Nazi oppression changed the lives of over 7,000 Jews. Knud Dyby was one of these resistors.

At the age of 26, defying all dangers, Knud became a member of the Danish resistance movement. As a police officer, he was an integral part of the resistance's vast intelligence apparatus. Risking his life, he provided resistance leaders with much needed information regarding Nazi patrols along the sea lanes between Denmark and Sweden. When German diplomats announced the Third Reich's intention to deport Danish Jews to concentration

camps the resistance began actively evacuating Jews from the country.

Operating in secret, Knud and his compatriots successfully transported almost all of Denmark's Jewish population across the Sound, the narrow waterway that separated Sweden from the Nazi occupied Europe. In October of 1943, over 7,200 of Denmark's 8,000 Jews were carried to safety.

In the months following this operation, Mr. Dyby continued to play a critical role in the underground movement to rid Denmark of Nazi occupation. As an avid sailor, Knud was aware of the best hiding places for resistance ships waiting to speed across the Sound to safety. He was familiar with the German patrol routines and outmaneuvered Nazi sailors on numerous occasions. From 1944 until May 4, 1945, Knud managed five fishing skippers and transported mail, money and weapons vital to the life of the resistance between Sweden and occupied Denmark. He made hundreds of sea crossings on behalf of the Danish resistance movement and those fleeing the Third Reich.

Today, Knud Dyby speaks modestly about his experiences, about his bravery and his courage. In an address to students at Sonoma State University in California, Mr. Dyby said that what he did was "just what any other human should do for another in need." For his efforts, Knud was awarded the title "Righteous Among the Nations" by the State of Israel. Etched on a medal awarded to Mr. Dyby is a simple statement taken from the Talmud, "Whosoever preserves one life—it is as though he has preserved the entire world."

Mr. Speaker, distinguished colleagues, please join me in paying tribute to Knud Dyby. He is a role model for the generations and proves to us that one can, and should, resist oppression.

THE 78TH CELEBRATION OF PUBLIC SCHOOLS WEEK BY ORIENTAL LODGE NO. 144 AND GLEN PARK SCHOOL

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 21, 1998

Mr. LANTOS. Mr. Speaker, I would like to join many of my Bay Area constituents and friends of the California Masonic Grand Lodge in their 78th celebration of Public Schools Week, and I wish to pay particular tribute to San Francisco's Oriental Lodge No. 144 and Glen Park School for their meaningful commemoration of this special event. As America debates various ideas and proposals to improve education quality and standards, we should recognize those pioneers who, generations ago, committed themselves to guaranteeing every child born in our country the right to attend school.

For those of us from the Bay Area, this year's Public Schools Week has a special significance. One hundred and fifty years ago this month, on April 3, 1848, the first public school in California opened on Portsmouth Square in San Francisco. Six pupils attended classes that day under the tutelage of Thomas Douglas, a Yale graduate hired by the elected Board of Trustees for the then-reasonable sum of $1,000 per year. Douglas offered his students instruction in a diverse array of subjects which included reading, writing, spelling and defining, mental and practical arithmetic, English grammar and composition, mental and moral science, ancient and modern history, chemistry and natural philosophy, geometry, trigonometry, algebra, astronomy, surveying and navigation, and Latin and Greek.

While these course offerings undoubtedly proved attractive to parents and students alike—by May, enrollment had grown sixfold to 37 children—one practical subject not included in the program of instruction was geology. Instruction in this field clearly would have benefitted Douglas' students. Two months after the beginning of classes, the teacher and many of his pupils left San Francisco for the Sierra foothills in search of gold.

The California Gold Rush, which began with the discovery of gold at Sutter's Mill on January 24, 1848, initially resulted in the mad dash of gold seekers from San Francisco, and this forced the school to close. Nevertheless, its legacy as the forerunner of California's outstanding system of public education is irrefutable.

On April 23, 1998, Mr. Speaker, Oriental Lodge No. 144 and Glen Park School will observe Public Schools Week by remembering this significant event. The theme of the evening presentation at the school auditorium will be "From Dream to Reality—From Portsmouth Square to Glen Park." The students of Grades 3, 4, and 5 will put on a multimedia presentation to focus attention on the development of public education in California amidst the tumult and upheaval of the Gold Rush. One class, I have learned, has even constructed a model of the first schoolhouse for the public to admire. The Masonic Lodge will present the school's distinguished principal, Marion Grady, with a new trophy case and a set of flags, which will be posted by the McAteer High School NROTC Color Guard. Mayor Willie L. Brown, Jr. and Anthony P. Wordlow, Grand Master of the California Masonic Grand Lodge, will join other distinguished guests at the event.

Mr. Speaker, this week's celebration of Public Schools Week is a reflection of centuries of activism in support of education by the Masons and, especially, the California Grand Lodge. Public Schools Week was instituted in 1920 by then-Grand Master Charles Albert Adams in response to a post-World War I education crisis that involved a critical shortage of teachers and the closure of 1,200 schools throughout the state. Adams and his fellow Masons hoped to focus attention on the problems facing public education and, in the process, encourage citizens and legislators to seek solutions for these obstacles.

For 78 years Adams and his successors have unquestionably succeeded. The California Masonic Foundation, created in 1970 to provide scholarships to deserving college students, has awarded over one million dollars to young people to help finance their educational needs. In the past year alone 129 grantees received $160,000 for this worthy purpose. The Masonic Student Assistance Program, now in its forth year, serves California's youth with programs that range from issues of substance abuse to the increasing epidemic of violence in our public schools.

Local chapters, such as Oriental Lodge No. 144, have willingly and ably assisted community schools as well. In recent months, Bay Area lodges have contributed, among other noteworthy gifts, materials for a library program for Glen Park's first grade students and valuable instruments for the music program at Lincoln High School. The numerous Masonic contributions to public education in California are truly a credit to the fraternity and its outstanding members.

Wednesday's event is a direct result of the determined and devoted efforts of several prominent Bay Area citizens, most notably Dr. F. Armand Magid, a forty-year educator, history scholar, and Masonic leader who has worked tirelessly in organizing this week's activities; Worshipful Master Neil A. Carlson of Oriental Lodge No. 144, whose direction and guidance have greatly aided his fraternity's numerous educational initiatives; and Principal Grady, whose obvious love for her young pupils has been shown time and time again throughout her career.

In his essay, "When Is a Man a Mason?" the Rev. Joseph Fort Newton wrote: "When no voice of distress reaches his ears in vain, and no hand seeks his aid without response . . . such a man has found the only real secret of Masonry." The Oriental Lodge No. 144 and its many dedicated members have answered this call, showing us that examples from our past can and should be used to highlight the importance of our future.

Mr. Speaker, I am proud to commend the Lodge, along with Glen Park School, the McAteer High School NROTC Color Guard, and the numerous other participants in the celebration of Public School Week for their commitment to public education in the Bay Area.

TRIBUTE TO CHARLES LEIDIG, RECIPIENT OF THE 1998 MAPLE LEAF AWARD

HON. BILL PASCRELL, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 21, 1998

Mr. PASCRELL. Mr. Speaker, I would like to call to your attention Mr. Charles Leidig of Maplewood, New Jersey, who is being honored with the 1998 Maple Leaf Award on this occasion of the 30th Annual Maple Leaf Award Ceremony.

Charles Leidig is being honored for his many years of extensive, and varied community service, especially amongst senior groups, his community neighborhood association, and for the Township of Maplewood. Charlie has lived in Maplewood since 1920, and has attended Seth Boyden Elementary School, Ricalton—now Maplewood Middle School, and Columbia High School, from which he graduated in 1937. After attending New York University, he worked for a major corporation in the areas of Trade Show Coordination, Advertising and Sales Promotion, and Industrial Relations. Charlie's work often required extensive travel, with as many as 27 trips in one year.

While he took an interest in his neighborhood and its activities, it wasn't until his retirement in 1984 that Charlie became fully involved. Following a neighbor's suggestion, Charlie joined one of the Maplewood Senior Clubs, the local chapter of the AARP. Almost immediately he became heavily involved, serving first as Program Chairman and then as Vice-president. He was the group's first President to hold office for four years. Even now Charlie continues to serve as Trip Chairman.

In addition to AARP, the St. Joseph Rainbow Club was another senior organization that benefited from Charlie's endless energy and imagination. He served as the group's Vice President for two and a half years, and in 1992, was honored with the organization's Senior Citizen's Award.

Charlie Leidig has also volunteered his time and talents to Maplewood through his service as Director of the Police Advisory Committee, the Recreation Advisory Board, the Senior Advisory Board, the Maplewood TV Channel Advisory Board, and as an Election Day volunteer at Town Hall. Additionally, Charlie has served for many years as a Holiday Decorations Judge, a Lions Blood Bank helper, member of the Fourth of July Committee, and an Economic Development strategist. Charlie was a very active participant in the Ron Karnaugh Olympic activities and most recently, served on the Neighborhood Association. He is also volunteers as a collector for the American Heart, Cancer, and Cerebral Palsy Associations as well as working for the United Way and Deborah Hospital.

Mr. Speaker, I ask that you join me, our colleagues, the family and friends of Charlie Leidig, and the Township of Maplewood in recognizing Charlie's many outstanding and invaluable contributions made to the community of Maplewood and to the State of New Jersey.

IN HONOR OF THE 16TH ANNIVERSARY OF LET'S CELEBRATE, INC.

HON. ROBERT MENENDEZ

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 21, 1998

Mr. MENENDEZ. Mr. Speaker, for sixteen years Let's Celebrate has helped fight hunger and homelessness in Hudson County. They have helped people "move from hunger to wholeness," by providing counseling, job training, emergency food assistance, adult basic education and housing assistance.

Let's Celebrate now has 74 staff members, over 600 volunteers and 29 service and meal sites throughout the area. This impressive organization has helped countless families move toward self-sufficency.

The organization's innovative job program finds jobs for 85% of its trainees. Let's Celebrate trains the homeless in the food service industry through its own catering service. This invaluable, hands-on job training allows their clients to gain experience, develop job skills and learn to adapt to a work environment.

In addition, through the Emergency Food Network, Let's Celebrate serves over 70,000 meals to our neediest citizens every year. These four soup kitchens and 16 food pantries also help distribute clothing.

Furthermore, through the Housing Plus program, HIV positive individuals and their families receive counseling, medical attention as well as help with housing.

I would like to thank Let's Celebrate for its incredible service to Hudson County and for inviting me to its 16th Anniversary Mad Hatter Ball. This amazing organization truly gives us all a reason to celebrate.

TRIBUTE TO THE JEWISH NATIONAL FUND

HON. BRAD SHERMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 21, 1998

Mr. SHERMAN. Mr. Speaker, I rise today to pay tribute to the Jewish National Fund (JNF) for their fund-raising efforts on behalf of the children of Israel.

The Talmud states that, "He who does charity and justice is as if he had filled the whole world with kindness." In the spirit of these words, the Jewish National Fund has taken steps to ensure that the preservation of the environment remains a top priority for Israelis now and for generations to come. The Jewish National Fund is the American fund-raising arm of Keran Kayemeth Leisrael (KKL), the official afforestation and land reclamation agency of Israel. Through fund-raising and their efforts to heighten awareness, JNF of America supports the KKL in its attempts to bolster environmental concerns, water conservation, recreation and agriculture, employment of new immigrants, tourism and research and development in Israel.

One of KKL's many projects is a summer camp designed specifically for young immigrant and underprivileged Israeli children. The camp provides children with first-hand knowledge of forestry and a chance to participate in enjoyable outdoor activities that they may never have participated in before. At the same time, the camp experience is a vital introduction into Israeli life. It provides the youngsters with an understanding of their common cultural heritage. They learn to share their hopes and dreams with each other and they benefit from the varying perspectives they encounter at camp. This month the Jewish National Fund will be hosting its eighth annual Friendship Cup Golf Classic in Westlake Village, California in an effort to raise money for the camp. I would like to wish good luck to all participants and join with them in promoting their common cause.

Mr. Speaker, distinguished colleagues, please join me in honoring the Greater Los Angeles, Valleys, and South Bay Region of the Jewish National Fund for supporting the children of Israel and investing in their future.

AMBASSADOR SANDY VERSHBOW ON NATO ENLARGEMENT

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 21, 1998

Mr. LANTOS. Mr. Speaker, five weeks ago the Senate began the debate on the admission of Poland, Hungary and the Czech Republic to the North Atlantic Alliance (NATO). That debate and the vote of the Senate to ratify the accession protocols of these three countries is expected to take place in the near future.

A few weeks ago, Mr. Speaker, two opinion pieces which were published in the Washington Post—one by David Broder and the other by Jim Hoagland—which questioned the extent to which the enlargement of NATO has been thoroughly discussed and evaluated prior to the Senate vote on this critical issue. I strongly disagree with the point of view that these two experienced journalists have expressed.

During the recent District Work Period, the Washington Post published an excellent letter to the editor from U.S. Permanent Representative to the North Atlantic Council, Ambassador Alexander R. Vershbow, "The Case for NATO Expansion."

Ambassador Vershbow is a career diplomat who has served our nation with great distinction as Special Assistant to the President and Senior Director for European Affairs at the National Security Council at the White House (1994–1997). Earlier he served as Principal Deputy Assistant Secretary of State for European and Canadian Affairs (1993–1994) and he was Deputy Permanent U.S. Representative to NATO (1991–1993). He also brings a sensitivity to the problem of Russia in the expansion of NATO, having served as Director of the State Department's Office of Soviet Union Affairs (1988–1991).

Mr. Speaker, I ask that Ambassador Vershbow's excellent letter, published in the Washington Post on Tuesday, April 7, be placed in the RECORD. I urge my colleagues to read his thoughtful views.

[From the Washington Post, April 7, 1998]

THE CASE FOR NATO EXPANSION

Critics have sought to give the impression that serious debate about NATO enlargement has never taken place and that the United States and its allies have failed to address important questions about Russia and the future security environment in Europe.

More than 1,000 articles published during the past year and a half have covered all aspects of NATO's evolving role. More than 300 conferences on NATO enlargement have been held in Europe and North America, including several in Russia. Twelve hearings before Congress in the past six months—with more than 550 pages of testimony—have explored the details of NATO's mission and membership and examined arguments from every point on the political spectrum.

Critics charge that NATO enlargement will poison relations with Russia. This might be true if NATO were seeking to isolate Russia, but the opposite is the case. Through the Partnership for Peace and the newly established NATO-Russia Permanent Joint Council, NATO has created a network of security

cooperation that has engaged all the states of Europe—even former neutrals. The new NATO gives Moscow a chance to move away from the old Soviet pattern of confrontation to one of real partnership in Europe.

NATO-Russian relations are better and show more promise today than they have at any time in the past 50 years. They encompass everything from planning for joint action in civil disasters to joint military operations in Bosnia. And they are still developing. How counterproductive it would be if we undercut Boris Yeltsin's courageous decision to cooperate with NATO by bowing to the pressure of Russian hard-liners. That would strengthen the anti-democratic elements in Russia and encourage the belief that the Allies, in the face of Moscow's bullying, had returned Central Europe to a gray zone of instability and limited sovereignty.

As we work to adapt NATO to better fit the security environment of the next century, we understand that we must preserve the essential feature that has made this the most successful alliance in history—the integrated military structure and its capacity for collective defense. The three new members we have invited will significantly improve the alliance's defense capabilities. And having so recently regained their freedom after decades of totalitarian oppression, they can be counted on to stand with us, not just in defense of NATO territory but when the values we share are threatened—as they did recently during the confrontation with Iraq.

In postponing the vote on ratification for several weeks, Senate Majority Leader Trent Lott declared that his intention was to "get a focus on the issue." It is proper to ensure a fair debate of the issue, but as Sen. Jesse Helms noted in sending the bill to the floor of the Senate, now is the time to act.

No one who favors democracy should want to keep the lines of security drawn in Europe where Stalin marked them in 1945. NATO enlargement is the right policy for the United States and the right policy for the future of democracy in Europe.

ALEXANDER VERSHBOW,
Ambassador, U.S. Mission to NATO, Brussels.

TRIBUTE TO CARMELA "MEL" CURRIER

HON. BILL PASCRELL, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 21, 1998

Mr. PASCRELL. Mr. Speaker, I would like to call to your attention Carmela "Mel" Currier of Passaic, New Jersey. Mel is being honored this evening on the occasion of her retirement after 21 years of service to the County of Passaic.

Mel began her career in Passaic County in June of 1977, working as a keypunch verifier/operator in the Administration Building. In April of 1979, she was transferred to the County Clerk's office in the Civil Law Department (Judiciary) as a Clerk Typist.

In less than a year, Mel was put into the Criminal Part of the office, entering bail recognizances, forfeitures, and reinstatements of bail. After proving herself to be a competent worker, she was given more responsibility by the County Clerk. Upon taking the Civil Service promotional tests and coming in first in a series of these tests, Mel worked her way up to become Chief Docket Clerk, the position which she has held until her recent retirement.

During her years prior to becoming a State worker, Mel was very involved in the Democratic Party. Throughout her 23 years of service to the Party, Mel has served as treasurer, vice-president, and president of the City of Passaic's Democratic Party. Additionally, she served as a County Committeewoman and a Ward leader.

Mel will be married 37 years come this May to John Currier, who is a retired Deputy Chief of the Passaic Fire Department. Mel and John have a son, Joseph, who is classified as autistic and had to attend special schools and classes. Joe has since overcome many of his autistic tendencies, thanks in part to his mother's interest in the "Saturday Group."

Mel is President of the Learning Disabled Young Adult Group, Inc., which oversees her son Joe's "Saturday Group." The group's Board of Directors set policy, disseminate information to the public, and hold fundraisers and many other events.

Mel is also very active in her church, Saint Nicholas' Roman Catholic Church on Washington Street in Passaic. She serves as a Eucharistic Minister, leads the congregation at the 4:00 p.m. mass in their Hymns and responses, and sings at the 11:00 a.m. mass in the church choir.

Mr. Speaker, I ask that you join me, our colleagues, Mel's family, friends, and colleagues, and the County of Passaic in recognizing Carmela "Mel" Currier's many outstanding and invaluable contributions to our community, and in wishing her continued health and happiness in her retirement.

HONORING EDWARD AND JESSIE FREEMAN, SR. ON THEIR 50TH WEDDING ANNIVERSARY

HON. ROBERT W. NEY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 21, 1998

Mr. NEY. Mr. Speaker, it is an honor to rise today to celebrate the 50th wedding anniversary of Edward and Jessie Freeman, Sr. It gives me great pleasure to congratulate Edward and Jessie on their special day.

What a remarkable accomplishment to be able to celebrate a marriage that has endured for so many years. The bond that brought them together has remained and grown over the years. May they always share the love and joy they feel today.

In an era where marriages are too often short lived, it is wonderful to see a couple who have endured the trials and tribulations that can cause a marriage to fail. The love and commitment they have demonstrated should serve as an inspiration to couples everywhere.

Mr. Speaker, what an achievement to be married for 50 years. It is an honor to represent a couple like the Freemans. I am proud to call them my constituents.

IN HONOR OF EQUAL PAY DAY, APRIL 3, 1998

HON. DAVID E. BONIOR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 21, 1998

Mr. BONIOR. Mr. Speaker, today I would like to recognize the Coalition of Labor Union Women as they join together to raise awareness of Equal Pay Day. Their dedication to fair wages in the work place deserves to be commended.

Throughout America's history, men, women, and children have fought for fair and equitable treatment in the workplace. Advocates for child labor laws and unions have fought to protect workers' bargaining rights, wages, and working conditions. However, women are still subject to workplace discrimination where their wages are concerned. On an average, women earn 74 cents for every dollar a man earns. This results in a loss of over a quarter of a million dollars throughout a 30-year career, a loss that not only affects weekly paychecks but also retirement.

The Equal Pay Act of 1963 in conjunction with the Civil Rights Act of 1964 prohibits wage discrimination for equal or substantially equal work on the basis of race, color, sex, religion, and national origin. However, to the detriment of the worker, wage laws are not strictly enforced and discrimination suits are difficult to prove.

As communities, families, friends and colleagues, we must all work together to fight for fair wages for all working people. All Americans have the right to equitable pay regardless of their race or sex. Thanks to organizations such as the Coalition of Labor Union Women, this issue will not go unnoticed. I ask my colleagues to join me in lending their support for fair wages for women.

IN HONOR OF THE 30TH ANNIVERSARY OF THE MINORITY STUDENT PROGRAM AT RUTGERS SCHOOL OF LAW-NEWARK

HON. ROBERT MENENDEZ

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 21, 1998

Mr. MENENDEZ. Mr. Speaker, I would like to take this opportunity to pay tribute to the Minority Student Program at Rutgers School of Law-Newark for its 30th Anniversary. In celebration, Roger I. Abrams, dean of the law school, and the Minority Student Program sponsored the Annual Spring Banquet at the Hilton Gateway in Newark, New Jersey on Saturday, April 18, 1998.

The School of Law-Newark at Rutgers is committed to the diversity of its law school community and to the diversity of the legal profession. Since its establishment in 1968, MSP has pursued a policy of equal opportunity for those who have been historically underrepresented in law schools and in the legal profession. Over 1000 students of color and students from disadvantaged backgrounds have graduated from the law school.

The law school historically has attracted students who want to make a difference in the world in which they live. These students represent every ethnic group and nationality. Graduates now make important social and political contributions to their community as judges, presidential appointees, law professors, and prominent members of the bar.

It is a honor and a pleasure to be part of this celebration and to recognize the dedication and commitment of the Minority Student Program at Rutgers School of Law-Newark. I am certain that my colleagues will join me in paying tribute to this remarkable program.

TRIBUTE TO FRED KORT

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 21, 1998

Mr. LANTOS. Mr. Speaker, on Thursday of this week, representatives of the Congress, the Administration, and the Supreme Court will gather in the Great Rotunda of this building for the National Civic Commemoration to remember the victims of the Holocaust. This annual national memorial service pays tribute to the six million Jews who died through senseless and systematic Nazi terror and brutality. At this somber commemoration, we will also honor those heroic American and other Allied forces who liberated the Nazi concentration camps over half a century ago.

Mr. Speaker, this past week Fortune Magazine (April 13, 1998) devoted several pages to an article entitled "Everything in History was Against Them," which profiles five survivors of Nazi savagery who came to the United States penniless and built fortunes here in their adopted homeland. It is significant, Mr. Speaker, that four of these five are residents of my home state of California. My dear friend Fred Kort of Los Angeles was one of the five that Fortune Magazine selected to highlight in this extraordinary article, and I want to pay tribute to him today.

Fred Kort, like the other four singled out by Fortune Magazine, has a unique story, but there are common threads to these five tales of personal success. The story of the penniless immigrant who succeeds in America is a familiar theme in our nation's lore, but these stories involve a degree of courage and determination unmatched in the most inspiring of Horatio Alger's stories.

These men were, in the words of author Carol J. Loomis, "Holocaust survivors in the most rigorous sense," they "actually experienced the most awful horrors of the Holocaust, enduring a Nazi death camp or a concentration camp or one of the ghettos that were essentially holding pens for those camps."

They picked themselves up "from the very cruelest of circumstances, they traveled to America and prospered as businessmen. They did it, to borrow a phrase from Elie Wiesel, when everything in history was against them." They were teenagers or younger when World War II began. They lost six years of their youth and six years of education. "They were deprived of liberty and shorn of dignity. All lost relatives, and most lost one or both parents. Each . . . was forced to live constantly with the threat of death and the knowledge that next time he might be 'thumbed' not into a line of prisoners allowed to live, but into another line headed for the gas chambers." Through luck and the sheer will to survive, these were some of the very fortunate who lived to tell the story of that horror.

The second part of their stories is also similar—a variant of the American dream. These courageous men came to the United States with "little English and less money." Despite their lack of friends and mentors, they found the drive to succeed. As Loomis notes, "many millions who were unencumbered by the heavy, exhausting baggage of the Holocaust had the same opportunities and never reached out to seize them as these men did." Their success in view of the immense obstacles that impeded their path makes their stories all the more remarkable.

One other element that is also common to these five outstanding business leaders—they are "Founders" of the U.S. Holocaust Memorial Museum here in Washington, D.C. They have shown a strong commitment to remembering the brutal horrors of the Holocaust, paying honor to its victims, and working to prevent the repetition of this vicious inhumanity.

Mr. Speaker, Fred Kort is one of the five Holocaust survivors and leading American entrepreneurs highlighted in this article. Fred is the Chairman of the Imperial Toy Corporation in Los Angeles. As we here in the Congress mark the annual Days of Remembrance in honor of the victims of Nazi terror, I ask that the profile of Fred Kort from Fortune Magazine be placed in the CONGRESSIONAL RECORD.

[From Fortune Magazine, Apr. 13, 1998]

EVERYTHING IN HISTORY WAS AGAINST THEM

FRED KORT, CHAIRMAN, IMPERIAL TOY CORP.

He's 74 now and has hair that spikes from his forehead as if it were exhibiting surprise at having made it this far. That image fits Fred Kort's life: At Treblinka, the Nazis' killing camp in north-central Poland, somewhere between 700,000 and 850,000 Jews were exterminated and only nine are believed to have survived. Kort is one of the nine.

Before Treblinka, the youth then called Manfred endured the Holocaust as most of its survivors did, fleeing and barely substituting. The son of a hard-up Polish Jew who lived in Germany, he was pushed with his family into Poland and then, as the Germans overran that country in September 1939, into a succession of mean ghettos and work camps. Once, when he was 17, he turned smalltime entrepreneur, sneaking out of the Warsaw ghetto, risking capture and probable death each trip, to sell baking power, cinnamon, and other spices on the streets. "When you're young," he says, "you think you're invincible."

He abandoned such thoughts in July 1943, when the Germans summarily collected Kort and 2,000 other Jews and packed them into cattle cars headed for Treblinka. The train crawled for two days, and people perished. Those who didn't were shoved into a selection process aimed at sending around 300 of the strongest to the work camp called Treblinka 1 and the rest to the gas chambers of Treblinka 2. From the grass on which all the Jews huddled, one man rose to plead for the work camp and was immediately shot. Kort nonetheless also rose and in German said rapidly that he was an electrician—true, sort of, since he'd been an apprentice before the war—and could be useful. A German raised his gun. He then waved Kort to the work group.

Kort skinned by for about a year, mainly doing water-carrying duty that got him food from the guards' kitchen. Then one day in July 1944, the Jews in Treblinka 1—about 550 at that point—heard the guns of the advancing Russian army. To them the sound was ominous, because they felt sure their German captors would not let them live to broadcast the story of Treblinka 2's exterminations. On a Sunday morning, July 23, 1944, guards burst into Kort's barracks with a rough command: "Lie down wherever you are." Instead, Kort ran, climbing out a barracks window and hiding in a storage shed.

Guards searched the shed but did not find him. He hid there until nighttime, repeatedly hearing gunfire that he assumed, correctly, meant that Jews were being shot.

And then—we know this scene from fiction, except that this was not—Kort covertly watched the guards patrolling the camp's three rings of fences, discovering that their rounds were at intervals of 15 to 20 minutes. When the moment seemed right, he took a spade and ran for the fences, there finding the ground so softened by rain that he could dig under them easily. As he crossed a corn field outside the fences, sentries in the camp's towers tried to shoot him down, but he zigzagged into woods just beyond. He walked all that night and in the morning discovered that he must have gone in a circle, because he had returned to the camp's edge and to mass graves that held the hundreds of Jews murdered on the previous day.

Shortly, Kort joined up with members of the Polish underground. But Jews were unwelcome there, and within days he risked crossing into Russian-held territory, his hands high as he entreated: "Don't shoot, comrades. I'm a Jew." Russian troops interrogated him for ten days before finally accepting his Treblinka story as true.

Later, Kort entered the official Polish army, then reconstituting itself, and in a battle caught a piece of shrapnel from a German shell. A far deeper wound: His father, his brother, and 60 relatives died in the Holocaust.

Fred Kort, then 24, arrived in the U.S. in 1947 with a nickel. On the boat that carried him, he used the English he'd begun to learn in postwar Europe to ask a sailor what American money was like—and got not just a look but a coin to keep. Beyond the nickel, though, Kort had some resources, because he was under the wing of the American Jewish Joint Distribution Committee—called the Joint by all who knew it. The Joint put him up in a modest Manhattan hotel, and soon he got a job at Bendix Corp. and entered night school.

Still exploiting those electrical skills, Kort next landed a job at General Electric and in time wangled a transfer to California. Leaving GE, he went to work for Los Angeles' Biltmore Hotel as an electrician. On one fateful day, he was called to a guest's room to fix a desk lamp. Engaging Kort in conversation, the guest, Martin Feder, said he was planning to open a toy factory and wondered if Kort knew anybody he might hire. "How about me?" Kort asked, in a question that would chart the rest of his career.

Over the next 20 years he worked for Feder, who specialized in producing the bubble-blowing kits that we all used as kids; started, and folded, a bubbles company of his own;

and served as a manufacturers' rep for other toy manufacturers, proving to be a master salesman who could have sold jump ropes to snails. As a rep, he made good money. So he was ready to march when by chance he came upon a tiny, hard-rubber, high-bouncing ball that hadn't been pushed in the market. In 1969, Kort took this irrepressible bit, the Teeny Bouncer, and $50,000 and, with a partner, set up Imperial Toy Corp.

Today the partner's gone, but the original Teeny Bouncer is still a big seller in Imperial's huge line of 880 toys. Most of the items are the year-round, very basic, $1.99-to-$4.99 stuff of everyone's childhood—jacks, marbles, balloons, paddle balls, water guns, rubber snakes, and yes, bubble kits, of which Imperial is the world's largest producer. Imperial's 1997 sales were just over $100 million, which makes the company a midget compared to Mattel and Hasbro but a steady, important force in an industry teeming with smaller, trend-riding companies. Kort says with particular pride that Imperial has never had "a losing year." That applies even to 1997, though the importance of money in that year was dwarfed by a disaster: a November explosion in Imperial's Los Angeles headquarters (linked to roll caps sold by the company) that killed four factory employees and injured several others.

That tragedy punctured Kort's natural ebullience, but not much else does. From an office decorated in purple—and with that hair going boing!—he runs his business as if he expects to be there forever, which he pretty much does. His son Jordan, one of three sons who work with him and try to match his pace, says his father has "this drive, this incredible drive."

Since the war, Kort has testified in four war-crimes trials and has sketched, from memory, a detailed map of Treblinka 1 that is now at Washington's Holocaust museum. But Kort is in no way locked into the memories of the past. Deeply aware that America has been good to him, he is instead propelled by the thought that he'd just better bounce out there and "do more."

TRIBUTE TO THE LAKE COUNTY PUBLIC VOLUNTEERS

HON. PETER J. VISCLOSKY

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 21, 1998

Mr. VISCLOSKY. Mr. Speaker, it is my pleasure to commend Lake County Public Library (LCPL) volunteers during National Library Week and National Volunteer Week. The LCPL honored its volunteers on Sunday, April 19, 1998, during the Friends of the Lake County Public Library annual meeting, which was held at the library in Merrillville, Indiana. Two individuals, Helen Goodman and Frank Peterson, earned special recognition for their outstanding service to the library.

Helen Goodman, of Crown Point, Indiana, has volunteered at the Lake County Public Library since 1986. An assistant in the library's Indiana Room Helen researches and locates materials for library patrons on such topics as genealogy. In addition to her daily responsibilities of sorting and reshelving materials, Helen takes the initiative to offer personal assistance to patrons who are in need of specific information. Helen is prompt, reliable, and so dedicated to serving patrons, the library's Reference Department has considered naming her an "Honorary Reference Librarian". Helen also volunteers in the Friends of the LCPL Book Sale Room, where she helps patrons select and purchase used materials. In addition, Helen is a loyal participant in all library programming, including book discussion group, as she thrives on the exchange of ideas through reading and research. Helen also displays her dedication to public service by working at the Veterans Administration (VA) several days a week. A VA volunteer since 1988, Helen assists disabled veterans with transportation needs by determining their eligibility and availability for assistance programs, as well as coordinating travel schedules. Helen also recruits other volunteers to help disabled veterans when necessary, and she is invaluable in maintaining quality patient care for the service.

Frank Peterson, a native of Portage, Indiana, has been a volunteer at the Lake County Public Library for 5 years. Frank assists the library's Book Coordinator by moving boxes of donated books for sorting, selecting, and shelving in the Book Sale Room. He works at least 2 hours each Tuesday morning and sometimes on Thursdays, re-arranging the books and encyclopedias, clearing the shelves of books for new selections, and organizing the Book Sale Room for the public. In addition, the library considers Frank to be its one-man publicity department, as he promotes the Book Sale Room to area newspapers and places advertisements for book donations. Frank has also taken the initiative to arrange for the distribution to underprivileged libraries and school districts in other states the library's excess books. Despite his ongoing battle with lung cancer, Frank continues to pursue his commitment to volunteerism through his service to the Lake County Public Library, as well as the Porter County Public Library book sale.

Mr. Speaker, I ask you and my other distinguished colleagues to join me in commending Helen Goodman, Frank Peterson, and all the other volunteers at the Lake County Public Library for their outstanding service to their community. Their commitment to assisting others in the pursuit of knowledge has proven invaluable to the citizens of Indiana's First Congressional District.

IN HONOR OF YAFFA ELIACH

HON. CHARLES E. SCHUMER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 21, 1998

Mr. SCHUMER. Mr. Speaker, one of the great pleasures of serving in this legislative body is the opportunity we occasionally get to publicly acknowledge the outstanding pillars of our community.

I ask my colleagues to join me today in congratulating Mrs. Yaffa Eliach on being named Brooklyn College's Alumna of the Year.

Mrs. Eliach currently is a professor of History and Literature in the Department of Judaic Studies at Brooklyn College. She is a pioneer scholar in Holocaust Studies and the creator of the acclaimed "Tower of Life" at the United States Holocaust Memorial Museum, and also served on President Carter's Holocaust Commission. Yaffa was among a handful of academics who introduced Holocaust Studies on the American Campus, and is the founder of the first Center of Holocaust Studies in the United States. She served as its volunteer director until 1991.

Mrs. Eliach was born in Vilna, lived in Ejszyski until she was four and spent the rest of the early years of her childhood in Nazi-occupied Europe, in ghettos and hiding places. Because of these experiences she felt that she must never let people forget what took place during those turbulent years in Europe. Today Mrs. Eliach is a historian, poet, and a playwright dedicated to educating people about the past. Her most recent publication, "There Once Was A World; A Nine Century Chronical of the Shetetl of Eishyshok" is her latest attempt to teach people about the past. It is the history of the people in the "Tower of Life" exhibit.

She is also contributing scholar to the "Encyclopedia Judaica," the "Women's Studies Encyclopedia," "The Encyclopedia of Hasidism" and is a frequent contributor to scholarly, literary and popular publications in the United States, Canada, Israel, Europe and Australia. Some of her accomplishments include winning a Woodrow Wilson Dissertation Fellowship Award, a Louis E. Yavner Award, and being named by CBS as the Woman of the Year in 1995.

Ms. Eliach's hard work and dedication throughout the years make her a very deserving recipient. I congratulate her on this award, and wish her continued success championing her cause.

CONGRATULATIONS TO SINAI HOSPITAL AUXILIARY, INC. ON THE 50TH ANNIVERSARY OF ITS FOUNDING

HON. BENJAMIN L. CARDIN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 21, 1998

Mr. CARDIN. Mr. Speaker, I rise today to pay special tribute to the Sinai Hospital Auxiliary, Inc. on the 50th anniversary of its founding. A hospital is only as good as the people who are associated with it, and for more than 130 years Sinai Hospital has been one of the leading health care institutions in Baltimore, Maryland. Over the years, the Sinai Hospital Auxiliary has contributed to this success by supporting the hospital and reaching out to the larger community.

In 1948, the Sinai Hospital Board of Directors created the Women's Auxiliary of Sinai Hospital. Its mission was to interpret the hospital to the community, provide volunteer and other services and allocate all designated funds to help the hospital. Its first meeting was attended by more than 700 women.

In 1968, the Women's Auxiliary became the Sinai Hospital Auxiliary, opening its membership to include male members. As an integral part of Sinai Hospital, the Auxiliary supports and funds many innovative programs and projects that benefit the hospital.

The Auxiliary has been involved in almost every aspect of the hospital. Among its many noteworthy accomplishments, the Auxiliary has presented the Pediatric Intensive Care Unit with a $125,000, five-year grant; donated a specially equipped car to help stroke victims; provided care safety seats for infants and children; and undertaken many educational health programs.

I hope that my colleagues will join me in saluting the Sinai Hospital Auxiliary on its 50th anniversary and in commending its members for their dedication and commitment to the community.

A FAREWELL TO DR. STANLEY S. BERGEN, JR., UMDNJ PRESIDENT

HON. ROBERT MENENDEZ

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 21, 1998

Mr. MENENDEZ. Mr. Speaker, Dr. Stanley Bergen, Jr. is now enjoying something few of us will have an opportunity to experience. Quite simply, his dreams have come true. Dr. Bergen saw his dream of a renowned public medical and dental school in New Jersey spring from modest beginnings and blossom into reality.

Dr. Bergen is now retiring after being the University of Medicine and Dentistry of New Jersey's first and only president. He provided the vision and leadership to make this institution a nationally recognized medical and dental research and educational facility. UMDNJ is the largest free-standing public health sciences university in the country. This institution is now comprised of four campuses, seven schools, 5,000 students, 11,000 employees and over 100 affiliated health care institutions.

But UMDNJ is not only a world class medical and dental school, biomedical research organization and health care provider, but it is also an organization which has given back to the community. In 1994, UMDNJ was awarded the Association of American Medical Colleges' prestigious Outstanding Community Service Award. The school also boasts one of the largest minority student populations among the nation's medical and dental schools. UMDNJ's excellence is the reflection of a man who has insisted on excellence in everything he does.

Dr. Bergen credits the support of his wife, Suzanne, and his children Stanley, Steven, Stewart, Victoria, and Amy for making his success possible.

I would like to thank Dr. Bergen for his incredible contributions to the health of New Jerseyans and for inviting me to his farewell luncheon on April 16, at the Newark Club.

IN HONOR OF 50TH BIRTHDAY OF THE AIR FORCE RESERVE

HON. DAVID E. BONIOR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 21, 1998

Mr. BONIOR. Mr. Speaker, I have the honor to pay tribute to the Air Force Reserve as they observe their 50th Birthday on April 14, 1998. The 927th Air Refueling Wing at Selfridge Air National Guard Base will celebrate the event with a dinner and dance on April 21, 1998.

After World War II ended, the Army Air Forces began the task of post-war reorganizing. With the passage of the National Security Act in 1948, the Air Force became an independent branch of the military. The same year, the leaders of the Air Force began an overhaul of the Air Force Reserve. Although the Reserves had been in place since 1916, a formal organization did not exist. It was not until April 27, 1948 that the U.S. Air Force Reserve was officially established.

The 927th Air Refueling Wing at Selfridge Air National Guard Base is just one of the many units created from the reorganization of the Air Force Reserve. For the past 35 years, the unit participated in missions such as ferrying aircraft, equipment, and supplies to Vietnam, flying in supplies to flood victims in New York and Pennsylvania in 1973, and has provided refueling to fighters in Bosnia. The personnel of the 927th continually train both overseas and in the United States so they will be fully prepared when they are called upon to perform a mission. The 927th Air Refueling Wing deserves to be commended for their dedication and commitment to duty.

For five decades, the Air Force Reserve has faithfully defended the citizens of our great nation. I would like to join the 927th Air Force Refueling Wing in celebrating the 50th birthday of the Air Force Reserve.

HONORING THE FORMER CONGRESSMAN DOUGLAS APPLEGATE

HON. ROBERT W. NEY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 21, 1998

Mr. NEY. Mr. Speaker, today I rise on behalf of the Members of the House of Representatives to honor the former Congressman Douglas Applegate. In a ceremony on April 17th, the name of the Steubenville Post Office will officially be changed to the Douglas Applegate Post Office. The Honorable JAMES A. TRAFICANT, JR., of the 17th District of Ohio sponsored the legislation to name the post office, and it was signed into law by President Bill Clinton on November 19, 1997.

Former Congressman Douglas Applegate has been a leader in his hometown of Steubenville, Ohio, since graduating from Steubenville High School and going onto a career in politics serving the citizens of Ohio in the Ohio House of Representatives and later in the Ohio Senate. Mr. Applegate was elected to Congress in 1976, and served diligently for eighteen years to improve senior citizens, veterans, labor and consumer issues.

Douglas Applegate has proven his commitment to his community and to his country and he has worked continuously to make it a better place to live.

Mr. Speaker, I ask that my colleagues join me in thanking the former Congressman Douglas Applegate for his thirty-three years of dedication as a public servant, and congratulating him. I wish him continued success, health and prosperity.

1998 EMERGENCY SUPPLEMENTAL APPROPRIATIONS ACT

SPEECH OF

HON. JOHN M. McHUGH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 31, 1998

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 3579) making emergency supplemental appropriations for the fiscal year ending September 30, 1998, and for other purposes:

Mr. McHUGH. Mr. Chairman, I want to take this opportunity to thank the members of the Appropriations Committee for all they have done to accomplish our objective of providing assistance to the dairy farmers and tree farmers in New York and the other Northeastern states who suffered devastating damage as a result of the ice storm which struck earlier this year.

Unfortunately, the President's supplemental funding request did not adequately address the losses which were suffered by the agricultural industry. With the help of my House colleagues, JIM WALSH and JERRY SOLOMON, we have successfully rallied support in Congress to add funding to help our farmers who are struggling to recover from the devastation.

I know that some of the funding we were successful in getting approved—compensation for diminished milk production—is unprecedented and I understand that some Members are concerned about this fact. But let there be no mistake—the losses in Northern New York and throughout the Northeast, along with areas of the country—represent a unique situation. The assistance we are providing in this bill represents a small, but vitally important, step forward on their road to recovery.

The loss of electric power had enormous repercussions simply beyond inconvenience. As the third largest dairy producer in the nation, Northern New York is the state's largest dairy region. Without power, dairy farmers were unable to milk their herds. Those with generators—an instrument which, as the hours without power turned into days and then weeks, became one of the region's most sought-after and precious commodities—who were able to milk frequently had to dump their milk because the roads were impassable and the milk trucks were unable to get through to pick up their product. Those lucky enough to be able to milk and get their product to the producer were frequently confronted with the milk plant being without power. At the end of the day, millions of pounds of milk had been dumped. In addition, because of their inability to milk the herds, or to milk on a normal schedule, many contracted mastitis, an illness which if not treated can kill the cow. In many instances, the illness is treatable, but it will be many weeks, if not months, before the cow is back on a regular production cycle. In the meantime, the farmers have lost critical production—and money right out of their pocket.

Our initial hope that the federal disaster declaration would speed assistance to farmers

was soon shattered as it became clear the Farm Service Agency's primary form of assistance was low interest loans. Federal programs to replace livestock losses or dairy production are either expired, do not apply to dairy farmers or are non-existent. To these dairy farmers, many of whom are already operating on the margins due to a 20 year low in milk prices, low interest loans are not even an option. They simply cannot afford it.

Mr. Chairman, despite its precedence, what this bill offers in assistance to the dairy farmers is not outrageous. It conforms to the parameters of assistance programs by offering to make payments to farmers of up to 30 percent of their losses. It in no way makes them whole. What it does do is offer them light at the end of the tunnel and can well mean a make or break situation. These are family farmers—not conglomerates. They deserve no less than we are offering them here.

In this bill we also provide assistance to maple sugar producers, Christmas tree farmers, and orchardists, among others. The ice wreaked havoc on these tree growers, as well, and it will take decades for many of them to recover from the kind of damage they suffered. Here too, these funds will help them on that road to recovery.

Finally, I am pleased that we were able to secure Community Development Block Grant funding to assist homeowners in the Northeast meet those needs which have been left unmet by other federal assistance programs.

IN MEMORY OF RUSSELL T. KIKO AND WILLARD L. KIKO

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 21, 1998

Mr. TRAFICANT. Mr. Speaker, I would like to pay tribute to two special men and great entrepreneurs, Russell T. Kiko and Willard L. Kiko, both of whom recently passed away. These remarkable men contributed greatly to their communities, and will be deeply missed.

Natives of Ohio, Russell, born in 1915, and his younger brother Willard, born in 1922, were the sons of German immigrants. They grew up on their family's farm, where they lived and learned with their seven other brothers and sisters.

Russell stayed on his family's farm until 1944, when he first became involved in the auction business as a part-time job. In pursuit of this interest, he attended the Reppert School of Auctioneering in Decatur, Indiana. In 1945, using the vast stores of knowledge he gained during his time at Reppert, Russell started his own auction barn, Russ Kiko Associates, Inc. During its first year the business made $1,500. Due to Russ's dedication and expertise, Russ Kiko Associated, Inc. has grown from a modest beginning to become the largest auctioneering firm in Ohio. His business was built on the simple, honest motto of "giving buyers and sellers a fair deal." A man of great integrity, Russell believed in keeping his business clean, and as a result, he drew a large following of admirers. This honest and straightforward way of conducting business led to recognition from his peers. Not only was Russell a member of the Ohio Auctioneers Hall of Fame, in 1981, he became the first Ohioan to be inducted into the National Auctioneers Hall of Fame. He retired in 1990.

Willard also left behind the family farm, but to pursue a life different from his brother. In 1944 he enlisted in the United States Navy and served as a gunner in the Merchant Marine fleet in the Pacific and European theaters. His honorable and distinguished service earned him several awards, including: the American Area, Asiatic Pacific Area, and European African ME Area Ribbons, and World War II Victory Ribbon. Upon his honorable discharge from the Navy, he became involved in the sheet metal trade. In 1974, he became the principle founder, along with his son, of yet another successful Kiko family business, Kiko Heating and Air Conditioning. The business is currently one of the largest heating and air conditioning businesses in the Akron-Canton area. Willard retired from his family business in 1982.

Following their retirements, Russell and Willard, avid outdoorsmen, spent much time together. Sadly, their long and successful lives recently came to an end. Russell died on December 12, 1997, after an extended illness, and Willard left this Earth on February 12, 1998, due to heart failure. Both men were survived by large, loving families. Russell has left behind Coletta his wife of 59 years, 12 children, 63 grandchildren and 26 great-grandchildren. Willard has left Stella, his wife of 49 years, three children and 11 grandchildren.

I would like to add my acknowledgment and condolences to those already offered by the Senate of the 122nd General Assembly of Ohio. Both men demonstrated unwavering commitment to their professions and to their communities. I extend my heart-felt sympathy to the family of these fine men, and hope that they will take comfort in knowing that all who met Russell and Willard Kiko respected them greatly. These men have left a permanent impact on the world in which they lived.

BUILDING EFFICIENT SURFACE TRANSPORTATION AND EQUITY ACT OF 1998

SPEECH OF

HON. ELEANOR HOLMES NORTON

OF THE DISTRICT OF COLUMBIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 1, 1998

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 2400) to authorize funds for Federal-aid highways, highway safety programs, and transit programs, and for other purposes:

Ms. NORTON. Mr. Chairman, don't vote for the Roukema amendment to destroy the Disadvantaged Business Enterprises program (DBE) or you will pay the price with your women small business owners. I have listed just a few examples of how women business owners can tell their own stories about the success of the DBE program.

NEW JERSEY

Roberta Verdun, President, Summit Graphics Corporation, North Brunswick, NJ said: "I have owned a small business for 25 years, . . . I am also certified as a DBE and without the DBE program, I would not have opportunities to bid against the big businesses out there. DBE status affords me 'opportunity.' I don't expect printing jobs handed to me but without the opportunity to offer a bid, I would be out of business!"

Deborah Ayars, President, A–TECH Engineering, Vineland, NJ said: "My firm has grown over the ten years I've been in business from just me to twenty total employees . . . We employ local people who would otherwise be looking for jobs, most likely outside this area . . . Without the DBE provisions of ISTEA, the ever-larger majority firms would let none of the work out of their firms . . . Taking away sub-contracting incentives for women and minorities would deprive the economy of the kind of resources that increase our nation's global competitiveness, a goal of NEXTEA/ISTEA. In closing, the DBE program is one of the most successful programs the government has developed. It saves the government money, increases jobs in small business, and assists women and minority owners to get a foot in the door in business."

IDAHO

Elaine Martin, President, MarCon, Inc., Nampa, ID said: "Most companies can point to one or two jobs that made it possible for their companies to succeed. My 'essential' job would not have been awarded to me without the DBE program. I was low bidder on a job in 1987 where the owner told the estimator to give the job to a larger, male owned firm that had a higher bid than mine. The estimator told the owner that the job had DBE goals and as low bidder, I should be given the opportunity to perform. That job allowed my company to survive another year as I worked in the field days and bid new work at night. In the ten years since that one $100,000 job that I would have lost without the DOT DBE program, my company has grown from $200,000 to $3 million annually."

IOWA

Joanna Pierson, President-Owner, Joanna Trucking, Inc., Sioux City, Iowa said: "The DBE program has helped me to get a fair shake. My company is very good at what it does, but that does not mean anything. What does mean something is that I am a 'foolish female,' 'stupid woman,' I'm sure you've heard them all. To get rid of this program means putting me and others like me out of business along with 25 of my employees. Without this program, I am nowhere because I deal with men who want me out, and even my own brothers are trying to force me out. I represent competition to any male in business, but my company performs well, and I can honestly say that we do a better job than most male organizations . . . We need to keep this program going, to 'mend it, not end it'."

TRIBUTE TO JOYCE WOLKA

HON. DAVID E. BONIOR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 21, 1998

Mr. BONIOR. Mr. Speaker, today I rise to congratulate Joyce Wolka, who will be awarded Secretary of the Year by the Macomb Chapter of Professional Secretaries International. On April 22, 1998, Ms. Wolka will be honored at the Secretaries Day Banquet during Professional Secretaries Week.

Each year, the Macomb Chapter of Professional Secretaries International chooses the Secretary of the Year based on a list of important qualities. Candidates are judged in three areas: education, work experience, and involvement in PSI activities. Ms. Wolka's professional accomplishments and expertise led to the honor of Secretary of the Year.

Ms. Wolka has worked for the past 7 years at Specs Howard School of Broadcast Arts in Southfield, Michigan. As an Executive Secretary in the Placement Department she is responsible for maintaining current student and graduate files and databases, correspondence to employers, conducting mock interviews with students, and correcting their resumes as part of their curriculum. She has made an important contribution to education and her community by performing many of the fundamental responsibilities that allow the schools to operate every day.

Throughout the years, Ms. Wolka has been a valuable member of her profession and her community. Not only is she an active member of the Macomb Chapter of Professional Secretaries International, she is also a Eucharist Minister at St. Kieran's Catholic Church and a Boy Scout Leader of Troop 343. Ms. Wolka and her husband Kevin have raised two sons, Dan and Mark. I would like to congratulate Ms. Wolka and wish her continued excellence in her work.

BUILDING EFFICIENT SURFACE TRANSPORTATION AND EQUITY ACT OF 1998

SPEECH OF

HON. JOHN R. THUNE

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 1, 1998

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 2400) to authorize funds for Federal-aid highways, highway safety programs, and transit programs, and for other purposes:

Mr. THUNE. Mr. Chairman, I rise today to address the bill before us today, H.R. 2400, the Building Efficient Surface Transportation Equity Act of 1998. This measure probably will have a more profound impact on my State of South Dakota than any other measure this body may consider this year.

The State of South Dakota has 7,803 miles of roads on the State highway system which span over a 77,000 square mile area in the State. As one of the largest States in geography, we have tremendous needs to maintain our network of highways, bridges, and transit connections. While other modes of transportation play an important role in moving goods and people from one point to another, automobile and truck transportation are the most predominant forms used for personal and commercial purposes.

I thank Chairman SHUSTER, Ranking Member OBERSTAR, Surface Transportation Subcommittee Chairman PETRI, and Subcommittee Ranking Member RAHALL for all of their assistance on South Dakota specific concerns. With their help, I was able to include an amendment to Section 107 that would allow federal bridge funds to be used on a de-icer agent being developed by the South Dakota Department of Transportation (SDDOT) in conjunction with the South Dakota School of Mines and Technology and private industry. The de-icer compound, known as sodium acetate-formate, is a cost-effective, environmentally sound way to keep bridges clear of dangerous icing conditions without the corrosive side-effects of other compounds. The Committee also saw fit to honor my request to reduce paperwork and staff hours in conducting statewide planning by making a conforming amendment to Section 125.

The Committee also saw fit to honor my request to designate Interstate 29 as a High Priority Trade Corridor from Kansas City, MO, to the Canadian border. Since the implantation of the North American Free Trade Agreement in 1993, traffic has increased tremendously on I–29. From 1993 to 1997, car and truck traffic in South Dakota has increased by 46 percent on I–29 from the Iowa border to the North Dakota border. Without question, the State of South Dakota and its neighbors served by I–29 should be eligible for programs contained in Section 115 of this bill. I am certain South Dakota will find innovative ways to make commercial transportation on I–29 more efficient and more effective.

I also appreciate the recognition the Committee gave in the report accompanying this bill to the bridge over the Missouri River in Yankton, SD. The existing Meridian Bridge is approaching 75 years in age and is in desperate need of replacement. The committee report appropriately notes that the bridge should be replaced and that the Secretary of the Department of Transportation should make funds available from the Discretionary Bridge Replacement Fund for this purpose.

I especially appreciate the committee's recognition of Congressional Priority Projects I submitted for consideration. These all are important to the State of South Dakota and will help address important safety, congestion, and economic development needs. All of the projects were selected from a list submitted by the SDDOT. I also took the initiative to conduct a series of town hall meetings across the State of South Dakota last August to discuss these priority projects as well as to solicit the views of South Dakotans on our surface transportation priorities.

Through the information provided from these sources, I was able to submit to the Committee a strong slate of projects that deserve funding through this process. Among those projects are two of the three legs of the Eastern Dakota Expressway (EDE). The EDE is a combined vision of former Senator Francis Case and the late Governor George S. Mickelson. These two South Dakota leaders saw the value of connecting our major population centers to Interstate 90 and Interstate 29 via four-lane highways. The funds made available through this bill would be enough for 80 percent of the cost of the project. The remaining 20 percent would represent the standard and appropriate State and local cost share to convert South Dakota Highway 37 between Huron and Mitchell from a two-lane to a four-lane and to convert US Highway 83 between Pierre/Fort Pierre and Interstate 90 to a four-lane. My hope would be to complete this vision of Case and Mickelson by connecting Aberdeen to Interstate 29 by a four-lane highway. Unfortunately, it appears that important and necessary segment will have to be addressed at another point in time. All the same, I am committed to continue to work for that segment as I work to forward the entire EDE initiative.

The Chairman also should be commended for his tenacity on an issue important not only to South Dakotans, but to so many across the nation.

For too long, Washington has ignored its own rules when it comes to fiscal matters. And one of the most blatant abuses has been the way Washington has misused revenues generated by the motor fuels tax. Last year, Chairman SHUSTER and other supporters of honesty in budgeting gained a victory by shifting 4.3 cents of the motor fuels tax from general government expenditures to the Highway Trust Fund.

However, as the Chairman has pointed out, the addition of these revenues would cause the Trust Fund balances to skyrocket. If those dollars are going to be paid in by American highway users, then those consumers should have the assurance that those funds are being put to their intended purpose. The level of funding in H.R. 2400 would do just that.

Late January estimates from the Congressional Budget Office indicated that the Highway Trust Fund would have reached a cash balance of $81 billion by the year 2002. Those are dollars paid at the pump by users who expect a return investment in highways, bridges, and transit. Unless the bill before us is enacted, those dollars will end up in a federal black hole.

Most importantly, this feat can be accomplished within the context of a balanced unified budget. Title X of the bill mandates that the additional funding in this bill be offset by mandatory and discretionary spending reductions. This means Congress would stay within the confines of the budget agreement met last year and stay on the path of a balanced federal budget. While there will be critics of whatever offsets may be reached, it will be important to remember a simple fact. That fact is Washington has been siphoning off gas tax dollars for miscellaneous Washington spending. No matter the merits of those other spending priorities, we should not continue to deceive the public by taking what they pay at the pump and using it to feed Washington. Those are dollars that should be used for highways and bridges in my State of South Dakota and in the other 49 States of the Union.

I also would like to commend the Chairman and Ranking Member for the bill's funding ratio between highways and mass transit. Of the House and Senate bills, the House bill clearly takes a more appropriate approach to funding these two needs. Of the $217 billion in the House bill, $181 billion would fund highway initiatives and $36 billion would be available to mass transit. The Senate version on the other hand would place only $171 billion in highways and $41 billion in transit. The House funding split, in my view, represents a more responsible approach for the State of South Dakota and the nation.

The total funding levels contemplated in this measure indeed would have an important impact on the nation's and South Dakota's transportation priorities. Under this bill, South Dakota's annual average allocation would total approximately $144 million a year. Under the Intermodal Surface Transportation Efficiency Act (ISTEA), South Dakota received approximately $119 million a year, representing an annual increase of $25 million. Further, the level in H.R. 2400 would boost funding by more than $40 million annually over the House bill back in 1991.

Without the funding levels Chairman SHUSTER has advocated, South Dakota would not be able to realize these increases. At the same time, I would be remiss if I did not express my concern over the formula share given to my State in this bill. As it stands, South Dakota's percentage of formula programs would reduce from 0.67 percent to 0.52 percent. Such a reduction simply is not acceptable to our State of South Dakota. The Chairman and many of my colleagues already are familiar with my sentiments about the formula. They fully realize how I feel and how my State feels about such a reduction in our share. At the same time, I fully appreciate the composition of the House would lend itself to a formula that reflects the desires of more populated areas. I also realize that historically, the Senate has produced formulas that more closely reflect my preference and the preference of my State. In fact, at this point in 1991, the House formula gave South Dakota a 0.52 percent share while the Senate produced a share of 0.77 percent. This difference is almost identical to that produced this year by our two Houses of Congress. I am hopeful, therefore, that the final product will yield a share that improves upon that crafted under ISTEA.

The Chairman has been very patient and very understanding in an effort I mounted with several other members from similarly impacted Western States. I along with Mr. YOUNG of Alaska, Mr. SKEEN of New Mexico, Mr. ENSIGN of Nevada, Mr. GIBBONS of Nevada, Mr. CRAPO of Idaho, Mrs. CHENOWETH of Idaho, Mr. HILL of Montana, Mr. POMEROY of North Dakota, Mrs. CUBIN of Wyoming, Mr. REDMOND of New Mexico, and the late Mr. Schiff of New Mexico, all worked for this provision to be included in H.R. 2400.

The amendment would have recognized the unique challenges states with low population densities and large geographic areas face as they attempt to meet highway needs. The amendment would have acknowledged this need I and others felt was missing from H.R. 2400 by creating an allocated program for low-density states. Each of the qualifying States experience share reductions in H.R. 2400. The funds for this program would have been offset through other allocated programs—not apportioned programs, thereby not impacting the apportionment of other States—and would have been distributed based upon National Highway System (NHS) miles and vehicle miles traveled on the NHS. The amendment therefore fairly based distribution on needs in terms of highway miles and highway use.

While the amendment would not have fully corrected the apportionment shortfall, it would have helped to cushion the fall. In the opinion of Mr. SHUSTER, Mr. OBERSTAR, Mr. PETRI, and Mr. RAHALL, the amendment resembled too much of an attempt at a State-specific redistribution. In working with the Committee leadership, we chose not to offer the amendment.

In light of the improbability to gain approval of the Western States Amendment, I feel compelled to explain my dissatisfaction over the formula given to South Dakota and other similarly impacted Western States. South Dakota has a backlog of over $500 million in maintenance and construction on its highways and bridges and 42 percent of our 678 mile Interstate highway system is in fair or poor condition.

Still, I am encouraged by so much the Chairman has accomplished through this measure, including the victory of dedicating motor fuel taxes to their intended purpose. I also appreciate him resisting imposing penalties on States for failing to adopt certain laws. No matter the value of policy objectives, the Federal Government should not blackmail States into adopting environmental, safety, or other laws. Washington has learned from previous efforts that such contingencies only breed ill-will between the Federal Government and State and local leaders. This bill instead uses incentives to achieve real results.

Likewise, the Chairman should be congratulated for including the text of H.R. 4, the Truth in Budgeting Act, as Title VII of this bill. This provision, of which I am an original cosponsor, would help ensure that we remain honest to the American public in how Washington uses their gas tax dollars.

I also want to voice my support for the ethanol tax incentives. A provision included in Senate bill, S. 1173, extending the tax incentives for ethanol production should be made a part of the conference report. Value-added opportunities are of tremendous importance to my entire State of South Dakota—not just the agriculture community. In South Dakota, the industry adds $61 million to the States's economy annually. From 1996 to 2002, the ethanol industry is expected to pump $51 billion into the U.S. economy. That means jobs in small towns and rural areas. Without the assurance that this incentive is in place, it would be extremely difficult for producers and investors to plan for the future. Ethanol has value beyond just the agriculture economy, it also has important environmental benefits that Congress should continue to encourage.

I recently hand-delivered 850 letters from my constituents to Speaker GINGRICH asking him to continue his support of the ethanol tax incentives. I am pleased the Speaker expressed his strong support for these incentives and consequently expect that support to carry through the conference process on this bill.

Finally, I would like to commend the Chairman and the rest of the House leadership, including Speaker GINGRICH and Majority Leader ARMEY, for heeding the call of the rank and file to schedule consideration of this bill prior to the upcoming district work period. For a time, it appeared Congress would have attempted to go home without considering this measure. As my colleagues know, however, the current extension of ISTEA is set to expire on April 30. Seeing this deadline on the horizon, I joined Mrs. EMERSON of Missouri and Mr. PEASE of Indiana in circulating a letter among our colleagues pledging our intention to vote against adjournment later today if H.R. 2400 has not been considered. Over 100 signatures were gathered in a matter of just a few hours. The issue has both national and local support. Letting yet another deadline pass on federal highway programs would have been more than the South Dakota Department of Transportation, the contractors of South Dakota, and most importantly, the motorists of my State could bear. Hopefully, such an occurrence will be avoided with today's action.

In light of these factors, I intend to vote in favor of passage as I did in subcommittee and full committee consideration. Again, I thank Chairman SHUSTER, Ranking Member OBERSTAR, Subcommittee Chairman PETRI, and Subcommittee Ranking Member RAHALL for their hard work and dedication to bringing truth and honesty to our federal surface transportation programs.

A CELEBRATION OF THE LIFE AND TIMES OF LIONEL HAMPTON

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 21, 1998

Mr. RANGEL. Mr. Speaker, I rise today to pay tribute to Lionel Hampton, a great artist, a great American, a great ambassador, and one of the greatest musicians America has ever known.

In tribute to Lionel Hampton, on this his 90th birthday, I would like to share with you and this House, some of the highlights of this extraordinary man.

Lionel Hampton, the reigning King of the Vibraphone for over half-a-century, and one of the few surviving internationally renowned jazz talents of the swing era, was born in Birmingham, Alabama on April 20, 1908. He was a member of the Benny Goodman Quartet which was the first racially integrated group of jazz musicians in the nation, but left the group to form his own big band in the early 40s.

His original ballad, "Midnight Sun", written with Johnny Mercer and Sonny Burke, has become an American jazz and popular classic. His two major symphonic works, "The King David Suite" and "Blues Suite" have been performed by many leading symphonic orchestras throughout the world.

Nevertheless, whether you are familiar with his musical accomplishments, over the years, Lionel Hampton has known no status where he was not eagerly accepted, as he has been well received the world over by Presidents, politicians, Kings and Queens. His very music

has caused the walls of communist nations to come tumbling down.

Allow me now to share with you Lionel Hampton the constituent . . . the friend . . . the community leader. His fame and greatness have not let him forget the homeless and the hopeless. Long a supporter of public housing, he developed the Lionel Hampton Houses in the early 70s, and upon completion, built the Gladys Hampton Houses, named for his late wife. To this day, those projects are considered among the best in the nation.

The Lionel Hampton Community Development Corporation has built more than 500 low and moderate-income apartments in my Congressional District of Harlem alone.

Lionel Hampton holds more than fifteen honorary doctorates and received the Gold Medal of Paris, its highest cultural award, from its Mayor, Jacques Shirac.

He was appointed to the Board of Trustees of the Kennedy Center in 1991 by President George Bush, and in December 1992, he was awarded a prestigious Kennedy Center Honor for his lifetime career achievements as a musician and teacher. Since then, he continues to produce educational events and considers the real highlight of his career as having the music school at the University of Idaho named for him, the Lionel Hampton School of Jazz.

Whether you are Black or White, Democratic or Republican, Liberal or Conservative . . . Lionel Hampton represents the very best of America.

Happy birthday Lionel Hampton.

WELCOMING THE AMERICAN WIND ENERGY ASSOCIATION TO BAKERSFIELD

HON. WILLIAM M. THOMAS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 21, 1998

Mr. THOMAS. Mr. Speaker, I take pleasure in announcing that the American Wind Energy Association (AWEA) is holding its annual convention in Bakersfield, California this year and in welcoming wind energy experts from all over the globe to this event. Between April 27 and May 1, wind energy industry representatives and government officials from around the world will discuss and view new technologies and the burgeoning market for clean electricity generated with wind turbine technologies.

This convention is a special event for my constituents because others will notice just how important the Kern County wind energy industry has become when conventioneers tour the Tehachapi Pass wind farms. Tehachapi hosts one of the largest concentrations of wind generation equipment in the United States. The area's 5,000 wind turbines produce enough power to light San Francisco. Wind power is big business in this small town: some 3,200 jobs in the Tehachapi area are related to wind power.

The industry has a great story to tell everyone. Today, wind power is being generated in California, Hawaii, Vermont, Iowa, Texas and Minnesota. American companies have gone from buying foreign technology to developing and selling their own wind turbines here in the United States. There are tremendous international markets developing for U.S. wind technology and the industry has dramatically cut the cost of producing power with this environmentally-benign power source to as little as 3 cents per kilowatt hour. The future of wind energy will be explored by convention guests when they come to Bakersfield and I wish all who attend success as they chart the trade's future course.

BUILDING EFFICIENT SURFACE TRANSPORTATION AND EQUITY ACT OF 1998

SPEECH OF

HON. JOHN E. ENSIGN

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 1, 1998

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 2400) to authorize funds for Federal-aid highways, highway safety programs, and transit programs, and for other purposes:

Mr. ENSIGN. Mr. Chairman. I would like to thank Chairman SHUSTER and PETRI, and ranking members OBERSTAR and RAHALL for including in the BESTEA legislation an authorization for a new start rail project being undertaken by the Regional Transportation Commission of Clark County, Nevada (RTC). The RTC's Resort Corridor Fixed Guideway Project is included among these projects authorized for Final Design and Construction under Item (34) of section 332 of the bill. This project is currently in the preliminary engineering phase, and is critically needed to meet clean air demands and the ever increasing transportation needs in the Las Vegas Valley. The proposed system is anticipated to carry 95,000 passengers daily, and will provide efficient transit service into the Resort Corridor where over 50 percent of regional employment is focused. I appreciate the recognition given to RTC's Resort Corridor Fixed Guideway Project by the Committee on Transportation and Infrastructure in the authorization of new start projects.

IN MEMORY OF DOROTHY M. VANSANDT

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 21, 1998

Mr. SKELTON. Mr. Speaker, today I wish to say a special word of tribute to Dorothy "Dottie" Mae Vansandt, the former Cass County, Missouri, Public Administrator, who passed away recently at the age of 75.

Dottie Vansandt was an important civic leader in Cass County, Missouri. She served as the county's public administrator from 1977 to 1992 and devoted her time to various community organizations. She was a member of the United Methodist Church in Harrisonville, MO, and served as a board member for the Cassco Area Workshop. She also served as a member of the Bayard Chapter No. 179 Order of the Eastern Star. In addition, Dottie was a member of the Cass County Central Democratic Committee, the Cass County Women's Democrat Club, and was a Shrine Circus Mom. In 1993, Dottie was honored as the Cass County Democrat Woman of the Year.

Mrs. Vansandt is survived by a son, a daughter, a stepdaughter, eight grandchildren, and seven great-grandchildren.

Mr. Speaker. Dottie Vansandt's public services makes her a role model for young civil leaders. I am certain that the Members of the House will join me in honoring this Missourian who will be missed by all who knew her.

A TRIBUTE TO MINDY ELVEY

HON. BUD SHUSTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 21, 1998

Mr. SHUSTER. Mr. Speaker, I rise today to bring our colleagues' attention to a Pennsylvanian who has refused to let a formidable obstacle stand in her way of making people's lives a little better. This outstanding citizen, Mr. Speaker, is Mindy Elvey of Altoona, Pennsylvania.

Mindy is a teenager growing up in a typical American city, but it is her outstanding actions, Mr. Speaker, which are nothing short of extraordinary. She is a 15-year-old who has battled leukemia and still receives monthly chemotherapy to fight this terrible and life threatening disease. However, Mindy has not allowed her illness to stop her from caring about those around her.

As a patient in a Pittsburgh Ronald McDonald House, Mindy was not permitted to visit the common television viewing room during a critical stage in her fight against leukemia because she couldn't risk infection while being exposed to others. While recuperating at her home in Altoona, Mindy made crafts and sold them to family and friends in order to purchase a new television set for the facility. Her concern for others who were sick and staying at the facility didn't stop there, and Mindy began a campaign to persuade local groups and businesses to donate more television sets to the Pittsburgh Ronald McDonald House. Her efforts have allowed 10 of the 15 bedrooms at the facility to have brand new television sets in them. Mindy Elvey had stated, "I just wanted to do something nice."

For her selfless determination Mindy Elvey is being honored tomorrow, along with other outstanding citizens from around the country, at the Seventh Annual "Make A Difference Day," hosted by USA Weekend Magazine and the Points of Light Foundation.

At this time, Mr. Speaker, I ask our colleagues' in the House of Representatives to join with me in congratulating Ms. Elvey for being chosen as a national honoree and for a job well done. Mindy has shown that no matter what difficult odds we may face, we can still make our world a better place.

NAFTA BELIEVERS CAN CHANGE THEIR MINDS

HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 21, 1998

Mr. LIPINSKI. Mr. Speaker, it is no secret that I have been an opponent of NAFTA since its inception. I have voted against the free trade pact, and I have opposed efforts to expand it.

Many have accused me of being out of touch with modern economics and the "global economy." Nonetheless, I believe the facts have supported my position. NAFTA has been a disaster. Americans jobs have been lost and our trade deficit has exploded with Mexico. I am further heartened in my opposition to NAFTA by the recent conversion of one of America's leading journalists to my point of view: Hedrick Smith of the Public Broadcasting System.

Smith, who produces or hosts many important news programs and documentaries on PBS, recently showed NAFTA's ill effects on his excellent series, "Surviving the Bottom Line." In addition, Smith wrote an analysis of NAFTA in Washington Monthly magazine based on his research for the documentary. Both show a damning picture painted a self-described "long time free trader."

Smith mentions the familiar problems with NAFTA: The U.S. has lost several hundred thousand jobs and our balance of trade has gone from a $5.4 billion surplus to a $18 billion deficit with Mexico in four years.

However, Smith has also uncovered some interesting reasons as to why this happened. His reporting showed that some of the blame goes all the way across the pacific Ocean to Japan and South Korea, where Pacific Rim industrial giants like Sony, Samsung and Panasonic have discovered a backdoor to the U.S. market. By setting up plants south of the border and exporting products made there to us they are able to avoid paying import duties because NAFTA eliminated those tariffs between Mexico and the United States.

Just when many foreign-based firms, such as Honda, Toyota and BMW, has discovered the prudence in investing in plants in the United States to avoid import tariffs, while also paying good wages to American workers who in turn can afford to purchase the products they make, NAFTA has given these companies a huge pool of one-dollar-an-hour workers who can also help them avoid the same tariffs.

Smith's reporting also confirms that rather than bringing the average Mexican worker up. NAFTA has had the reverse effect of depressing the living standard of American workers. The major culprit here is the notoriously weak Mexican labor unions, which are usually controlled by the government, and the power of the maquiladora trade associations in collusion with that government, which conspire to keep wages down lest the Mexican workers actually try to share in the wealth they help create. These low wages have a chilling effect that reaches far north of the border.

Smith's conclusion is not hopeful: "As long as Mexican wages are kept low as a matter of government policy, inadequate labor rights or collusion among employers, the living standard of the American middle class will continue to erode."

For the sake of our nation and for the sake of American working families, we must take a long, hard look at our nation's trade policies and the currently fashionable mentality that all free trade must be good trade. If we don't, I strongly suspect that Hendrick Smith's prophecy will come true.

TRIBUTE TO LUPITA AND TONY RAMIREZ

HON. SOLOMON P. ORTIZ

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 21, 1998

Mr. ORTIZ. Mr. Speaker, I rise today to commend and pay tribute to Lupita and Tony Ramirez, for being awarded the Governor's Volunteer Award for outstanding service. Mr. and Mrs. Ramirez were presented with this award on April 20, 1998, by Governor George W. Bush. For over 29 years, Mr. and Mrs. Ramirez have been helping others, contributing to a better way of living for the citizens of Harlingen, TX. They utilize their talents in the volunteer spirit for humanity.

As true pioneer volunteers, Antonio and Lupita Ramirez began their volunteer activities in 1969. They realized that many poor citizens had no transportation to get to their doctor's appointments. In the same spirit, they rounded up twenty friends and turned their home, telephone, and cars into an information, referral and transportation center. They did not have money, but they had heart and determination.

The group organized and became the Harlingen Community Committee. Under the direction of Mr. Ramirez as President, they progressed from the Ramirez' home into a building to one of Harlingen's parks. the Ramirez became a tireless advocate for the poor people. They aided in starting "Su Clinica Familiar" where medical services are available to our low-income people. Mr. Ramirez also helped found Amigos del Valle, which provides housing, transportation, and a hot meal for the elderly in the community.

In 1971, because of high unemployment, they started employment training for the community. Another vital service to the people in need, the Ramirez added Adult Basic Education, teaching English, typing, bookkeeping, Spanish, citizenship, drivers ed, sewing, and upholstery.

In 1974, the Ramirez incorporated the organization and persuaded the city of Harlingen to approve their information and referral and social service agency. All the while volunteers were running the office and providing transportation for those in need. By now, the Harlingen Community Committee had grown and changed their name to "Harlingen Information and Social Service Organization," a multi-purpose center.

In 1983, after a severe freeze, and while the State and Federal officials debated responsibility for bureaucratic bottlenecks, the Ramirez provided emergency help for many farm workers unemployed by the freeze. The Ramirez' quick response to this emergency made it easier for the families to receive the much needed help.

For these efforts, Cameron County Officials and I recognized Antonio and Lupita Ramirez. On March 1, 1984, it was declared the "Tony and Lupita Ramirez Day," in Cameron County, Texas. The Ramirez have received many awards and certificates of merit for their volunteer work from many civic groups and State and Federal officials.

The Ramirez have continued to work as volunteers for over 29 years. Their efforts were made possible through the love and support of their five daughters and their families. Mr. and Mrs. Ramirez are very grateful to the foundations, church groups, and people who have made generous grants and donations to the organization. The grants and donations have made it possible for the Ramirez to continue serving the community. For the last 3 years they have provided nutritional and educational programs for the elderly, information and referral services, counseling, clothing distributions, and a food bank to the many people in need. All this could not have been done by the Ramirez had others not contributed to helping the needy. All this has been done without State or Federal funding, but through the assistance of those people who have believed in their work and exemplified the spirit of volunteerism.

I ask my colleagues to join me in extending congratulations to Lupita and Antonio Ramirez for being honored with this special recognition.

IN RECOGNITION OF THE NATIONAL MARROW DONOR PROGRAM

HON. RALPH M. HALL

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 21, 1998

Mr. HALL of Texas. Mr. Speaker, I rise to call attention to the National Marrow Donor Program and a campaign called "Because I Care." The National Marrow Donor Program was created in 1986 to provide marrow transplants from volunteer, unrelated donors to patients with leukemia, aplastic anemia, lymphomas and other life-threatening illnesses.

The National Marrow Donor Program maintains a Registry of more than three million potential marrow donors and is facilitating more than one-hundred transplants per month. Currently, the organization's operating funds come from the Health Resources and Services Administration, which is part of the U.S. Department of Health and Human Services. The coordinating center is located in Minneapolis, Minnesota.

In 1990, a walkathon entitled "Because I Care" was held in Longview, Texas, in my Congressional district, to help two leukemia patients, Bryan Quinn and Al Edwards. Stemming from that initial event has risen the "Because I Care Campaign," a volunteer grassroots effort in support of the National Marrow Donor Program. It has since become an international campaign supporting the national program's global outreach.

Thousands of people have been tissue typed, and millions more have become aware

of the National Marrow Donor Program as a result of the "Because I Care Campaign." The campaign is coordinated by a volunteer, Amy Hill, of Longview, Texas. Carter BloodCare in Dallas, Texas, a member donor center of the National Marrow Donor Program, serves as the "Because I Care" coordinating center and is under the supervision of Jill Skupin, the National Marrow Donor Program Director at Carter BloodCare.

Mr. Speaker, I ask my colleagues to join me today in paying tribute to all the volunteers and donors throughout our nation who have contributed to the success of the "Because I Care Campaign" and whose efforts are so important to those suffering from life-threatening illnesses. I want to especially commend Amy Hill, whose vision and compassion and selfless dedication helped spark a grassroots effort that grew from Longview, Texas, to become a national and international campaign in support of the National Marrow Donor Program.

TUFTONIA'S WEEK

HON. EDWARD J. MARKEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 21, 1998

Mr. MARKEY. Mr. Speaker, I rise today to recognize Tufts University in Medford, Massachusetts, and to honor the more than 78,000 alumni of this great university as they gather to participate in the 14th annual celebration of Tuftonia's Week.

During Tuftonia's Week, students, alumni, professors, administrators, and parents will gather to celebrate the achievements of the Tufts community. This community encompasses students and graduates that live in more than 100 countries around the world. From the undergraduate through the professional degree level, Tufts University instills in its students the importance of volunteerism and the need to give back to one's community.

Once again, the theme of this year's Tuftonia's Week celebration is TuftServe and focuses on volunteer involvement and community service. Since its inception in 1995, Tufts alumni have recorded over 300,000 hours of volunteer service. Their contributions to the community—locally, nationally, and globally—should serve as an inspiration to us all.

I congratulate the students, alumni, and faculty of Tufts University for their hard work and commitment to the community.

MIKE BORDALLO'S APPOINTMENT TO THE SUPERIOR COURT OF GUAM

HON. ROBERT A. UNDERWOOD

OF GUAM

IN THE HOUSE OF REPRESENTATIVES

Monday, March 16, 1998

Mr. UNDERWOOD. Mr. Speaker, on Thursday, March 19, another native son of Guam will advance the course of Guam's judicial history when he is installed as a judge of the Superior Court of Guam. Although this history is relatively brief, the judicial branch of the Government of Guam coming into existence in 1950, the name of Michael J. Bordallo will join a distinguished list of Chamorro men and women who have sworn to interpret the law for the people of Guam from the bench of the Superior Court. Like his peers, Mike brings with him an inherent love and understanding of his native language and culture, as well as practical experience defending Chamorro rights, both as a practicing attorney and as a private citizen. Whether it is enjoining the desecration of ancient burial sites or encouraging the talents of local artists and musicians, Michael Bordallo is an active proponent of Guam's cultural identity and heritage.

Michael was born on July 14, 1961 to Attorney Fred E. Bordallo and my sister, Annie Underwood Bordallo, who instilled in him a love of justice and the law and a strong sense of identity. Mike graduated from Saint Anthony School in Tamuning in 1975 and from Father Duenas Memorial High School in 1979. He then went on to the University of Notre Dame in South Bend, Indiana, and earned a Bachelor's degree in Business Administration in 1983. After returning to Guam, Mike went to work in his father's law office. He also served as a legislative consultant to the Guam Legislature's Committee on Education. He later returned to Notre Dame University, attended law school, and received his juris Doctor degree in 1987. After passing the California Bar Exam, Mike returned to Guam and went to work as an Assistant Attorney General representing Child Protective Services in the Family Court. He was sworn in as a member of the Guam Bar Association in 1988, then went into private practice with his father.

For the last six years, Mike practiced law alongside his first cousin, Michael F. Phillips, in the firm of Phillips & Bordallo, P.C. With much affection and admiration, many of the friends and family of the two attorneys often refer to them simply as "Mike and Mike." During his career, Mike Bordallo has represented and participated in numerous actions involving issues such as desecration of ancient Chamorro burial grounds, the military land takings following World War II, the implementation of the Chamorro Land Trust Act, and a Cost of Living Allowance for Government of Guam retirees. He also has represented several legislative committees since 1992, and has represented the Territorial Board of Education and the Guam Department of Education.

In 1989, when the House Interior and Insular Affairs Subcommittee Chairman Ron DeLugo conducted the first-ever hearing on the Guam Commonwealth Act in Honolulu, Hawaii, Mike Bordallo helped found the Guam Commonwealth Hearings Association, which raised funds to subsidize the travel costs of Guam residents who otherwise would not have been able to attend and submit testimonies at the hearing.

In view of his activities in a wide range of island issues, Michael J. Bordallo was appointed to the bench by the Government of Guam and unanimously confirmed by the 24th Guam Legislature earlier this year. I join his parents, Fred and Annie, his brothers and sisters, his wife Carla and their children, Joshua and Stephanie, in congratulating him and placing trust in his sense of justice to guide him on the bench.

HEALTH ADVOCATES HONORED

HON. DALE E. KILDEE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 21, 1998

Mr. KILDEE. Mr. Speaker, I rise today on behalf of a wonderful organization devoted to improving the quality of life in Michigan and throughout the country, the American Lung Association. On April 23, the American Lung Association of Michigan, Genesee Valley Region, will hold their 15th Annual Health Advocate Awards Dinner, where they will honor State Representative Bob Emerson as their Individual Health Advocate and Hurley Medical Center as Corporate Health Advocate for the year 1997.

The Association's criteria for Individual Health Advocate includes a minimum of 5 years on a health association board or participation in a health related activity, and outstanding contributions to health education and promotion of research. State Representative Bob Emerson of Flint serves as a shining example of this commitment to health issues.

Bob Emerson was first elected to the Michigan House of Representatives in 1980, and has been reelected to six subsequent terms. He currently serves on the House Appropriations Committee, Chairing the School Aid and Department of Education Committee and is Vice Chair of the Community Health subcommittee. As past Chair of the Public Health Subcommittee, Bob was instrumental in making many strides in the areas of state public health, including the designation of prenatal care as a basic health care service and the funding of vital local health services. Outside of the state capitol, Bob has been involved in such groups as the Greater Flint Health Coalition, and was a co-founder of the Crim Road Race, Inc., a non-profit organization that has raised more than one million dollars for the Michigan Special Olympics.

For the honor of Corporate Health Advocate of the Year, The American Lung Association has listed as requirements a definitive plan to promote lung health in the workplace, demonstration of commitment to social responsibility on the part of its employees, a positive display of financial support, and a dedication to improving the quality of life for the citizens of the region. Hurley Medical Center has consistently proven itself worthy of this distinction.

One of the largest hospitals in the state of Michigan, Hurley Medical Center employs approximately 2,500 employees and 475 attending physicians who serve more than 20,000 patients annually. In addition, the Center also operates as a teaching hospital of Michigan State University's College of Human Medicine, thereby helping cultivate the next generation of medical professionals.

Mr. Speaker, since 1904, the American Lung Association has provided an invaluable resource to the country for information and research of lung disease and health. I commend

the Association for recognizing and honoring Representative Bob Emerson and Hurley Medical Center as their Health Advocates of the Year. I ask my colleagues to join me in congratulating Representative Emerson and Hurley Medical Center.

CHICAGO ORGANIZATION STRIVES TO HELP HOSPITALS CUT HEALTH CARE COSTS

HON. ROD R. BLAGOJEVICH

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 21, 1998

Mr. BLAGOJEVICH. Mr. Speaker, all of us in this body are rightfully concerned about the rising cost and quality of health care for our constituents. I rise today to share with my colleagues an effort undertaken by a group in my Congressional District in Chicago that I believe is an an important step forward in our nation's goal of providing all of our citizens with quality health care at affordable prices.

As you know, technological advances in medical care are occurring virtually every day as scientists, physicians, health care manufacturers and institutions combine their vast talents and energies to find cures for all that ails humanity. As a result, the quality of health care available in our hospitals is at an all time high; a level that would have been the stuff of fiction only a few years ago. Advances in organ transplants, laser surgery, drug therapy, physical rehabilitation and scores of other areas have led to longer and more enjoyable lives for millions of our citizens. But the miracles of medicine often come at a daunting price tag for families and working Americans. This rising cost is a challenge that faces us in this body every day.

None of us wants to return to the less effective medical treatment procedures of the past. We want to take full advantage of the better treatment plans that are available. We must be concerned that all efforts are made to ensure that our health care delivery systems are operating at peak efficiency. Our hospitals and other health care facilities must rise to the challenge of advancing the frontiers of medical treatment while not pricing the average Americans out of that quality care.

A vital step in this process is to enhance the management skills of those who hold supervisory positions in health care. To this end, a new book has just been published by the International Association of Health Care Central Service Material Management, in my Congressional District, entitled: Supervision Principles: Leadership Strategies for Health Care Facilities, Second Edition. This book offers health care managers a guide to assist them in personal situations from selecting the best applicants to resolving conflicts to building a cohesive team that will strive to answer all patients' needs in a professional, efficient and cost effective manner. It emphasizes modern management techniques as Total Quality Management and provides real world answers to combat waste and inefficiency, with the net result that hospitals are in a better position to check the rising cost of health care without sacrificing quality of care that all of our constituents rely upon.

Progress in health care is something we all want to see continue. By having better prepared health care managers who can rise above the daily chores they now face to address the larger issues of bringing the advancement of medicine to every American, we will reap the benefits of a healthier, happier nation. I applaud the International Association of Hospital Central Service Material Management for putting forth this constructive work and for helping in our job of working toward a more responsive health care system for all Americans.

CHARLES WILLIAMS—1997 RONALD PEARCE BLIND EMPLOYEE OF THE YEAR

HON. EDDIE BERNICE JOHNSON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 21, 1998

Ms. JOHNSON of Texas. Mr. Speaker, I rise today to pay tribute to a constituent, Mr. Charles Williams of Dallas, TX, the Dallas Lighthouse for the Blind's 1997 Ronald Pearce Blind Employee of the Year Award.

It is always a pleasure to stand before my colleagues and commend constituents on their achievements. The achievements of Mr. Williams and his award are very inspiring and can serve to motivate individuals who believe that their disabilities prevent them from being productive.

Mr. Speaker, the Ronald Pearce Blind Employee of the Year award recognizes vision-impaired employees who, during the past year, have demonstrated outstanding job performance and work practices. Mr. Williams has shown exemplary skills and work habits as the materials handler in the writing instruments department at the Dallas Lighthouse for the Blind, where he supplies the marker, and highlighter machine operators. He also packages the marker boxes and labels the packages for shipping.

Mr. Speaker, Charles Williams is good at his job because he works hard. As his supervisor comments, he "has a thorough knowledge of his job," and "always looks out for the needs of others before his own needs."

Mr. Williams lost most of his sight in 1992 when he was returning from a moving job in Salt Lake City, UT. After that experience, Mr. Williams had several eye surgeries because of glaucoma. However, his spirit and approach to life has remained unscathed and unaffected. His colleagues will tell you that his energy and attitude are positive and inspiring. This also reflects his great work ethic, as he is an owner of a community store that serves older and lower-income individuals in his hometown of Vivian, LA. In our Dallas community, he is a junior deacon and works with area children.

Mr. Speaker, Charles Williams is a motivated individual who is focused in both his service to others and his work. Therefore, it is fitting that he is the recipient of the Blind Employee of the Year award, presented to an individual who has demonstrated outstanding job performance. I congratulate Mr. Williams on receiving his award and wish him continued success.

EXERCISE TIGER ASSOCIATION

HON. JIM SAXTON

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 21, 1998

Mr. SAXTON. Mr. Speaker, there is an old military saying which alerts us to "expect the unexpected." This time-tested adage is as true today as we send young fighting men and women to Bosnia as it was two generations ago in World War II.

On April 23–24, 1998, the New Jersey Exercise Tiger Association will commemorate the 54th anniversary of Exercise Tiger. This year is a special year as the Exercise Tiger Association commemorates all Exercise Tiger veterans in the nation while embarking on the Ohio class USS Maine SSBN 741, a nuclear missile submarine of the United States Navy's Sub Group 10 based at Kings Bay, Georgia. In particular, four veterans of the historic battle will be honored representing all Exercise Tiger veterans. They are Bud Carey, Lt. USN ret. LST 507, Ocean City, NJ; Tom Glynn, USN ret. LST 289, Cape May, NJ; Bob Benson, US Army ret. 3207th Quartermaster Co., Columbia, MO; and Charles Griffey, US Army ret. 478th Truck Co., Independence, MO.

Exercise Tiger was designed to be a dress rehearsal for the D–Day invasion of France. But as is so common in the "fog of war," the best laid plans are always subject to the unexpected and the unanticipated, the unforeseen. And so it was on April 28, 1944 when an American amphibious assault force which was practicing for the D–Day invasion was suddenly attacked by German warships. The surprise attack resulted in the death of 946 men, the second highest death toll of that long and embittered war.

Today, U.S. service men and women are serving in Bosnia in an effort to again secure peace in Europe. These dedicated individuals, like those who have served so honorably before them, have the difficult task of fulfilling the commitments made by American foreign policy makers. And like those who served in uniform over 54 years ago, the unexpected can happen at any moment with devastating effect.

I wish to salute the fine men who served and died 54 years ago while conducting Exercise Tiger. There is a special kinship between those American heroes and the men and women who today are serving on Bosnia. I wish also to pay tribute to Walter Domanski of the New Jersey Exercise Tiger Association. I consider Walter to be one of the "keepers of the flame," ensuring that Americans will remember and reflect on the sacrifices that our military has made and continues to make on our behalf. Finally, I wish to commend these four honored veterans, for they are the models and inspirations for those who serve our country today.

RECOGNIZING FRANKLIN TOWNSHIP'S BICENTENNIAL

HON. MICHAEL PAPPAS

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 21, 1998

Mr. PAPPAS. Mr. Speaker, as the former mayor of Franklin Township, New, Jersey, it is my privilege to congratulate the people of Franklin Township as they commemorate the 200th anniversary of the incorporation of their community. This bicentennial year is a time for great celebration and reflection for the residents of historic Franklin Township. It is now that we especially celebrate the growth and prosperity of Franklin and remember its past.

Beginning as an agriculturally based center of Dutch settlers in the 1650's, the area has expanded its horizons in many ways over the years. Now a home for over 45,000 people, Franklin Township has achieved economic and cultural diversity; cultivating rural and suburban as well as industrial and commercial areas. Of course along its way to becoming the strong community it is now, Franklin also contributed greatly to our history.

Franklin has been a site of some of America's earliest settlers, a stage for critical Revolutionary War battles, a crucial strategic point for Civil War supply transports and many other such exemplary pieces of our common history. From these pieces of their past, to their continual development of today, the people of Franklin Township have been builders of our Nation.

Thus, it is fitting that Franklin Township will continually celebrate its bicentennial this year with events such as a community service month, the Franklin Township benefit event, a cultural festival and a community spirit day. Also, they will commemorate their rich heritage with a Revolutionary War re-enactment, Bicentennial parade and other similar activities.

In the future years I know that Franklin Township will continue to build on its rich history, prosper and grow as it always has. While the township lies outside the boundaries of my congressional district, it will always have a special place in my heart. Once more, my congratulations and best wishes to the people of Franklin Township on their 200th anniversary.

CONGRATULATIONS TO CHESTERFIELD SMITH

HON. PETER DEUTSCH

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 21, 1998

Mr. DEUTSCH. Mr. Speaker, I rise today to congratulate Chesterfield Smith for being honored by Legal Services of Greater Miami. In his honor, Legal Services of Miami is renaming their offices the Chesterfield Smith Center for Equal Justice. Throughout his long and distinguished professional career, he has strived to improve the quality of legal representation for those less fortunate and has worked to improve our community.

Chesterfield Smith's leadership and service to his community are standards for all. For the past several years, he has chaired the Legal Services of Greater Miami's Campaign for Justice. Under his leadership, the Campaign for Justice has worked to improve a great many lives by being actively involved with housing, employment, community, and family issues affecting the poor. During his tenure as President of the American Bar Association, where he served with distinction from 1973–1974, Chesterfield Smith championed a more activist agenda that remains a hallmark of the Association until this day. As a founding partner of the law firm, Holland & Knight, Chesterfield Smith pushed himself and members of his profession to take a greater responsibility in providing quality legal representation for all those in need. Among his many other accomplishments, Chesterfield Smith has received the Distinguished Floridian Award from the Florida Chamber of Commerce, the Jurisprudence Award from the Anti-Defamation League and most recently, he became only the 12th individual to receive the prestigious Great Floridian Award, presented by the Florida History Associates.

Chesterfield Smith has long been respected for his professional achievements but what distinguishes him from all others is his standing commitment to the people and community around him. I wish Chesterfield Smith the best on receiving this distinction from Legal Services of Miami. His leadership and ability to inspire others are truly commendable.

CAMPAIGN FINANCE REFORM

HON. RON KIND

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 21, 1998

Mr. KIND. Mr. Speaker, the leadership of the House of Representatives have been proclaiming that campaign finance reform is not a priority issue to the people of this country. Well I am here to tell you that over the Easter break I hosted town hall meetings in almost every county in my district. At those meetings a wide variety of issues were discussed, including entitlement reform, tax simplification and health care coverage. At every meeting I attended the issue of campaign finance reform was addressed. When I asked the people in attendance if campaign finance reform should be a major priority of Congress, every hand in the room went up.

The message from the public is clear, it is time to change the campaign finance system and take big money out of politics. I heard that message everywhere I went over the break. I find it hard to believe that my district is unique when it comes to this issue. I would challenge my colleagues, especially the House Republican Leadership who have refused to schedule a fair vote, to ask their constituents if this should be a major priority. I think they will see that the public is demanding change and it is our responsibility to act now.

Mr. Speaker, we have avoided this issue for too long. It is time to take action. The people of my district will not accept "no" for an answer.