

around you, look around your offices. These women aren't children. They are adults capable of making their own health care decisions. By what right does this House make it more difficult and dangerous for these women to exercise their constitutional right to choose about abortion? By what right does this House limit the medical procedures available in what is one of the most difficult and trying circumstances a woman can encounter? The answer is simple. It suits some Members' political ideology—never mind the rights and needs of the women who work for the Government.

The U.S. Constitution guarantees women a right to privacy and choice about abortion. Without the Hoyer amendment, the bill before us diminishes that right for those who work for this country, for us.

Treat these public servants like other American workers. They should be allowed to choose health care insurance without interference from the heavy ideological hand of Congress.

Vote "yes" on the Hoyer amendment.

The CHAIRMAN. The Committee will rise informally.

The SPEAKER pro tempore (Mr. STEARNS) assumed the chair.

#### SUNDRY MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. Edwin Thomas, one of his secretaries.

The SPEAKER pro tempore. The Committee will resume its sitting.

#### TREASURY, POSTAL SERVICE, AND GENERAL GOVERNMENT APPROPRIATIONS ACT, 1997

The Committee resumed its sitting.

The CHAIRMAN. The Chair recognizes the gentleman from New Jersey [Mr. SMITH].

Mr. SMITH of New Jersey. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Missouri [Mr. TALENT].

Mr. TALENT. Mr. Chairman, I thank the gentleman for yielding me the time.

I rise in opposition to the Hoyer amendment. I want to say right up front that I appreciate, as always, the very gracious style of the gentleman who is offering the amendment and his attempts to keep this debate squarely on the merits and not let it get personal. I want to proceed in that vein as well. Let me speak from the heart about why I am opposing his amendment.

Mr. Chairman, when I look at abortion, I cannot get past looking first and foremost at what the status of an unborn child really is. The scientific facts, and these are scientific facts, is that we are dealing with a life, no question, an unborn child is alive. It is a member of the human species. Not anything else. Has a genetic code, is completely separate from its parents. It seems to me that makes the unborn child a person, a human being. To say otherwise is to make personhood turn

on standards of development, how developed a person is, which is a dangerous principle going into the law.

I know the argument on the other side, an argument based on choice. It is a good argument when you are dealing with one person. But it just seems to me it is very circular, when you have to address the question how many people are involved in here. How many people's choices should be taken into account.

That is why I am opposed to abortion and why I believe that as time goes on and as we present these facts to the American people, we will persuade them, and that is what we have to do, we have to persuade them. We cannot now, the Supreme Court has said, we cannot now prohibit this procedure, but we can still try and persuade. One of the ways that we can persuade is say, look, we do not want taxpayers funding the programs to have anything to do with this procedure. Whatever people can or cannot do under the Supreme Court decision is for themselves. We do not want to participate in this with Federal taxpayer dollars. That is all that the bill says, and I do not want the Hoyer amendment to take that out.

You can argue fine questions about whose money this is. I would just say, Mr. Chairman, with the greatest respect to my friend, the gentleman from Maryland, when you get down to fine questions, let us err on the side of life. Let us err on the side of saying, we do not want to have anything to do with this procedure and continue persuading the American people.

Mr. HOYER. Mr. Chairman, I yield 30 seconds to the distinguished gentleman from California [Ms. HARMAN].

(Ms. HARMAN asked and was given permission to revise and extend her remarks.)

Ms. HARMAN. Mr. Chairman. I rise in strong support of the Hoyer amendment to strike the language that prohibits Federal employees from choosing health care plans that include abortion services.

Let's be perfectly clear: the issue here is not Federal funding for abortions. It's about this Congress forcing its social agenda on the American people, and in this case a specific group of individuals: Federal workers. What's at stake here is the right of Federal employees to use their own money, compensation they have earned, to purchase the health plan of their choice. Congress has no business obstructing private insurance companies from offering services that are necessary for women's health. At least two-thirds of private health insurance plans currently include coverage for abortions. Those private sector employees who object to abortion have the freedom to purchase plans that do not cover such procedures. Federal employees should have the same right to make these personal decisions, and until Congress imposed this policy last year, they did.

Mr. Chairman, this unreasonable restriction of the rights of Federal em-

ployees is just one more example of this Congress' fixation on divisive social issues. There are a host of real problems facing America today, from the threat of terrorism to the deteriorating quality of our public schools, which Congress can and should address immediately. Instead, we have met time and again to clash over the right of women to obtain legal abortions with their own funds.

Mr. Chairman, this mother of four urges strong support for the Hoyer amendment to restore the freedom of Federal workers to purchase the health care policy of their choice. Let's shift the focus away from divisive social issues and onto the real problems facing our Nation.

□ 1130

Mr. SMITH of New Jersey. Mr. Chairman, I yield myself 15 seconds just to respond briefly, just to say to my good friend and just to point out that this is indeed a Federal funding, U.S. taxpayer funding issue. I am dismayed at attempts to suggest otherwise.

In 1995, 73 percent of the money that was expended toward the purchase of health insurance for the Federal employees came directly from the U.S. taxpayers. The remainder was picked up by the premium payers.

Mr. HOYER. Mr. Chairman, what is the time remaining?

The CHAIRMAN. The gentleman from Maryland [Mr. HOYER] has 6¼ minutes remaining, and the gentleman from New Jersey has 3¼ minutes remaining.

Mr. HOYER. Mr. Chairman, I yield 30 seconds to the gentlewoman from California [Ms. WOOLSEY].

(Ms. WOOLSEY asked and was given permission to revise and extend her remarks.)

Ms. WOOLSEY. Mr. Chairman, I predict that historians will write books on this Congress. They will do that by writing about the majority's assault on reproductive choice. Twenty-one votes to compromise a woman's right to choose in just 1 year, that is why passage of this amendment is so important.

Women in the Federal Government work very hard every day for our constituents. Indeed, they are our constituents. But they have had their reproductive health care options taken away from them for political posturing. That is wrong, that is unfair, and it undermines the fundamental protections of Roe versus Wade.

Mr. SMITH of New Jersey. Mr. Chairman, I yield 1 minute to my good friend, the gentleman from Indiana [Mr. HOSTETTLER].

(Mr. HOSTETTLER asked and was given permission to revise and extend his remarks.)

Mr. HOSTETTLER. Mr. Chairman, I rise in opposition to this amendment.

Arguments are routinely raised on this floor that the so-called right to choose is infringed any time the Government refuses to facilitate the practice of abortion on demand—even

when, like today—we are only talking about the Government's refusing to: fund, pay for, provide, however you want to say it—the practice of abortion on demand.

At stake today is whether a Government-funded health care plan—that is health insurance for Government employees—must provide coverage for abortion when the life of the mother, rape, or incest are not at issue.

Roe versus Wade extra-constitutionally prohibits the complete prohibition of abortion. I contend, however, that neither Roe versus Wade, nor its erroneous progeny, require Americans to use taxpayer-provided funds for this terrible procedure.

This is not health care and it does not have to be funded I urge my colleagues to oppose this amendment.

Mr. HOYER. Mr. Chairman, I yield 30 seconds to the distinguished gentleman from Massachusetts [Mr. OLVER].

(Mr. OLVER asked and was given permission to revise and extend his remarks.)

Mr. OLVER. Mr. Chairman, I rise in strong support of the Hoyer-Lowey amendment. The right to choose is constitutionally protected and has been so protected for over 23 years.

Last year, Congress singled out one group of women, those who worked for the Federal Government, and denied them access to a health insurance plan that implements their constitutional right to choose. So what the majority is accomplishing in denying such health insurance coverage is to relegate a particular group of women, women who work for American, to a second-class status.

That is discrimination, pure and simple. I urge my colleague to support the amendment.

Mr. HOYER. Mr. Chairman, I yield 30 seconds to the distinguished gentleman from Oregon [Ms. FURSE].

Ms. FURSE. Mr. Chairman, women serving the Federal Government deserve the same civil rights as all American women, but with this bill the extreme antichoice Members of Congress want to deny the more than 1 million women the right to comprehensive insurance coverage.

I urge the House: Reverse this sad and unfair decision. This is a decision in this bill which harms women. I urge the support of the Hoyer amendment.

Mr. SMITH of New Jersey. Mr. Chairman, I yield myself just 10 seconds to respond.

Cheap shots like calling us extreme just do not have any place on this floor. If opposition to taxpayer funding of abortion is extreme then 72 percent of the American public, according to the CBS poll who are against Federal funding for abortion, our extremists. Virtually every poll where it is asked, people overwhelmingly say they do not want their tax dollars used to kill unborn babies.

Mr. HOYER. Mr. Chairman, I yield 30 seconds to the distinguished gentleman from New York [Mrs. MALONEY].

(Mrs. MALONEY asked and was given permission to revise and extend her remarks.)

Mrs. MALONEY. Mr. Chairman, last winter I received a notice in the mail that my health insurance coverage, by law, would no longer cover abortion. It was one small notice in the mail but a giant step backwards for a woman's right to choose.

As a Member of the other side of the aisle has said repeatedly, "We intend to repeal choice procedure by procedure, little by little," and they are doing it. In this Congress they have passed 23 antichoice bills.

With the Hoyer amendment, we are attempting to correct one. Support the Hoyer amendment.

As a member of the new majority said, "We intend to outlaw choice procedure by procedure." And they are doing it—so far, they've passed 16 antichoice measures.

We are trying, with the Hoyer amendment, to correct one tonight.

Last winter, I received a notice in the mail that my health insurance coverage, by law, would no longer cover abortion. It was one small notice in the mail, but one giant step backward for a woman's right to choose.

Federal employees can no longer purchase, with their own money, insurance coverage for abortion services.

The Hoyer amendment, the Supreme Court, and the majority of the American people support choice—and they support Federal employees' right to choose—with their own money.

Defeat this assault on personal freedom. Support the Hoyer amendment.

Mr. SMITH of New Jersey. Mr. Chairman, I yield 1¼ minutes to the gentleman from Washington [Mrs. SMITH].

Mrs. SMITH of Washington. Mr. Chairman, I think what is important is we clarify what is being talked about. We have had the issue of conscience on this floor before from civil rights to war protesting. Choices are not being challenged here. Every woman still has a choice.

But we take away the choice of the taxpayers when we make them pay for abortions. That is the issue: Should taxpayers subsidize abortions?

The Supreme Court has said that government can distinguish amongst health care procedures, especially abortion because it is different. Other procedures protect life. Abortion terminates life.

This bill does not challenge a woman's right to an abortion. It just says if she makes that choice, if I choose to terminate my child's life, that I have to pay for that and not those that do not agree with that choice pay for it.

Mr. SMITH of New Jersey. Mr. Chairman, we reserve the balance of our time. We only have one speaker remaining.

The CHAIRMAN. The Chair will inform the Committee that the gentleman from Maryland [Mr. HOYER] is entitled to close debate as the gentleman from the New Jersey is not on the committee.

Mr. HOYER. Mr. Chairman, I yield 1 minute to the gentleman from California [Ms. PELOSI].

Ms. PELOSI. Mr. Chairman, I rise in support of the Hoyer amendment striking provisions which restrict funding for abortion coverage for the Federal employee health benefit plan. This language in the bill makes second class citizens of our Federal employees.

I am going to submit my original statement for the record and address a couple of the points made by our colleagues in the course of the debate.

This debate is not about abortion on demand. I do not know one Member of this body who supports abortion on demand.

Second, when our colleagues on the other side say that this is about stopping a taxpayer subsidy of abortion because of the contribution that the Federal Government makes to the health care plan, I want to remind our colleagues that the Federal Government subsidizes every employer basic health care plan in America because it is a business expense for private employers.

What is next? Do we move next from preventing Federal employees from having a right to full reproductive freedoms in their health care plan to preventing every working woman in America from having access to reproductive freedom because the argument will be made that the Federal Government is subsidizing it by giving a tax deduction to her employer.

I urge my colleagues to support the Hoyer amendment.

Mr. HOYER. Mr. Chairman, I yield 1 minute to the distinguished gentleman from Illinois [Mr. DURBIN].

Mr. DURBIN. Mr. Chairman, Members on both sides have strongly held feelings about this issue, but consider this simple fact situation: A Federal employee who is a woman works late, goes to her car at night, is attacked and brutally raped. She goes home to her family and learns to her dismay several weeks later that she is pregnant. She, here doctor, her husband, and her family decide that terminating that pregnancy from that rape is the right thing to do.

Because she is a Federal employee, the gentleman from New Jersey [Mr. SMITH] would deny her hospitalization insurance coverage for that abortion service.

What the gentleman goes on to say is that virtually every other incident involved in abortion, rape, incest, he wants to make the decision. He wants to make the decision. He says this is about respect.

I say to the gentleman from New Jersey, I do not believe that he is respecting the rights of these families to make the right decisions for their families. This is a decision that should be made by Federal employees, by their families and their doctors, not by their government.

Mr. SMITH of New Jersey. Mr. Chairman, I yield myself 10 seconds.

The gentleman from Illinois [Mr. DURBIN] has not obviously read the bill. On page 73, section 519, the text stipulates exceptions for the life of the

mother, or the pregnancy is the result of an act of "rape or incest."

So the argument Mr. DURBIN is making isn't at issue and misses the mark by a mile. Please, next time read the bill.

The CHAIRMAN. The time of the gentleman from New Jersey [Mr. SMITH] has expired.

Mr. HOYER. Mr. Chairman, I yield 30 seconds to the distinguished gentlewoman from California [Ms. PELOSI].

Ms. PELOSI. Mr. Chairman, I just want to follow up on the previous exchange.

Why should these women who are Federal employees have to document that the pregnancy was a product of a rape?

This is an invasion of the privacy of women; it is an attempt to limit a woman's access to reproductive freedom. That is the issue that is before the House today. Anything else is just a diversion. Reducing a woman's right to choose is the reality: Cutting back on a woman's right to choose. A woman should not have to document the cause of the pregnancy.

Mr. Chairman, our colleagues have never really caught on to that point as an invasion of privacy.

Mr. HOYER. Mr. Chairman, I reserve the balance of my time.

Mr. SMITH of New Jersey. Mr. Chairman, I yield the remainder of our time to the gentleman from California [Mr. DORNAN].

The CHAIRMAN. The gentleman from California [Mr. DORNAN] is recognized for 1 minute and 20 seconds.

Mr. DORNAN. Mr. Chairman, my friend, the hero of freedom in China, the gentlewoman from California [Ms. PELOSI], has just contradicted herself inadvertently. She just described abortion on demand, and although we say there is no Member in this House that believes in abortion on demand, they all defend abortion on demand and want other people to pay for it.

I can be dispassionate today because the vote on this last year without rape, incest was 188 to 235. So we will win today. But what amazes me is a simple little quote from scripture: "What does it profit a man or a woman to gain the whole world or political power and suffer the loss of their soul?"

I am looking at a list of 17 Catholics, at least in their bios, who called the Pope and Mother Teresa extremists, who call Billy Graham, who got our Congressional Gold Medal, who said we are a nation on the brink of self-destruction, they will vote for sodomy marriage and infanticide abortion and still put the word "Catholic" in their bio. Seventeen. And on this issue, it expands to about 30. Thank God, no Republicans.

It is unbelievable the way we twist this issue on this debate. This Nation is opposed to most abortions, and they do not want Federal dollars to pay for something that although it has been constitutional on a phony decision based on a gang rape that never happened, most Americans see this as 32

million dead Americans in their mother's wombs.

□ 1145

Mr. HOYER. Mr. Chairman, I yield 15 seconds to the gentlewoman from California [Ms. PELOSI].

Ms. PELOSI. Mr. Chairman, since the gentleman from California accused me of contradicting myself, I want to make the point that he did not clarify. That point is, yes, abortion on demand is not something we support in this House. Abortion on demand is not what is before the body today. Abortion on demand is abortion up until the ninth month. We are not talking about or supporting that. The gentleman knows it.

Mr. HOYER. Mr. Chairman, I yield myself the balance of my time.

The CHAIRMAN. The gentleman from Maryland [Mr. HOYER] is recognized for 1¾ minutes.

Mr. HOYER. Mr. Chairman, clearly the issue that has been the focus of the debate is one of the most wrenching confronting America. Contrary to a representation made by the gentleman from California just now, the majority of Americans, as everybody on this floor knows, support the right to choose, even though they do not choose abortion themselves. The bottom line is they do not want the Government to interject itself in this issue between a woman and her doctor.

Furthermore, everybody knows that almost every State does in fact control abortion on demand, as the Supreme Court allowed, and says in the second trimester and third trimester there will be constraints to protect both the life of the mother and the prospective child who is born. I support that.

But the fact of the matter is, which the opponents of this amendment have not responded to and cannot respond to, that the salaries we pay to Federal employees are 100 percent Federal dollars, as is the 72 percent, which is 100 percent of our contribution to the Federal Employee Health Benefit Plan.

There is no difference between those dollars, except the opponents to my amendment try to make the point that somehow these are Federal dollars, while the salary dollars somehow are converted. I believe they are converted, but the next step clearly is to tell you you cannot spend your Federal salary, which, after all, comes 100 percent from the taxpayer, on the items that you choose. That is wrong. That is Big Brother. Support this amendment.

Ms. DELAURO. Mr. Chairman, I rise to urge all my colleagues to support the Hoyer-Lowey-Morella amendment to strike this bill's provision that bans abortion services under Federal Employee Health Plans.

Federal workers—like private sector employees—share the cost of health insurance coverage with their employer. It is an earned benefit—compensation for service delivered through hard work. By denying the full range of reproductive health care services, Federal workers and their dependents, are subjected to second-rate health care—inferior health

care that could place the health of women in jeopardy.

The bill before us represents the continuation of the majority's outrageous attack on women in this country.

I say to opponents of this amendment, "women are not the enemy". I urge my colleagues to protect the health of the 1.2 million women who are covered under Federal health plans. Vote for the Hoyer-Lowey-Morella amendment.

Mr. NADLER. Mr. Chairman, I rise in support of this amendment which would remove from this bill dangerous language that once again strikes out at women. The language we are seeking to remove today says that women who work for the Federal Government—women who have made a commitment to public service—should not have the same rights afforded to women working elsewhere.

Mr. Chairman, women in this Nation have a constitutionally protected right to choose whether to have an abortion. This is the law of the land.

But some members of this House realizing that the vast majority of the American people support a woman's constitutionally protected right to choose, are trying to do away with this fundamental right bit by bit, woman by woman.

We must not allow this to happen.

Because abortion is a legal medical procedure, most major health plans provide coverage for women who choose to have an abortion. Private insurance companies recognize that their female customers are perfectly capable of making this deeply personal choice without interference.

Do we think that our moral judgement is superior to that of the thousands of women serving our communities and our Nation? What do we know that major insurance companies, U.S. corporations, and the majority of our constituents don't know?

It's time to get off the high horse, to quit playing games with the rights of women and to respect the moral judgement of the women we represent. I urge the adoption of this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Maryland [Mr. HOYER].

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. SMITH of New Jersey. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to the provisions of House Resolution 475, further proceedings on the amendment offered by the gentleman from Maryland [Mr. HOYER] will be postponed.

AMENDMENT OFFERED BY MR. SOLOMON

Mr. SOLOMON. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. SOLOMON: Page 119, after line 8, insert the following:

TITLE VIII—ADDITIONAL GENERAL PROVISIONS

SEC. 801. None of the funds made available in this Act may be used to pay, draw, or transfer amounts out of accounts numbered 20X8413, 20X6822.56, 20X6822.57, and 20X1099 at the Financial Management Service, or pay the salary or expenses of any officer or employee of the Department of the Treasury approving or processing any such payment,

drawing, or transfer when it is made known to the Federal officer having authority to obligate or expend such fund that—

(1) the amounts are being paid, transferred, or otherwise disbursed, directly or indirectly, to or for the benefit of the Comptroller of the Currency or any officer or employee of the Office of the Comptroller of the Currency or to meet expenses of the Office of the Comptroller of the Currency; and

(2) revisions to part V of title 12 of the Code of Federal Regulations, pursuant to the notice of proposed rulemaking published by the Comptroller of the Currency in the Federal Register or November 29, 1994, have, directly or indirectly, taken effect or the Comptroller of the Currency is otherwise permitting national banks or operating subsidiaries of national banks to engage in activities in which national banks are not permitted to engage as of July 16, 1996.

Mr. HOYER. Mr. Chairman, I reserve a point of order on the amendment.

The CHAIRMAN. Pursuant to the order of the House of Tuesday, July 16, 1996, the gentleman from New York [Mr. SOLOMON] will be recognized for 5 minutes in support of his amendment, and a Member in opposition to the amendment will be recognized for 5 minutes.

The Chair recognizes the gentleman from New York [Mr. SOLOMON].

Mr. SOLOMON. That is a fiscally responsible amendment, Mr. Chairman, to limit the funds of the Department of the Treasury's Financial Management Service for the purposes of processing funds through certain accounts. The Financial Management Service is the U.S. financial manager, central disbursing, and collection agent.

Many agencies process funds through accounts at the Treasury in this manner. The amount seeks to limit the ability of the controller of the currency to implement a rule for which there is no basis in current law. The amendment would limit funds in the bill from being used to draw further from the OCC's account at the Treasury if the OCC implements this proposed rule, which drastically exceeds its authority in the law. That is what this is all about.

The 104th Congress has taken several important steps to curb the abuses of Federal regulators in Washington. That is really what this 104th Congress has been all about. Our efforts have empowered the private sector and lessened the bureaucratic chokehold that unelected regulators have held over business for years.

The amendment is in keeping with our efforts to curb overzealous regulators from abusing their powers. It stands to reason that the financial services sector of our vast economy deserves relief from such regulators as well. The amendment I offered would halt a proposed rule which financial experts on a bipartisan basis agree could potentially be disastrous for the health and safety of the Nation's financial services sector. Members better keep that in mind.

Need I remind my colleagues on both sides of the aisle of the enormous costs associated with the S&L debacle, which

we are still grappling with today? Do we want to get ourselves back in another situation like that and have it bailed out by the taxpayer? The answer is no, no, no.

No agency of the Government, through promulgating creative regulations, can eviscerate Congress' responsibility to act. The law in this area has, unfortunately, been written by the courts and by the regulators. This amendment represents a serious legislative solution to a complicated problem that the Congress has a responsibility to act on.

This amendment, Mr. Chairman, is supported by the NFIB, the National Federation of Independent Businesses, by the American Farm Bureau, by the National Homebuilders, and a whole slew of small businessmen across this country who do not want to be intimidated by banks, no matter how fair-minded they are. That is what this debate is all about. It is no cost to the taxpayer. I would urge my colleagues to support this amendment when it comes to a vote.

Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN. Is there a Member who seeks to control time in opposition?

Mr. HOYER. Mr. Chairman, I do.

The CHAIRMAN. Does the gentleman from Maryland insist on his point of order?

POINT OF ORDER

Mr. HOYER. Mr. Chairman, I do insist on my point of order.

The CHAIRMAN. The gentleman will state his point of order.

Mr. HOYER. Mr. Chairman, I rise on a point of order that the amendment offered here is in violation of rule XXI, clause C of the rules, in that it is legislation on an appropriation bill. I would like to be heard on that.

The CHAIRMAN. The Chair recognizes the gentleman from Maryland [Mr. HOYER] to speak on his point of order.

Mr. HOYER. Mr. Chairman, this amendment I will substantively oppose as well, but on the rule itself, this is what is referred to as a "made known" amendment. I suggest to the Chair that an amendment that changes legislation requiring a public officer to take some action is in fact legislation on an appropriation bill.

There has been a ruling in 1809 on a similar amendment referencing "made known" that that was in order because it was a simple limitation; that is, that none of the funds could be expended. But that ruling is that once it is made known to the Secretary, the simplistic, frankly, determination, in my opinion, is that the Secretary or the Comptroller of the Currency or any other official to whom such a limitation is directed will then have to make no judgment.

The premise underlying the ruling is that irrespective of the truth or falsity of the fact being made known, which is, of course, the premise of the amend-

ment, which says if something is the fact and is made known, that clearly is what this means, because to rule otherwise is to rule that no matter how specious the representation to the public official, that they will be therefore bound not to expend the funds because of having it made known, however irresponsible the source of the information might be.

Therefore, I suggest to the Chair that this amendment and other amendments like it which seek to overcome the rule which precludes the legislation on an appropriations bill by I believe the specious representation, not in this amendment alone, I tell my friend, the gentleman from New York, and I am talking here to the process, not the substance of the gentleman's amendment, the specious representation that any responsible public official will not have to take any action subsequent to that fact being made known to them, is to adopt a premise which is untrue, and if true, would not be supported by anybody in this House or the Senate, or by the taxpayers of America.

The reason I say the premise underlying the initial 1809 judgment is incorrect is that because of the 1809 judgment, any competitor could have called up the Secretary of the Treasury and lied flat out and said "I make it known to you that the facts included in this amendment are true."

Unless we are all crazy and want to simply devolve the responsibility to any citizen who may want to make known to somebody, the Director of FBI or the Attorney General or whoever, unless we want to adopt that premise, then this ruling should not be supported. I raise it on this issue simply because this is one of the famous "made known" amendments, not because of the substance.

Mr. Chairman, I would urge the chairman and those with whom he counsels to adopt the much more reasonable premise that if you make known something to an elected official, or an appointed official who has responsibility for policy and responsibility for the administration of the public's money, that that official has it incumbent upon them, underlying the premise of this amendment, to determine the veracity, the substance, of that which is made known to them.

As a result, it is an inevitable conclusion that that public official must take further action as a result of this amendment or they will act totally irresponsibly, which I suggest to the Members is a conclusion we ought not to draw.

Therefore, once having adopted the premise that they do have to take some action to determine whether or not there is veracity in the fact being made known to them, that this amendment and others like it would fail as legislation on an appropriation bill, contrary to rule XXI.

The CHAIRMAN. Does the gentleman from New York [Mr. SOLOMON] wish to be heard in opposition to the point of order?

Mr. SOLOMON. Yes, indeed, Mr. Chairman.

The CHAIRMAN. The gentleman from New York [Mr. SOLOMON] is recognized on the point of order.

Mr. SOLOMON. Mr. Chairman, let me say to my very good friend, and he is a very good friend, he and I have stood on this floor and defended the Federal workers of this Nation time and time again, and so I admire and respect him for it, but let me just say to him the "made known" doctrine has been ruled in order in this Chamber for as long as I can remember, and I have been here for 18 years; as long as the gentleman from Michigan, JOHN DINGELL, has been here, which is 30-some odd years we have made in order the "made known" doctrine.

Mr. HOYER. Only STROM THURMOND has been here long enough to remember when this was ruled on.

Mr. SOLOMON. Let me just say to the Members and to the chairman of the committee and the Chair, we have the power in this body and we have the responsibility in this body to limit the expenditure of taxpayer dollars. That is our constitutional right in this House of Representatives.

This amendment does not require action, it prohibits action. Therefore, it is a limitation amendment which is allowed under this rule. The bill before the House contains funds for the Financial Management Service within the Department of the Treasury. The Financial Management Service is the U.S. Government's financial manager, central disburser, and collection agent, as well as its accountant and reporter of financial information.

The Financial Management Service processes checks through certain numbered accounts which are listed in the amendment for the Government regulatory office the amendment addresses. Therefore, the limitation amendment I offer directly restricts the expenditure of funds in the bill. That is what the amendment does.

Mr. Chairman, the amendment is drafted as a proper limitation amendment. It conforms with the rules and the procedures of this House. The amendment clearly states that no part of the appropriation under consideration here by the House shall be used for a certain designated purpose. The purpose is explicit in this amendment.

The amendment also does not impose additional duties on executive branch officials. That is where the gentleman is wrong. The amendment does not change existing law. The rules and precedents of the House indicate that as long as a limitation restricts the expenditure of Federal funds in the bill debated without changing existing law, the limitation, Mr. Chairman, is in order.

Therefore, Mr. Chairman, I would ask a favorable ruling on this point of order.

□ 1200

The CHAIRMAN. Are there any other Members who wish to be heard on the point of order?

Mr. HOYER. Mr. Chairman, I understand what the gentleman has said. I also understand that the gentleman refers to previous rulings. The 1809 ruling I referred to myself in my comments. My point, I tell my friend from New York, and again I reiterate, I am not talking about the substance of this amendment. I am talking about the procedure, which I have always opposed—this is nothing new for the gentleman from Maryland [Mr. HOYER]—is that the gentleman proposes it is a simple limitation and that is in fact what the ruling has been. But it defies logic and good policy which is why I suggest that the ruling be reflected upon by those making the ruling.

The logic that it defies, I tell my friend from New York, is that the official to whom a fact is made know has no responsibility before effecting the limitation to determine the accuracy of the fact being represented. It is my suggestion that therein lies the error of the 1809 precedent and the judgments flowing from that precedent. As a result, Mr. Chairman, I would urge that the chairman find that this amendment is not consistent with rule XXI and that the previous precedents to the contrary should be specifically overruled.

The CHAIRMAN. Does the gentleman from New York [Mr. SOLOMON] wish to be heard further on the point of order?

Mr. SOLOMON. Just briefly, Mr. Chairman, in rebuttal. Again the gentleman's argument is about the made know doctrine. This Chair has ruled for as long as JOHN DINGELL has been a Congressman in this body, as I said before, in favor of making in order the made known doctrine. I ask for the similar ruling that has been ruled on so many times on this floor and ask for a ruling.

The CHAIRMAN. It appears that the gentleman from Michigan is seeking to be recognized on the point of order but before he proceeds, the Chair wishes to inform the Committee that the precedent which has been mentioned was on March 21, 1908 and while a number of Members have pointed to the longevity of service of our colleagues, Members currently serving were not here in either 1809 or 1908.

With that, the Chair recognizes the gentleman from Michigan [Mr. DINGELL] to speak to the point of order.

Mr. DINGELL. Mr. Chairman, I would observe that neither I nor STROM THURMOND were in this work at the time that the precedent was established.

It is clear to me, however, this is a sound precedent by reason of the duration of its existence and the fact that it has been unchallenged during those periods of time.

So having established that we have a sound and long-lived precedent that has served this body well, I believe it would be useful for us to adhere to that precedent. I would observe that the requirement here is that we are discussing a limitation on expenditures. The

limitation comes into play not because the individual who must function under the limitation is required to do anything but simply because he has had matters brought to his attention. It imposes no duty on him other than to behave in conformity with the limitation when certain matters have been brought to his attention. The only requirement is that when information is brought to the attention of the officers who would be responsible for implementing the expenditure of these public moneys that they cannot then spend the money, a very sensible limitation and one which makes an extraordinary amount of sense. If the Chair will permit, I intend to yield to my distinguished friend from Maryland for whom I have enormous respect and affection.

The CHAIRMAN. The gentleman from Michigan may not yield. If there are other Members seeking to address the point of order, it is at the discretion of the Chair to recognize them.

The Chair recognizes the gentleman from New York [Mr. LAFALCE].

#### PARLIAMENTARY INQUIRY

Mr. SOLOMON. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. SOLOMON. Mr. Chairman, when arguing a point of order, we cannot debate the amendment, and we have to debate the point of order; is that correct?

The CHAIRMAN. The Members who are speaking are addressing the point of order. The gentleman is correct.

Mr. SOLOMON. Let us make sure they stick to it. I thank the Chair.

Mr. LAFALCE. Mr. Chairman, on the point of order, I believe this will be a close call and it is a discretionary issue. I would hope that the manner in which the issue has been brought to the floor could have some weight in the Chair's determination.

It is my understanding that in order to bring this amendment to the floor, it was necessary for, I believe the gentleman from New York, perhaps someone else, to come to the floor of the House of Representatives last night to seek unanimous consent to bring this up and that unanimous consent was given.

First of all, is that understanding correct? Was unanimous consent given last night? I think it bears on the point of order.

Mr. SOLOMON. The gentleman is incorrect.

Mr. LAFALCE. No unanimous consent was given?

The CHAIRMAN. Points of order were not waived under the unanimous-consent request that was granted last evening.

Mr. LAFALCE. The issue is not whether points of order were waived under the unanimous-consent request. The issue that I am posing to the Chair is, is this amendment on the floor now only because unanimous consent was granted last night?

Mr. SOLOMON. No.

The CHAIRMAN. The amendment could have been offered under the rule at the appropriate time whether unanimous consent had been requested or not.

Mr. LAFALCE. I thank the Chair.

The CHAIRMAN. Are there any other Members seeking to be recognized on the point of order?

The Chair recognizes the gentleman from Minnesota [Mr. VENTO].

Mr. VENTO. Mr. Chairman, I support the point of order that my colleague from Maryland raises. Under the precedents of the House, obviously the limitation on appropriation is a very substantial power and a responsibility of Congress in terms of the purse strings. But the fact is that this amendment goes well beyond simply limiting funds. It intends to try to go into directly or indirectly controlling the Comptroller of the Currency's office with regard to activities that are ongoing and in place. I think there are constitutional questions with regard to the powers of the executive agencies and departments and there are questions of whether or not in fact the ongoing responsibilities can be exercised. So this is more than just simply a limitation in terms of new activities as it is being portrayed. I think that the ruling needs to differentiate and define the differences that exist here between a simple limitation and the breadth of activities that are expected to go on on an ongoing basis in terms of the discharge of the responsibilities of this regulator and this Comptroller's responsibility. I think that this amendment certainly is very expansive in terms of its use of this particular limitation.

Mr. Chairman, I would join my colleague in asking the Chair to review this in light of the 1908 ruling.

The CHAIRMAN. The Chair is prepared to rule.

The gentleman from Maryland [Mr. HOYER] makes a point of order against the amendment offered by the gentleman from New York on the ground that it constitutes legislation in a general appropriation bill in violation of clause 2 of rule XXI.

The amendment is in the form of a limitation. It imposes a negative restriction on funds in the pending bill. This restriction is operative when it is made known to the pertinent official that certain conditions exist.

The precedents recognize the distinction between language that puts an official in the role of a passive recipient of information, on one hand, and language that puts an official in the role of a gatherer, developer, or judge of information, on the other. Two precedents illuminate this distinction.

The first may be found in "Deschler's Precedents" at volume 8, chapter 26, section 53.5. It records that on June 17, 1977, the Chair ruled out as legislation an abortion-limitation amendment on the basis that it would require officials to make affirmative judgments about

endangerment of a mother's life that were not required of them by law regardless of whether they might routinely make such judgments on their own initiative.

The second precedent—one more analogous to the passive approach in the amendment offered by the gentleman from New York—is noted on page 631 of the House Rules and Manual. This second precedent may be found in "Cannon's Precedents" at volume 7, section 1695. It records again as the Chair stated, that on March 21, 1908, an amendment denying the availability of funds in a general appropriation bill when it shall be made known that certain conditions exist was held in order as a proper limitation.

A third, more recent ruling also is instructive. On August 1, 1989, the House was considering a general appropriation bill providing funds for the Department of Commerce. A motion to recommit the bill proposed an amendment prohibiting the expenditure of funds in the bill for census data where it is made known to the Secretary that such data includes a count of illegal aliens. The motion to recommit was ruled out on the ground that it proposed a limitation not specifically contained in existing law. In light of the distinction illuminated by the precedents of 1908 and 1977, this 1989 ruling properly turned on the form of the amendment rather than on an assertion that it changed existing law. This was again illustrated in the ruling of June 22, 1995, on a proposed motion to recommit the legislative branch appropriations bill.

Indeed, this acceptance of the earlier precedents is evident in a Parliamentarian's note published in "Deschler's Precedents" at volume 8, chapter 26, section 59.19. That note records the events of December 9, 1982, when the Committee of the Whole was considering a general appropriation bill. After a limitation reported in the bill was stricken as legislation because it imposed on Federal officials an ongoing responsibility to ascertain certain information, the manager of the bill offered an amendment to achieve the same result by language that, on its face, operated on a merely passive condition. In light of the earlier precedents, the amendment went unchallenged by point of order.

Thus, under this recorded line of precedent, language restricting the availability of funds in a general appropriation bill may be a valid limitation if, rather than imposing new duties on an official or requiring new determinations of that official, the language simply and passively addresses the state of knowledge of the official.

In the opinion of the Chair, the limitation posed by the amendment offered by the gentleman from New York—"when it is made known" to the pertinent official that certain conditions exist—merely places the Federal official in the role of a passive recipient of information. Thus, to construe the

amendment offered by the gentleman from New York as a proper limitation is consistent with both the precedent cited on page 631 of the manual and the ruling of June 17, 1977.

The limitation in the amendment offered by the gentleman from New York applies solely to the appropriations covered by the bill and merely restricts their availability. It does not impose additional duties on—or require new determinations of—officials of the Government. Rather, it only passively addresses the state of their knowledge.

The limitation therefore cannot be construed to change existing law.

Accordingly, the Chair overrules the point of order.

Who seeks time in opposition to the amendment?

#### PARLIAMENTARY INQUIRY

Mr. VENTO. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. VENTO. Mr. Chairman, the parliamentary inquiry is this is a limitation on an appropriation. Under the rules, would the committee have to defeat the motion to rise in order to offer this particular amendment?

The CHAIRMAN. The bill has been considered read under the order of the House. Only the majority leader or his designee may move to rise and report, in order to foreclose a limitation amendment.

Mr. VENTO. Mr. Chairman, my parliamentary inquiry, persisting, is whether or not the motion in order to be offered on this particular subject matter, a limitation on appropriation, would require the committee to defeat the motion to rise to offer such limitation.

The CHAIRMAN. If the motion to rise and report is not offered by the majority leader or his designee, then the limitation amendment can be offered.

Who seeks time in opposition to the Solomon amendment?

Mr. LAFALCE. Mr. Chairman, I seek time in opposition, but I also rise for a unanimous-consent request.

The CHAIRMAN. The gentleman from New York [Mr. LAFALCE] will be recognized for 5 minutes in opposition to the Solomon amendment.

□ 1215

Mr. LAFALCE. Mr. Chairman, on the unanimous consent request first.

The CHAIRMAN. The gentleman will state his unanimous consent.

Mr. LAFALCE. I wonder if we can extend the debate a bit. It was my understanding the unanimous consent agreed to last night was the unanimous consent with respect to three things: A, the specific amendments that could be offered; B, agreement that no amendments could be offered to those amendments; and C, time constraints.

The time constraints, as I understand it, are simply 10 minutes, 5 on each side. Given the fact that this issue did not come to my attention until about

11:00 this morning and because it is a momentous issue, I would seek unanimous consent to at least have 20 minutes of debate, 10 minutes on each side.

Mr. SOLOMON. Reserving the right to object, Mr. Chairman. On their reservation I would just say to the gentleman we are under tremendous time constraints on this legislation. We must move this bill. We must move the other appropriation bills. We have 85 singular pieces of legislation to come before this body by October 4. We will not even have time to deal with half of them and that is not doing the work of the body. We have discussed this and we took into consideration time limitations on all of the amendments, all of them, but others are limited to 10 minutes and I would have to object to the gentleman's request.

The CHAIRMAN. Does the gentleman from New York object to the request?

Mr. SOLOMON. I object to the unanimous consent request.

The CHAIRMAN. The gentleman from New York objects to the unanimous consent of the gentleman from New York.

Mr. LaFALCE. Mr. Chairman, I yield 1 minute to the distinguished gentleman from Minnesota [Mr. VENTO].

Mr. VENTO. Mr. Chairman, I rise in strong opposition to this amendment.

Mr. Chairman, this limitation on the Comptroller is both a significant risk to the safety and soundness of our financial institutions and economic system in this country. For 15 months, it would dictate and hamstring the Comptroller of the Currency, someone that has primary responsibility of the regulation of national banks in this country, literally responsible for what is a dynamic and growing economic system in this country of extending credit and economic vitality.

The only thing that the Comptroller of the Currency has been guilty of in this process is doing his job and being successful in terms of advocating before the courts of this Nation for his regulatory authority in a number of definitive decisions which in fact have provided for the national banks to continue the business of serving the needs of our Nation is consumers and commerce.

As a matter of fact, Mr. Chairman, the duplicity of this particular type of amendment is that the dual banking system would permit States to continue, State-regulated institutions would continue to, in fact, offer the same kind of power to State financial institutions.

This amendment runs the risk of causing great harm to our economy for 15 months when the Comptroller would be frozen in place unable to respond to a dynamic market and financial marketplace that can with literally days, spin out of control. This is a deeply flawed amendment foisted upon this House inappropriately without consultation and deliberation.

I urge my colleagues to reject this measure.

Mr. SOLOMON. Mr. Chairman, how much time is remaining on both sides?

The CHAIRMAN. The gentleman from New York [Mr. SOLOMON] has 2½ minutes remaining, and the gentleman from New York [Mr. LaFALCE] has 4 minutes remaining.

PREFERENTIAL MOTION OFFERED BY MR. WISE

Mr. WISE. Mr. Chairman, I offer a preferential motion.

The Clerk read as follows:

Mr. WISE moves that the Committee do now rise and report the bill back to the House with the recommendation that the enacting clause be stricken.

The CHAIRMAN. The gentleman from West Virginia [Mr. WISE] is recognized for 5 minutes.

PARLIAMENTARY INQUIRY

Mr. DINGELL. Parliamentary inquiry, Mr. Chairman.

The CHAIRMAN. The gentleman will state his inquiry.

Mr. DINGELL. The gentleman has been recognized for 5 minutes on the preferential motion. I believe that there will be 5 minutes made available to the other side for a rebuttal to whatever statements might be made?

The CHAIRMAN. The gentleman is correct. One Member who wishes to speak in opposition to the preferential motion will be recognized.

Mr. DINGELL. Mr. Chairman, I would like to indicate strong interest in that matter.

The CHAIRMAN. The Chair will determine who will be controlling that time after the gentleman from West Virginia [Mr. WISE] completes his 5 minutes.

The Chair recognizes the gentleman from West Virginia [Mr. WISE].

Mr. WISE. Mr. Chairman, this motion to strike the enacting clause is an important motion.

Mr. VOLKMER. Mr. Chairman, will the gentleman yield?

Mr. WISE. I yield to the gentleman from Missouri.

Mr. VOLKMER. Mr. Chairman, I would like for the gentleman from New York [Mr. SOLOMON], who is the sponsor of the amendment to the bill, to please pay attention because this basically is addressed to him. If the gentleman from New York, will pay attention.

Mr. WISE. This motion to strike the enacting clause is important because, as this bill is very important, there is a bill coming right after this welfare reform that is even more important. The concern that many of us have on this side of the aisle, and probably on both sides, is that an important area of welfare reform, the bipartisan alternative, the Castle-Tanner alternative may not be permitted to be offered as structured. Republicans and Democrats both recognize the importance of welfare reform and both sides want to get this bill to the floor today and tomorrow and to have it debated and voted on. The country demands it.

But it should be pointed out, that the Republican budget resolution says that there should be 53 billion dollars' worth

of savings from welfare reform. The Castle-Tanner alternative has 53 billion dollars' worth of savings. It meets that target. However, it is our understanding or perhaps lack of understanding that it may not be permitted to be offered at the \$53 billion figure, that \$60 billion or more may be required. That is moving the target, Mr. Chairman.

So I have to take this motion to strike the enacting clause to alert members that many of us who are genuinely concerned may have to delay proceedings on this bill and other bills to make sure that the Castle-Tanner alternative has that opportunity to be offered. It should be pointed out this is not to delay welfare reform, and in fact if we could get a clear, unequivocal statement from the Republican leadership that Castle-Tanner and the \$53 billion target will be permitted to be offered as an alternative, we do not need to do these kinds of motions. But this is so important because we are talking here about a bipartisan alternative, Republicans and Democrats alike that have worked it out.

Mr. Chairman, we are talking about offering an alternative that supports work over welfare. We are talking about wanting to offer an alternative that supports children much more than the leadership proposal. We are talking about moving welfare reform forward and, most significantly, we are talking about offering an alternative that meets the Republican budget conference report that passed this House that says \$53 billion shall be achieved.

So yes, we are going to vote today on striking the enacting clause. Our hope is, to the leadership, to the chairman of the Committee on Rules and to the Speaker and to the majority leader and others, our hope is that Members will send that clear, give us that clear, unequivocal statement now that Castle-Tanner will be in order in its form present, that \$53 billion will be that figure and that we do not have to seek to delay.

Let there be no mistake about it, this is not to delay the moving forward of welfare reform. Democrats, Republicans and the White House want that. It is about whether we are going to be permitted to offer an alternative that meets the Republican budget targets and yet at the same time has better work-to-welfare, work over welfare provisions, has better provisions for children, permits States to have more flexibility and permits States in case of recession to be able to deal with that.

So Members should be alerted this is a one-time motion we hope, but if we do not receive that message then we will have to seek that delay, not to delay welfare reform but to delay until we are guaranteed that there will be a true bipartisan alternative permitted to be offered that meets the budget targets.

Mr. VOLKMER. Mr. Chairman, I know the gentleman from California, who is a member of the Committee on

Rules, is paying some attention. I am sorry the gentleman from New York [Mr. SOLOMON] is not, because what we are trying to advise, not only the gentlemen, but all members of this House, that if we are not given a substitute for the welfare bill, then I think they can see that things are going to slow down up here a little bit until we are able to offer our substitute for their welfare bill.

Mr. WISE. I think it should be pointed out, as the gentleman says, that the delay is only so that we can offer a substitute that meets the Republican budget targets and has complied with every one of the Republican budget rules and we feel is a bipartisan alternative that is superior to the leadership proposal.

Mr. VOLKMER. And we would not even have any more delay if the gentleman from New York [Mr. SOLOMON] will just stand up and say as chairman of the Committee on Rules he would give it to us.

Mr. WISE. We could probably skip this vote we are about to have on this basis alone.

My hope is when Members are voting we will have a chance to talk about it some so we can move this welfare reform bill quickly to the floor, understanding that everyone wants to be able to vote on welfare reform. But we want to offer the Castle-Tanner bipartisan alternative that is far preferential to the leadership one.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. Is there a Member seeking time in opposition to the preferential motion?

Mr. DINGELL. I rise in opposition to the preferential motion.

The CHAIRMAN. The gentleman from Michigan is recognized for 5 minutes.

(Mr. DINGELL asked and was given permission to revise and extend his remarks.)

Mr. DINGELL. Mr. Chairman, normally I would be very supportive of motions to strike the enacting clause and things of that sort. At this particular time, however, I am compelled reluctantly to rise against it in spite of the vast respect I have for the offerer, the distinguished gentleman from West Virginia.

I would like to devote my attention to the question of the motion to strike the enacting clause. One of the reasons that adopting the motion to strike the enacting clause would be very bad is simply that that would leave us in the awkward position of being unable to devote our attention to the Solomon amendment, and I would like to address now the reasons that the Solomon amendment is so important to the business in which we are now engaged.

I would like to address first what has been going on, Mr. Chairman. What Mr. SOLOMON seeks to do is to see to it that the status quo remains in place, because what is contemplated by the Office of the Comptroller of the Currency

is an illegal act wherein the Comptroller of the Currency proposes to go beyond the authority which he has under law. And I would like to quote a letter written in 1995 by the present chairman of the Banking Committee to the OCC in which the chairman had this observation to make:

There is not a shred of statutory support for the notion that a national bank is authorized to conduct activities in a subsidiary that are not permissible for the national bank itself.

Now, at the appropriate time I will insert the whole of this letter in the RECORD, and what I am saying is that the chairman of the Banking Committee warned the Comptroller of the Currency that his action is illegal, in excess of his authority and beyond the powers that he is vested in under law. It is an act of some arrogance then on the part of the Comptroller to move forward.

Now, what is the action of which my good friend from New York complains? That is that the Comptroller proposes to permit national bank operating subsidiaries to move forward into areas which are forbidden under the law, most specifically into stock underwriting and the sale of insurance. Now, I happen to think that banks and subsidiaries should have the authority to do certain other actions, including the sale of securities, including other activities which go beyond banking authority. But that should be defined by the statutory enactment of the Congress of the United States and not by the arrogance of the Comptroller of the United States.

The practical effect of what he seeks to do is simply to allow a situation to go forward where a bank would find a citizen coming in for a mortgage or something of that kind and the banker, not all of them but some of them, would put their arm around the applicant and say now that we have agreed that we are going to give you your loan, but before you sign the papers, go down to the end of the hall and see Mr. Jones who handles our securities sales, or insurance sales, and all of the other activities, because we are a full-financial service firm. And the individual then would either go down there and agree to turn the entirety of his financial affairs over to the bank, or he would not get the loan.

Mr. Chairman, this is an experience which the Congress has had before. It was in the 1920's, indeed in 1929, the crash, which was in good part brought about by the fact that banks were engaging in all kinds of financial activities without any sort of constraint.

The purpose that the gentleman seeks to do is to simply see that if we are going to take the action of permitting the Comptroller of the Currency to get into the business of doing other things other than regulating banks and banks to do other than doing banking business, that the Congress will have a chance to look at it to see to it that it conforms with law and that it con-

forms with good public policy and that it does not upset some of the long-established precedents which have precluded banks from doing these kinds of things, for the very good reason that we found that serious abuses occur.

I would tell my colleagues that banks are now moving into mutual funds and other things, and it has been found by inquiry after inquiry that banks are not telling the purchasers of these securities that these securities are not guaranteed by the Federal Government. Indeed, they are letting the purchasers of these securities walk out of the bank with the mutual fund operating under the assumption that in fact that mutual fund is guaranteed by Federal moneys.

HOUSE OF REPRESENTATIVES, COMMITTEE ON BANKING AND FINANCIAL SERVICES,

Washington, DC, April 5, 1995.

Mr. EUGENE A. LUDWIG,  
Comptroller of the Currency,  
Washington, DC.

DEAR COMPTROLLER LUDWIG: I am writing to express grave concerns concerning your recent proposal to allow bank subsidiaries to engage in activities legally impermissible for banks themselves. Such an approach is not only highly imprudent but contrary to existing law. There is not a shred of statutory support for the notion that a national bank is authorized to conduct activities in a subsidiary that are not permissible for the national bank itself. If fact, it appears that the OCC's new interpretation of the authority of subsidiaries to conduct impermissible activities does not comport with longstanding OCC practice and policy. (See 31 Fed. Reg. 11459 (Aug. 31, 1966), 48 Fed. Reg. 1732 (Jan. 14, 1983))

Allowing a national bank or its subsidiary to engage in risky non-banking activities would jeopardize the deposit insurance system. Indeed, the news of the past weeks—the failure of Barings, one of Britain's oldest financial institutions—demonstrates the problematic nature of conducting activities in a bank subsidiary and shows how quickly an operating subsidiary can bring down a parent. Likewise, from the perspective of recent American experience, the OCC proposal would appear analogous to the direct investment authority granted S&Ls in certain states in the 1980s, which had the effect of placing significant unanticipated liabilities on the deposit insurance system.

In sum, I object to the OCC's judgement as well as its legal interpretation. The latter concern is particularly telling. No agency of government has the right through promulgation of regulations to obviate law.

Sincerely,

JAMES A. LEACH,  
Chairman.

□ 1230

The CHAIRMAN. The question is on the preferential motion offered by the gentleman from West Virginia [Mr. WISE].

The question was taken; and the chairman announced that the ayes appeared to have it.

RECORDED VOTE

Mr. LIGHTFOOT. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 182, noes 233, not voting 18, as follow

[Roll No. 319]

AYES—182

Abercrombie  
Ackerman  
Andrews  
Baesler  
Baldacci  
Barcia  
Barrett (WI)  
Becerra  
Beilenson  
Bentsen  
Bevill  
Bishop  
Blumenauer  
Bonior  
Borski  
Boucher  
Brewster  
Brown (CA)  
Brown (FL)  
Brown (OH)  
Bryant (TX)  
Bunn  
Cardin  
Chapman  
Clay  
Clayton  
Clement  
Clyburn  
Coleman  
Collins (IL)  
Collins (MI)  
Condit  
Conyers  
Costello  
Coyne  
Cramer  
Cummings  
Danner  
DeFazio  
DeLauro  
Dellums  
Deutsch  
Dicks  
Dixon  
Doggett  
Dooley  
Doyle  
Durbin  
Edwards  
Engel  
Eshoo  
Evans  
Farr  
Fattah  
Fazio  
Fields (LA)  
Filner  
Flake  
Foglietta  
Frank (MA)  
Frost  
Furse

Gejdenson  
Geren  
Gibbons  
Green (TX)  
Gutierrez  
Harman  
Hastings (FL)  
Hefner  
Hilliard  
Hinchee  
Holden  
Hoyer  
Jackson (IL)  
Jackson-Lee  
(TX)  
Jacobs  
Jefferson  
Johnson (SD)  
Johnson, E.B.  
Johnston  
Kanjorski  
Kaptur  
Kennedy (MA)  
Kennedy (RI)  
Kennelly  
Kildee  
Klecza  
Klink  
LaFalce  
Lantos  
Levin  
Lewis (GA)  
Lipinski  
Lofgren  
Lowey  
Luther  
Maloney  
Manton  
Markey  
Martinez  
Mascara  
Matsui  
McCarthy  
McHale  
McKinney  
McNulty  
Meek  
Menendez  
Millender-  
McDonald  
Minge  
Mink  
Moakley  
Mollohan  
Montgomery  
Moran  
Murtha  
Nadler  
Neal  
Oberstar  
Obey  
Olver

Ortiz  
Orton  
Owens  
Pallone  
Pastor  
Payne (NJ)  
Payne (VA)  
Pelosi  
Peterson (FL)  
Peterson (MN)  
Pickett  
Pomeroy  
Poshard  
Rahall  
Rangel  
Reed  
Richardson  
Rivers  
Roemer  
Rose  
Roybal-Allard  
Rush  
Sabo  
Sanders  
Sawyer  
Schroeder  
Schumer  
Scott  
Serrano  
Sisisky  
Skaggs  
Skelton  
Spratt  
Stark  
Stokes  
Studds  
Stupak  
Tanner  
Taylor (MS)  
Tejeda  
Thompson  
Thornton  
Thurman  
Torres  
Torricelli  
Towns  
Trafigant  
Velazquez  
Vento  
Visclosky  
Volkmer  
Ward  
Waters  
Watt (NC)  
Waxman  
Williams  
Wise  
Woolsey  
Wynn  
Yates

NOES—233

Allard  
Archer  
Army  
Bachus  
Baker (CA)  
Baker (LA)  
Ballenger  
Barr  
Barrett (NE)  
Bartlett  
Barton  
Bass  
Bateman  
Bilbray  
Billrakis  
Bliley  
Blute  
Boehlert  
Boehner  
Bonilla  
Bono  
Brownback  
Bryant (TN)  
Bunning  
Burr  
Burton  
Buyer  
Callahan  
Calvert  
Camp  
Campbell  
Canady

Castle  
Chabot  
Chambliss  
Chenoweth  
Christensen  
Chryslers  
Clinger  
Coble  
Coburn  
Collins (GA)  
Combest  
Cooley  
Cox  
Crane  
Crapo  
Creameans  
Cubin  
Cunningham  
Davis  
Deal  
DeLay  
Diaz-Balart  
Dickey  
Dingell  
Doolittle  
Dornan  
Dreier  
Duncan  
Dunn  
Ehlers  
Ehrlich  
English

Ensign  
Everett  
Ewing  
Fawell  
Fields (TX)  
Flanagan  
Foley  
Forbes  
Fowler  
Fox  
Franks (CT)  
Franks (NJ)  
Frelinghuysen  
Frisa  
Funderburk  
Gallegly  
Ganske  
Gekas  
Gilchrist  
Gillmor  
Gilman  
Gonzalez  
Goodlatte  
Gordon  
Goss  
Graham  
Greene (UT)  
Greenwood  
Gunderson  
Gutknecht  
Hall (TX)  
Hamilton

Hancock  
Hansen  
Hastert  
Hastings (WA)  
Hayworth  
Hefley  
Heineman  
Herger  
Hilleary  
Hobson  
Hoekstra  
Hoke  
Horn  
Hostettler  
Houghton  
Hunter  
Hutchinson  
Hyde  
Inglis  
Istook  
Johnson (CT)  
Johnson, Sam  
Jones  
Kasich  
Kelly  
Kim  
King  
Kingston  
Klug  
Knollenberg  
Kolbe  
LaHood  
Largent  
Latham  
LaTourette  
Laughlin  
Lazio  
Leach  
Lewis (CA)  
Lewis (KY)  
Lightfoot  
Linder  
Livingston  
LoBiondo  
Longley  
Lucas

Manzullo  
Martini  
McCollum  
McCrery  
McHugh  
McInnis  
McIntosh  
McKeon  
Metcafe  
Meyers  
Mica  
Miller (FL)  
Molinari  
Moorhead  
Morella  
Myers  
Myrick  
Nethercutt  
Neumann  
Ney  
Norwood  
Nussle  
Oxley  
Packard  
Parker  
Paxon  
Petri  
Pombo  
Porter  
Portman  
Pryce  
Quillen  
Quinn  
Radanovich  
Ramstad  
Regula  
Riggs  
Roberts  
Rogers  
Rohrabacher  
Ros-Lehtinen  
Roth  
Roukema  
Royce  
Salmon  
Sanford

Saxton  
Scarborough  
Schaefer  
Schiff  
Seastrand  
Sensenbrenner  
Shadegg  
Shaw  
Shays  
Shuster  
Skeen  
Smith (MI)  
Smith (NJ)  
Smith (TX)  
Smith (WA)  
Solomon  
Souder  
Spence  
Stearns  
Stenholm  
Stockman  
Stump  
Talent  
Tate  
Tauzin  
Taylor (NC)  
Thomas  
Thornberry  
Tiahrt  
Torkildsen  
Upton  
Vucanovich  
Walker  
Walsh  
Wamp  
Watts (OK)  
Weldon (FL)  
Weldon (PA)  
Weller  
Whitfield  
Wicker  
Wolf  
Young (AK)  
Zeliff  
Zimmer

NOT VOTING—18

Bereuter  
Berman  
Browder  
de la Garza  
Ford  
Gephardt

Goodling  
Hall (OH)  
Hayes  
Lincoln  
McDade  
McDermott

Meehan  
Miller (CA)  
Slaughter  
White  
Wilson  
Young (FL)

□ 1249

The Clerk announced the following pair:

On this vote:

Mr. Berman for, with Mr. Bereuter against.  
Mr. PETRI and Mr. GORDON changed their vote from "aye" to "no."  
Mrs. SCHROEDER changed her vote from "no" to "aye."

So the motion was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN pro tempore (Mr. LAHOOD). The gentleman from New York [Mr. SOLOMON] has 2½ minutes remaining, and the gentleman from New York [Mr. LAFALCE], has 4 minutes remaining.

PARLIAMENTARY INQUIRY

Mr. SOLOMON. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN pro tempore. The gentleman will state it.

Mr. SOLOMON. Mr. Chairman, is it not true under the rule that the Chair has the right to roll votes and that there probably will not be a vote for another hour on the floor?

The CHAIRMAN pro tempore. The Chair would advise all Members that recorded votes can be asked for but then postponed to a subsequent time.

The gentleman from New York [Mr. SOLOMON] has 2½ minutes remaining,

and the gentleman from New York [Mr. LAFALCE] has 4 minutes remaining. The gentleman from New York [Mr. SOLOMON] has the right to close.

Mr. LAFALCE. Mr. Chairman, I yield 1 minute to the gentleman from Ohio [Mr. CREMEANS], a member of the Committee on Banking and Financial Services.

(Mr. CREMEANS asked and was given permission to revise and extend his remarks.)

Mr. CREMEANS. Mr. Chairman, I rise in strong opposition to the Solomon amendment. I have spent the past year and a half on the Committee on Banking and Financial Services making tough decisions and working tirelessly to hammer out a compromise on this powers issue. Unfortunately, that effort failed. Much-needed reforms of 40-year-old laws that govern the financial services industry were stopped by turf battle between banks and insurance agents.

While I am disappointed, we were unable to reach a suitable compromise in this Congress; I accepted that fact. However, some do not accept that defeat and are trying to sneak legislation that limits the power of the office of the Comptroller of the Currency into this appropriations bill.

I urge my colleagues to defeat this amendment. There have been no hearings on this amendment. I did not hear about it until just a few hours ago as in the case with many other members of the Committee on Banking and Financial Services. The Committee on Banking and Financial Services as a committee of jurisdiction has met with all the parties interested in this legislation, including banks and insurance groups.

MODIFICATION OF AMENDMENT OFFERED BY MR. SOLOMON

Mr. SOLOMON. Mr. Chairman, I ask unanimous consent to offer a modification.

The CHAIRMAN pro tempore. The Clerk will report the modification:

The Clerk read as follows:

Modification to amendment offered by Mr. SOLOMON's Modification

In the proposed paragraph (2) after "engage in" "insurance".

The CHAIRMAN pro tempore. Is there objection to request of the gentleman from New York?

Mr. LAFALCE. Mr. Chairman, I object.

The CHAIRMAN pro tempore. Objection is heard.

Mr. SOLOMON. Mr. Chairman, I reserve the balance of my time.

PARLIAMENTARY INQUIRY

Mr. LAFALCE. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN pro tempore. The gentleman will state it.

Mr. LAFALCE. Mr. Chairman, is the gentleman going to reserve the entire 2½ minutes for one person in his closing argument, or are there going to be 5 individuals speaking subsequent? It is my understanding that only one person could speak and close; is that correct? If so, who would that person be?

Mr. SOLOMON. Mr. Chairman, if the gentleman will yield, I will tell him that we have three speakers at this time.

Mr. LAFALCE. Mr. Chairman, then if there are three speakers, I do not believe that he can reserve all his time.

The CHAIRMAN pro tempore. The gentleman is not stating a parliamentary inquiry.

Mr. LAFALCE. Mr. Chairman, is it permissible for somebody to say, all your speakers go first and then all my speakers will go last, or should there not be some rotation? That is why I said, while he has the right to close, he has the right to close with one speaker, not to have three Members speaking in closing.

The CHAIRMAN pro tempore. The gentleman is correct.

Mr. LAFALCE. Mr. Chairman, I yield myself 1 minute and 30 seconds.

Mr. Chairman, there are many reasons to oppose this amendment, both procedurally and substantively. Procedurally, for the past year and a half and for the past several decades, an attempt has been made to work out the controversy that has existed among different financial services players. The chairman of our committee has spent most of the past year and a half attempting to do that.

This amendment, which did not come to my attention until about an hour and a half or so ago, just wipes away all those efforts to accommodate these competing concerns. It just sides with one special interest group without deliberation by the authorizing committee, without notice to the Members, without notice to the groups whatsoever. It is in the worst tradition of this Congress. It should be opposed, if for no other reason than for procedural grounds alone.

Mr. BAKER of Louisiana. Mr. Chairman, will the gentleman yield?

Mr. LAFALCE. I yield to the gentleman from Louisiana.

Mr. BAKER of Louisiana. Mr. Chairman, my concern, beyond the procedural elements that have been referred to here just a moment ago, is the perceived effect of the amendment as I have read it.

Although I understand the author's intention is to only limit the appropriation of funds from a particular area by Treasury to the Comptroller with regard to prohibition of new activities in insurance, the construction of the amendment, as I view it today, is to prohibit any new product, regardless of insurance or otherwise, if it were not otherwise permitted by July 16 of this year. That was the reason for the unanimous consent request to modify.

□ 1300

Mr. SOLOMON. I yield myself 15 seconds just to say that the unanimous-consent request would have added the word "insurance" would have brought it down to that specific issue, which should have satisfied the gentleman on the Committee on Banking and Finan-

cial Services. It does all of the Committee on Banking and Financial Services' members on this side of the aisle. And in conference we would move to do that if the gentleman continues to insist on his objection.

Mr. Chairman, I yield 30 seconds to the gentleman from Massachusetts [Mr. MARKEY].

Mr. MARKEY. Mr. Chairman, I thank the gentleman from New York [Mr. SOLOMON] very much for yielding this time to me.

As my colleagues know, the OCC takes the position that under the National Bank Act that it will trump all existing State laws in terms of what consumer protections are given to those who are dealing with banks that are now selling insurance. Meanwhile, the insurance agents at the State level will still be under State law. So we have no guarantee, in other words, that we will have that national body of law State by State which has been put on the books in order to protect consumers.

We must support the Solomon amendment to protect the consumers of this country.

Mr. LAFALCE. Mr. Chairman, I yield myself the balance of the time.

The SPEAKER pro tempore (Mr. LAHOOD). The gentleman from New York is recognized for 1½ minutes.

Mr. LAFALCE. Mr. Chairman, this is an anticonsumer amendment, this is an antisafety and soundness amendment, and that is why the administration opposes it so vigorously.

I read from a letter dated today, July 17, 1996, from the Secretary of the Treasury, Robert Rubin:

I write to express in the strongest terms the Administration's opposition to this proposed amendment. Under this amendment the OCC would not be able to continue its essential function of overseeing the safety and soundness of nearly 3,000 federally insured national banks as well as administering anti-discrimination and fair lending laws applicable to these institutions. If you are concerned about safety and soundness, if you are concerned about our antidiscrimination laws, if you are concerned about our fair lending laws, you must oppose this amendment, as the Administration strongly opposes it also.

Mr. VENTO. Mr. Chairman, will the gentleman yield?

Mr. LAFALCE. Mr. Chairman, I yield the balance of the time to the gentleman from Minnesota.

The SPEAKER pro tempore. The gentleman from Minnesota [Mr. VENTO] is recognized for 30 seconds.

Mr. VENTO. Mr. Chairman, this is brought before us as a contest between the insurance agents and the banks. The truth of the matter is, of course, even if we could define the word insurance, which is, of course, itself a monumental task today, we would not, in essence, limit. In fact, the States will continue to be able to bribe State institutions with that particular power. And so the issue here goes well beyond, in fact, in terms of limiting the very activities that the Comptroller has to be able to accomplish.

I understand the frustration, but this is the wrong answer. This amendment should be defeated.

MODIFICATION TO AMENDMENT OFFERED BY MR. SOLOMON

Mr. SOLOMON. Mr. Chairman, I ask unanimous consent to offer a modification, which is at the desk, to solve the concerns of the previous speaker.

The CHAIRMAN pro tempore. The Clerk will report the modification.

The Clerk read as follows:

Modification to amendment offered by Mr. SOLOMON: In the proposed paragraph (2) after "insurance" insert "insurance".

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from New York?

Mr. LAFALCE. Reserving the right to object, Mr. Chairman, I earlier asked the gentleman from New York [Mr. SOLOMON] for a very simple request, the right to debate this important issue not for 10 minutes, but for 20 minutes. He objected to what I thought was a most reasonable request. There are a million and one imperfections with this amendment that have been offered, but I would like to offer amendments, too. The unanimous consent of yesterday would not have permitted any amendments, and now my colleague simply wants one that he thinks, as my colleagues know, would cosmetically improve it because of the fact he will only offer the one amendment, not countless others, because of the fact he objected to reasonable time for debate.

I must object to this now.

The CHAIRMAN pro tempore. Objection is heard.

Mr. SOLOMON. Mr. Chairman, I yield 1 minute to the gentleman from North Dakota [Mr. POMEROY], a very, very respected Member of this body from the other side of the aisle.

Mr. POMEROY. Mr. Chairman, I thank the gentleman for yielding this time to me.

This question has been posed to the body in the debate as an issue between banks and insurance. I see it quite differently, and I think there are two driving issues at stake, legislative versus executive branch, Federal Government versus State government. First, legislative versus executive.

We actually had a speaker on the other side of the aisle saying that in light of the inability of this body to resolve this question, what the heck, let a Federal bureaucrat do it, let the Office of Comptroller of the Currency singly decide what this body has been unable to resolve.

That is not the way for us to walk away from the critical policy issues before this country. This is a very consequential policy issue. It must be decided in the legislative branch.

Second, State versus Federal regulation.

If the OCC would decide it, it would do so in a fashion preemptive of State laws. I used to administer State law in this area as the insurance Commissioner from North Dakota and the

president of the National Association of State Insurance commissioners. They deserve better than to be singly wiped out and preempted by the unchecked action of the Office of Comptroller of the Currency. The Office of the Comptroller of the Currency has made it clear that his intention is to go in this area. That is why this amendment is so important.

Mr. SOLOMON. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I am sorry we have taken up so much time on this issue. On behalf of the gentleman from Michigan [Mr. DINGELL] and myself, we would urge a "yes" vote on this amendment. This is a States' rights issue. We want to protect the rights of States. We want to be able to move other bank regulatory relief legislation later on that is going to give badly needed relief to the banking institutions. It ought to be concentrating on the lending concepts as opposed to getting into other areas. I would urge support of the amendment.

Mr. LAFALCE. Mr. Chairman, this amendment seeks to terminate all funding for the Office of Comptroller of the Currency [OCC] if the OCC permits national banks to engage in any type of new activity, or if proposed revisions to OCC regulations are finalized. This amendment represents an effort by some in the Republican leadership to achieve through an appropriations bill what they have failed to achieve through the normal legislative process. And there are very good reasons why all previous efforts to restrict the current authority of the Comptroller of the Currency have failed.

This amendment should be seen as an effort by some Members of Congress to meet the demands of certain groups who want protection from the competitive forces of the financial services marketplace. Because national banks sell insurance—in competition with the insurance industry—some insurance interests see national banks as a threat and want to restrict their activities and thereby lessen competition.

To achieve their aim, insurance interests are asking Members of Congress to cut off funding for the OCC when it exercises its authority under existing law. This would have the direct effect of terminating the OCC's authority under existing law to authorize powers for national banks that are incidental to banking. This would be likely to severely impact the ability of national banks to sell insurance, which has become an important part of their business.

As the regulator of national banks, the responsibility of the Comptroller of the Currency is to supervise national banks, and to interpret Federal law affecting national banks. And that is exactly what the OCC is doing when it authorizes various activities for national banks that are deemed under the National Banking Act to be incidental to the business of banking. Federal banking law wisely anticipated that the banking regulators would need flexibility to expand the permissible activities of national banks in order to respond to developments in the financial services marketplace. Without such flexibility for the OCC to interpret existing law, national banks would be held in a static state, unable to respond to new consumer demands.

This effort to terminate the existing authority of the Comptroller of the Currency to interpret

Federal banking law would deprive consumers of the option of buying financial products from banks. It also represents a very real threat to the competitiveness, and ultimately the viability, of our national banking system. If national banks are not allowed to provide the financial services consumers demand in today's increasingly sophisticated marketplace, they will be unable to compete with other providers. This inability to compete would ultimately endanger the safety and soundness of our banking system. The earnings of national banks would decline, they would find it increasingly difficult to attract and maintain capital. To the degree our banks are weakened, taxpayers are potentially at risk.

Therefore, it is in the interest not only of every consumer of financial services in this country, but of every taxpayer, to make sure that our national banks are able to compete fully in today's marketplace by offering the financial products consumers demand. Insurance products are a vital part of the financial products which all banks, including national banks, offer to consumers.

I am confident that Congress will not allow our national banking system to be put at risk by those interests demanding legislation to protect them from competition. I urge a vote against this amendment.

Mrs. KENNELLY. Mr. Chairman, I rise in strong support of the Solomon amendment to prohibit the expenditure of funds by the Controller of the Currency to further expand bank powers.

This body has labored for years to rewrite the ground rules that govern financial services in the Nation. And anyone that has been involved would agree that it is a minefield. Chairman LEACH has spent hundreds of hours on this effort.

The Solomon amendment would simply prohibit the Controller of the Currency from taking matters into his own hands and rewriting the rules in secrecy and without the benefit of public comment or scrutiny.

Support the Solomon amendment.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from New York [Mr. SOLOMON].

The question was taken; and the Chairman pro tempore announced that the ayes appeared to have it.

Mr. LAFALCE. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to House Resolution 475, further proceedings on the amendment offered by the gentleman from New York [Mr. SOLOMON] will be postponed.

Are there further amendments?

AMENDMENT OFFERED BY MRS. JOHNSON OF CONNECTICUT

Mrs. JOHNSON of Connecticut. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mrs. JOHNSON of Connecticut:

Page 4, beginning on line 1, strike "AND INTERNAL AUDIT OF THE INTERNAL REVENUE SERVICE".

Page 4, line 5, strike "and the internal" and all that follows through "Inspector General" on line 8.

Page 4, line 14, strike "and of which" and all that follows through line 19, and insert "\$29,319,000".

Page 20, line 23, strike "\$1,616,379,000" and insert "\$1,722,985,000".

The CHAIRMAN pro tempore. Pursuant to the order of the House of Tuesday, July 16, 1996, the gentlewoman from Connecticut [Mrs. JOHNSON] will be recognized for 5 minutes, and a Member in opposition will be recognized for 5 minutes.

The Chair recognizes the gentlewoman from Connecticut [Mrs. JOHNSON].

Mrs. JOHNSON of Connecticut. Mr. Chairman, I yield myself such time as I may consume.

This amendment strikes language in title I of the bill which creates a joint account between the Department of the Treasury and the Internal Revenue Service to fund the internal audit investigation functions of the IRS and requires the IRS inspector to report to the deputy Secretary of the Treasury rather than to the IRS commissioner. The \$106,606,000 in funding that the bill provides for IRS internal audit functions would instead remain in the IRS processing assistance and management account.

My understanding is that this provision was included in the bill in response to concerns that the IRS inspector is subject to too much control by the IRS commissioner. It was intended to give the inspector more autonomy and independence.

However, the Committee on Ways and Means is very concerned that this provision would actually impair rather than enhance the effectiveness of the inspector's internal audit investigation functions and increases the risk of politicizing the inspection service. We believe that the present management structure for the inspector should be retained, and I urge support of my amendment.

Mr. LIGHTFOOT. Mr. Chairman, will the gentlewoman yield?

Mrs. JOHNSON of Connecticut. I yield to the gentleman from Iowa.

Mr. LIGHTFOOT. Mr. Chairman, I rise in support of the gentlewoman's amendment. The committee's recommendation to move IRS's internal audit functions from the IRS and Treasury Department was not meant in any way to imply lack of confidence in the work that this important group does. Instead the recommendation reflects our very serious concern that the IRS top management has been ignoring many of the reports that these good people have been putting together, and the whole purpose of the internal investigation within any agency, IRS in particular, is to identify problems and to fix them. That is why we have an IG. It is just that simple.

Unfortunately, we have received evidence that would lead us to believe that the reports, particularly as they pertain to TSM, or tax system modernization, and other IRS operations, have been basically ignored. We are extremely concerned that the IRS's internal investigations have not had

their effective power that they should have and that their effectiveness has been diminished because of decisions made by top management basically to ignore the reports.

So what we are trying to do was to, in our proposal, move the group over to main Treasury, is simply an attempt to put some openness and some accountability into the process.

Now, that is why we did it.

Mrs. JOHNSON of Connecticut. We did run into the same problem with the taxpayer service representatives and felt that they were saying about problems that the taxpayers were having with the IRS was not getting to us, and so we did add provisions in the taxpayers bill of rights to require direct reporting, and between now and conference we need to look at that mechanism. We have not been able to sort of clear that under the short timeframe we have been working on because of the nature of the inspector general's work and the police powers involved and so on and so forth, but we do need to assure that that information does get to the committees of oversight so that we can be certain that the agency is responding appropriately.

Mr. LIGHTFOOT. Having heard the gentlewoman's concerns, and it is obvious we are on the same song sheet, maybe saying it in a different verse, but nevertheless for the IG to be effective those reports have to be read, they have to be understood, and they have to be implemented, and that is the message we were trying to send to IRS, and I am very pleased that Ways and Means has similar concerns.

As a result, I am going to urge people to support the gentlewoman's amendment. But I think we want to put everybody on notice that we are going to watch this, we are going to continue to monitor, and no more will we have IG reports go into the round file 13. People are going to act on them as they should. That is why we are paying people to do that kind of work, and that is what they are there for. The IG has been doing a good job. The reports have just been ignored.

Mr. HOYER. Mr. Chairman, will the gentlewoman yield?

Mrs. JOHNSON of Connecticut. I yield to the gentleman from Maryland.

Mr. HOYER. Mr. Chairman, I thank the gentlewoman for yielding, and I rise in strong support of her amendment, but more than that, Mr. Chairman, I rise to commend the gentlewoman, who is the Chair of the oversight committee. She, and I might say, her staff as well, have done extraordinarily hard work on reviewing what is a large, critical agency in our Government to insure that the taxpayers' money is being spent well, that the objectives issued by the Committee on Ways and Means, passed by this Congress and supported by this subcommittee, the Committee on Appropriations, are in fact carried out, and she and I are speaking not only from the same hymnal, but from the same

chapter and the same verse on this issue, and I congratulate her for her hard work and focus on this issue because I think the taxpayers will be benefited by it, and I thank her for her efforts.

Mrs. JOHNSON of Connecticut. Mr. Chairman, I thank the gentleman from Maryland [Mr. HOYER] very much for those kind remarks.

The CHAIRMAN. The time of the gentlewoman from Connecticut [Mrs. JOHNSON] has expired.

Is there a Member who wishes to take time in opposition to the amendment?

Mr. HOYER. Mr. Chairman, I ask unanimous consent that I control the 5 minutes in opposition to the amendment offered by the gentlewoman from Connecticut [Mrs. JOHNSON].

The CHAIRMAN. Is there objection to the request of the gentleman from Maryland?

There was no objection.

Mr. HOYER. Mr. Chairman, I yield such time as she may consume to the gentlewoman from Connecticut [Mrs. JOHNSON].

Mrs. JOHNSON of Connecticut. Mr. Chairman, I only need about 30 seconds, and other people have been waiting a long time to pose their amendments, too, but I do want to say that I am very pleased that the subcommittee has listened carefully to our experience, and by sharing our knowledge of the agency I think we are going to have a very, very strong bill out of conference, and I appreciate the work that the subcommittee has done in looking at the major issues that concern us all like the implementation of TSM.

Mr. HOYER. Mr. Chairman, I again congratulate the gentlewoman from Connecticut, and I want to tell her how enthusiastic I am about her optimism about the strength of this bill as it emerges from conference and to tell her how much I look forward to working with her to accomplish that end.

□ 1315

The CHAIRMAN. All time has expired.

The question is on the amendment offered by the gentlewoman from Connecticut [Mrs. JOHNSON].

The amendment was agreed to.

The CHAIRMAN. Are there further amendments to the bill?

AMENDMENT OFFERED BY MR. GEKAS

Mr. GEKAS. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. GEKAS: Page 119, after line 8, add the following new title:

TITLE VIII—AUTOMATIC CONTINUING RESOLUTION

SEC. 801. (a) Chapter 13 of title 31, United States Code, is amended by inserting after section 1301 the following new section:

“§ 1311. Continuing appropriations

“(a)(1) If any regular appropriation bill for a fiscal year does not become law prior to

the beginning of such fiscal year or a joint resolution making continuing appropriations is not in effect, there is appropriated, out of any moneys in the Treasury not otherwise appropriated, and out of applicable corporate or other revenues, receipts, and funds, such sums as may be necessary to continue any project or activity for which funds were provided in the preceding fiscal year—

“(A) in the corresponding regular appropriation Act for such preceding fiscal year; or

“(B) if the corresponding regular appropriation bill for such preceding fiscal year did not become law, then in a joint resolution making continuing appropriations for such preceding fiscal year.

“(2) Appropriations and funds made available, and authority granted, for a project or activity for any fiscal year pursuant to this section shall be at a rate of operations not in excess of the lower of—

“(A) the rate of operations provided for in the regular appropriation Act providing for such project or activity for the preceding fiscal year,

“(B) in the absence of such an Act, the rate of operations provided for such project or activity pursuant to a joint resolution making continuing appropriations for such preceding fiscal year,

“(C) the rate of operations provided for in the House or Senate passed appropriation bill for the fiscal year in question, except that the lower of these two versions shall be ignored for any project or activity for which there is a budget request if no funding is provided for that project or activity in either version.

“(D) the rate provided in the budget submission of the President under section 1105(a) of title 31, United States Code, for the fiscal year in question, or

“(E) the annualized rate of operations provided for in the most recently enacted joint resolution making continuing appropriations for part of that fiscal year.

“(3) Appropriations and funds made available, and authority granted, for any fiscal year pursuant to this section for a project or activity shall be available for the period beginning with the first day of a lapse in appropriations and ending with the earlier of—

“(A) the date on which the applicable regular appropriation bill for such fiscal year becomes law (whether or not such law provides for such project or activity) or a continuing resolution making appropriations becomes law, as the case may be, or

“(B) the last day of such fiscal year.

“(b) An appropriation or funds made available, or authority granted, for a project or activity for any fiscal year pursuant to this section shall be subject to the terms and conditions imposed with respect to the appropriation made or funds made available for the preceding fiscal year, or authority granted for such project or activity under current law.

“(c) Appropriations and funds made available, and authority granted, for any project or activity for any fiscal year pursuant to this section shall cover all obligations or expenditures incurred for such project or activity during the portion of such fiscal year for which this section applies to such project or activity.

“(d) Expenditures made for a project or activity for any fiscal year pursuant to this section shall be charged to the applicable appropriation, fund, or authorization whenever a regular appropriation bill or a joint resolution making continuing appropriations until the end of a fiscal year providing for such project or activity for such period becomes law.

“(e) No appropriation is made by this section for a fiscal year for any project or activity for which there is no authorization of appropriations for such fiscal year.

“(f) This section shall not apply to a project or activity during a fiscal year if any other provision of law (other than an authorization of appropriations)—

“(1) makes an appropriation, makes funds available, or grants authority for such project or activity to continue for such period, or

“(2) specifically provides that no appropriation shall be made, no funds shall be made available, or no authority shall be granted for such project or activity to continue for such period.

“(g) For purposes of this section, the term ‘regular appropriation bill’ means any annual appropriation bill making appropriations, otherwise making funds available, or granting authority, for any of the following categories of projects and activities:

“(1) Agriculture, rural development, and related agencies programs.

“(2) The Departments of Commerce, Justice, and State, the judiciary, and related agencies.

“(3) The Department of Defense.

“(4) The government of the District of Columbia and other activities chargeable in whole or in part against the revenues of the District.

“(5) The Department of Labor, Health and Human Services, and Education, and related agencies.

“(6) The Department of Housing and Urban Development, and sundry independent agencies, boards, commissions, corporations, and offices.

“(7) Energy and water development.

“(8) Foreign assistance and related programs.

“(9) The Department of the Interior and related agencies.

“(10) Military construction.

“(11) The Department of Transportation and related agencies.

“(12) The Treasury Department, the U.S. Postal Service, the Executive Office of the President, and certain independent agencies.

“(13) The legislative branch.”

(b) The analysis of chapter 13 of title 31, United States Code, is amended by inserting after the item relating to section 1310 the following new item:

“1311. Continuing appropriations.”

The amendments made by this title shall apply with respect to fiscal years beginning after September 30, 1996.

Mr. LIGHTFOOT. Mr. Chairman, I reserve a point of order against the amendment because it proposes to change existing law and constitutes legislation on an appropriations bill.

The CHAIRMAN. Pursuant to the order of the House of Tuesday, July 16, 1996, the gentleman from Pennsylvania [Mr. GEKAS] will be recognized for 5 minutes on his amendment and a Member opposed will be recognized for 5 minutes.

The Chair recognizes the gentleman from Pennsylvania [Mr. GEKAS].

Mr. GEKAS. Mr. Chairman, the purpose of my bill is to bring about a miracle on Capitol Hill; that is, if implemented, we will end Government shutdowns forever. Is that a miracle or is it not, in view of what has happened in the recent past and in the past on many of the budget items that have come before us?

We have not been able to seize the opportunity that I have been trying to present before the Committee on Rules and before this body in various ways, a means to end Government shutdowns.

What it would do is simply allow that if, at the end of a fiscal year, September 30, no budget has been passed, or any 1 of the 13 appropriations bills has not been passed, then automatically, by way of instant replay, the next day, October 1, there would go into effect last year's appropriations or the House bill, the House version recently passed, or the Senate version passed, or the President's budget proposal in that particular item. Whichever is the lowest figure would go automatically into effect; hence, no shutdown forever.

And if a CR is passed, then the same thing would happen at the end of that CR period. The temporary funding that would end at *x* date would, if no new CR is produced, result in an instant replay of that CR.

Do Members not see the beauty of it, that it means we never have to face the RIFing of employees, unpaid hours on Capitol Hill, disgust by the public, the whole host of dilemmas and problems we face when a Government shutdown is before us? This is a proposal whose time has really come. When I leave this Congress I am going to write a called “Miracle on Capitol Hill,” and it will be 55 pages devoted to this.

Mr. Chairman, I submit for the RECORD a copy of my testimony before the House Budget Committee as an extension of remarks to further explain the amendment I propose to H.R. 3756, the Treasury, Postal Service, general government appropriations bill.

On September 19, 1995 this committee joined with its Senate counterpart and held a hearing on “The Effects of a Potential Government Shutdown”. I was not permitted to testify at that hearing; however, Senator Snowe submitted my testimony for the record. I come before you today to further discuss this issue.

You may be wondering how this relates to the stated objective of this hearing. Simply put, I come before you with a suggestion of how to save taxpayer dollars. I come before you to point out a very blatant form of waste: the government shutdown. A June '91 GAO report estimated that a 3-day work-week shutdown could cost as much as \$607 million dollars. In fact, Republican National Committee used this figure to point out the waste President Clinton committed by vetoing the appropriations bills Congress sent him.

As you set out to craft a balanced budget to insure the economic health of this country, you have my complete support and admiration. But before we cut someone else's wasteful spending, we must look at our own! We took great strides in controlling Congressional spending during the fiscal year '96 budget cycle by cutting committee staff and passing a Legislative Branch Appropriations bill that helped move us toward a balanced budget. I applaud these efforts and support them. But these cuts are not enough!

If the Federal government, more specifically, the Executive and Legislative branch, cannot do the responsible thing and complete appropriation bills on time, taxpayer dollars should not be wasted. I have crafted a solution to this problem, a piece of legislation I call “Instant Replay”. I come before you today to implore you to support my legislation and end the threat of a government shutdown and the waste it causes.

The solution I have devised to this problem is an automatic continuing resolution which acts as a safety net. At any time when the

government would shutdown, my bill would keep the government open and provide a very low level of funding by which operations would continue. I have tried to carefully craft this bill to provide for such a low level of funding that the White House and the appropriators would have reason to continue negotiating. I have also allowed a Continuing Resolution to supersede my safety net. Therefore, if the Budget negotiators want to craft their own spending formula, they can.

The true beauty in this legislation is that it shifts the negotiating power from the status quo to reduced funding levels. Under the current system the individual who is trying to cut funding has an uphill battle. With my legislation in place, lower funding levels would automatically occur if we do nothing. Those fighting to keep money will have to enact legislation. As we saw as part of the fiscal year '96 Budget cycle, those of us who were trying to cut funding had an uphill battle to pass legislation. I believe that my legislation will help shift this balance of power and aid in the effort to balance the budget.

While you are considering ways to save taxpayer dollars, balance the budget and reform the budget process, I hope you will keep this problem and my legislation in mind. Chairman Kasich, members of the committee, I thank you for your time and attention.

Mr. HOYER. Mr. Chairman, will the gentleman yield?

Mr. GEKAS. I yield to the gentleman from Maryland.

Mr. HOYER. Mr. Chairman, I thank the gentleman for yielding to me. I would just briefly say that the chairman is correct in his point of order. I am glad that he reserved it.

I rise to say that the gentleman's objective is one that I strongly support. I lamented last year's policy to shut down the Government and the consequences that it had. I think the gentleman's effort to preclude that from happening again is a very positive one for every American, not just the Federal employees or the Federal Government. I thank him for his efforts.

Mr. WOLF. Mr. Chairman, will the gentleman yield?

Mr. GEKAS. I yield to the gentleman from Virginia.

Mr. WOLF. Mr. Chairman, I rise in strong support of this. In fact, to speak to my side of the aisle, this would be one of the better things we could do. It is not uncommon for us to put legislation on an appropriations bill. This would be very important to institutionalize this.

The gentleman from Pennsylvania [Mr. GEKAS] is exactly accurate. I have been a cosponsor of his bill and a supporter of it over many years. I would hope maybe something could be done, because had this been in effect last year, we would never have shut the Government down. It is a good bill, it is a good idea, and it is a time whose idea has come, not in the next Congress, but quite frankly in this Congress.

Mr. GEKAS. Mr. Chairman, I would remind the gentleman and all the Members that the shutdowns that occurred before during the Democrat-controlled Congress had the same effect, but they were not as prolonged as

some of the shutdowns we had this particular time. What I am trying to say is that I have presented this proposal to the Democrat-ruled Committee on Rules and to the Republican-ruled Committee on Rules. We have not had an opportunity to debate it on the floor. The time has come.

Mrs. MORELLA. Mr. Chairman, will the gentleman yield?

Mr. GEKAS. I yield to the gentleman from Maryland.

Mrs. MORELLA. Mr. Chairman, I also am a cosponsor of this legislation. It is very important. Let us remember what Santayana said: "Those who do not remember the past are doomed to repeat it."

Having had these major shutdowns of Government, let us not repeat it. Let us remember who is being victimized: the Federal employees, the contractors, and all of the public who are denied services because those on both sides of Pennsylvania Avenue cannot come together on what they were elected to do; namely, come out with a budget. We must not have this victimization. This is an excellent amendment. I commend the gentleman for it. I wholeheartedly support it.

The CHAIRMAN. Is there a Member who seeks time in opposition?

If not, does the gentleman from Iowa [Mr. LIGHTFOOT] insist on his point of order?

POINT OF ORDER

Mr. LIGHTFOOT. Mr. Chairman, I insist on my point of order.

Mr. Chairman, I too would like a miracle on Capitol Hill, to finish this bill before the Social Security trust fund goes broke.

Mr. Chairman, I make a point of order against the amendment because it proposes to change existing law, constitutes legislation on an appropriation bill, and therefore violates clause 2 of rule XXI.

The rule states, in pertinent part: "No amendment to a general appropriation bill shall be in order if changing existing law." On the face of it, the amendment proposes to make permanent changes to chapter 13 of title XXXI of the United States Code. Therefore, it is legislation on an appropriations bill. I ask for a ruling from the Chair.

The CHAIRMAN. Does the gentleman from Pennsylvania [Mr. GEKAS] wish to be heard in opposition to the point of order?

Mr. GEKAS. Yes, Mr. Chairman.

The CHAIRMAN. The gentleman from Pennsylvania is recognized.

Mr. GEKAS. Mr. Chairman, it is legislation that I offered. There is no question about it, we all agree on that. What does it do to the current bill that is before us, which is an appropriations bill? It simply renews the ongoing projects and appropriations and activities that are embodied in this bill. It just serves to continue them. It does not bring in new forms of spending or new programs, or in any way impinge upon the vitality of and the purpose of

the instant bill. All it does, in its best sense, is on a day that the appropriations cycle has ended by reason of failure to enact a new budget, that those appropriations embodied in this bill simply continue in their life.

Mr. Chairman, we have seen some precedents, if the Chair pleases, to the effect that if a project or an activity is simply continued, that is not legislating anew on an appropriations bill. Therefore, I ask that the Chair rule that this is simply a mechanism for continuing the efficacy and the vitality of the underlying bill, not new legislation on a new purpose or new project or new activity. Nothing of the sort.

The CHAIRMAN. The Chair is prepared to rule. The gentleman from Iowa [Mr. LIGHTFOOT] makes a point of order that the amendment offered by the gentleman from Pennsylvania [Mr. GEKAS] violates clause 2 of rule XXI by legislating on a general appropriations bill.

The amendment offered by the gentleman from Pennsylvania amends title XXXI of the United States Code to provide for an automatic continuing resolution in the event a regular appropriation bill fails to be enacted for any fiscal year. As stated by the gentleman from Pennsylvania, this amendment was introduced as a bill last year and referred to the Committee on Appropriations. The legislative jurisdiction of the Committee on Appropriations to report this matter to the House as a bill does not impair the application of clause 2(c) of rule XXI, which prohibits amendments changing existing law to general appropriation bills.

The point of order is sustained, and the amendment is not in order.

Are there further amendments?

AMENDMENT OFFERED BY MR. WOLF

Mr. WOLF. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. WOLF: in title V, insert the following section:

**SEC. 525A. VOLUNTARY SEPARATION INCENTIVES FOR EMPLOYEES OF THE UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT.**

(a) AUTHORITY.—The United States Agency for International Development is authorized to offer voluntary separation incentive payments to more than 100 of its employees in accordance with section 525 of this Act.

(b) EXCEPTION.—Section 525(a)(2)(A) of this Act shall not apply to an employee of the United States Agency for International Development who, upon separation and application, would be eligible for an immediate annuity under sections 8336(d)(2) and 8414(b)(1)(B) of title 5, United States Code.

(c) EFFECTIVE DATE.—This section shall take effect on the date of enactment of this Act.

The CHAIRMAN. Pursuant to the order of the House of Tuesday, July 16, 1996, the gentleman from Virginia [Mr. WOLF] will be recognized for 5 minutes, and a Member in opposition will be recognized for 5 minutes.

The Chair recognizes the gentleman from Virginia [Mr. WOLF].

Mr. WOLF. Mr. Chairman, this is a noncontroversial amendment which would allow the U.S. Agency for International Development to offer involuntary separation payments to its employees in the remaining part of fiscal year 1996 and fiscal year 1997 to assist with its restructuring program. The amendment has been cleared by the Subcommittee on Foreign Operations of the Committee on Appropriations, the Subcommittee on Civil Service of the Committee on Government Reform and Oversight, the minority, including the gentleman from Maryland [Mr. HOYER] and the gentleman from Louisiana [Mr. LIVINGSTON]. It is noncontroversial. I urge its adoption.

Mr. Chairman, this noncontroversial and bipartisan amendment would allow the U.S. Agency for International Development to offer voluntary separation incentive payments to its employees in the remaining part of fiscal year 1996 and fiscal year 1997 to assist with its restructuring program.

This amendment has been cleared by the Foreign Operations Appropriations Subcommittee, the Civil Service subcommittee, the minority, including Mr. HOYER and Mr. LIVINGSTON.

It is a noncontroversial amendment and I urge its adoption.

Mr. Chairman, this noncontroversial and bipartisan amendment pending before the committee would provide limited, short-term buyout authority for the U.S. Agency for International Development [USAID] to ameliorate the results of its ongoing reduction in force [RIF]. This is a good government amendment, it is good for the dedicated Federal employees at USAID, and it should become law.

During the last 3 years, USAID has reduced its U.S. direct-hire staff by 18 percent, the third highest percentage in the Federal Government. This reduction has been accomplished through attrition. However, to further reduce its staff by 320 by the end of this fiscal year, USAID will have to involuntarily separate 200 employees through a RIF. RIF's are demoralizing to employees and are often a costly and inefficient way to reduce the size of an agency's work force. That is why this buyout authority is so important.

Mr. Chairman, I urge all Members to support this important amendment.

Mr. LIGHTFOOT. Mr. Chairman, will the gentleman yield?

Mr. WOLF. I yield to the gentleman from Iowa.

Mr. LIGHTFOOT. Mr. Chairman, we are prepared to accept the amendment. It adds the Agency for International Development to the three agencies eligible for buyouts under the bill.

I would like to point out this is a significant extension of the buyout authority contained in the bill. When Congress last gave the administration buyout authority in 1994, the administration did not use it carefully, and allowed agencies to use buyouts without tying them to a careful restructuring plan. The result was, in some instances, that agencies offered buyouts to employees, then just turned around and hired someone else for that position.

Our response this year on buyouts is to target them very carefully to allow

them only in instances in which we know that they are absolutely needed. It is easier to do for those agencies under our jurisdiction, such as IRS, Customs, and ATF. For that reason, I am hesitant to include an agency outside of our jurisdiction, but having said that, and having talked with the gentleman and others, we will accept the amendment. The gentleman believes that authority will not be abused by AID.

Mr. WOLF. Mr. Chairman, I thank the gentleman very much.

Mrs. MORELLA. Mr. Chairman, will the gentleman yield?

Mr. WOLF. I yield to the gentleman from Maryland.

Mrs. MORELLA. Mr. Chairman, I just want to add my very strong support. I want to thank the chairman of the subcommittee for accepting this amendment that is so critically important, because to do otherwise, 200 people would be RIFed from the Agency for International Development. I salute the offeror of the amendment and the acceptor of the amendment.

Mr. HOYER. Mr. Chairman, I ask unanimous consent to claim the time in opposition to the amendment, notwithstanding my support of it.

The CHAIRMAN. Is there objection to the request of the gentleman from Maryland?

There was no objection.

The CHAIRMAN. The gentleman from Maryland [Mr. HOYER] is recognized for 5 minutes.

Mr. HOYER. Mr. Chairman, I rise in support of this amendment. I appreciate the support of the amendment by the gentleman from Iowa [Mr. LIGHTFOOT] as well. The gentleman from Virginia [Mr. WOLF] and I and others have worked very hard to make sure that as we reduce the size of the Federal Government, which is a consensus, we have all agreed on that, and in fact as I said last night, the Federal Government is now and will be at the end of this year the smallest it has been since the Presidency of John Kennedy, smaller than either under Presidents Reagan or Bush, and that is a direction we have decided on together as a Congress to pursue with the administration. In fact, the administration proposed that procedure and objective and has supported it. We are going to reduce some 275,000 employees; perhaps even more with the budget cuts that have occurred.

In that process, as employers, we ought to make that reduction in as sensitive, humane, and managerially sound way as possible. Buyouts do that, and that is why I support them. In fact, the GAO has pointed out that buyouts are cheaper than RIF's, because the RIF requirements impose certain costs which exceed the costs of the buyout. As a result of that, I think this is a wise policy from the taxpayers' standpoint, and policy consistent with the morale of those who carry out the duties assigned to them by the Government and by us. Therefore, I

therefore rise in support of the amendment.

The CHAIRMAN. All time has expired.

The question is on the amendment offered by the gentleman from Virginia [Mr. WOLF].

The amendment was agreed to.

The CHAIRMAN. Are there further amendments to the bill?

AMENDMENT OFFERED BY MR. HOYER

Mr. HOYER. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. HOYER: Page 79, line 4, strike "February 1, 1997" and insert "March 31, 1997".

The CHAIRMAN. The gentleman from Maryland [Mr. HOYER] will be recognized for 5 minutes and a Member in opposition will be recognized for 5 minutes.

The Chair recognizes the gentleman from Maryland [Mr. HOYER].

(Mr. HOYER asked and was given permission to revise and extend his remarks.)

Mr. HOYER. Mr. Chairman, this is an amendment similar to that of the gentleman from Virginia [Mr. WOLF] in that it extends buyouts by 60 days, and that is all it does, the time in which the agencies would have to affect the buyout.

Mr. Chairman, I believe the chairman of the committee is in agreement with this, and I believe that the chairman of the subcommittee is not in opposition to this, as well.

Mr. LIGHTFOOT. Mr. Chairman, will the gentleman yield?

Mr. HOYER. I yield to the gentleman from Iowa.

Mr. LIGHTFOOT. Mr. Chairman, the gentleman is correct. We have some concern that by extending the buyouts by 2 months, it gives a sense of false security to the people that are there. The more an agency waits to complete a buyout, the more it costs, and the more it costs, the less money the agency has and the more it needs to downsize. But we are optimistic we can address this concern.

We have had discussions with the gentleman from Maryland [Mr. HOYER] and the gentleman from Florida [Mr. MICA], I believe, is also on board at this point in time, so I believe we are all in concert. With the blessings of the authorizing committee as well as ours, I am prepared to accept the amendment.

□ 1330

Mr. HOYER. Mr. Chairman, I yield 2 minutes to the gentlewoman from Maryland [Mrs. MORELLA].

Mrs. MORELLA. Mr. Chairman, I thank the gentleman for yielding me this time. Again I thank the chairman of the subcommittee also for the acknowledgment we have had that he will accept what I consider to be a very important amendment offered by the gentleman from Maryland.

Mr. Chairman, in 1994, the Federal Workforce Restructuring Act provided Federal civilian agencies with the authority to offer voluntary separation incentives for a 1-year period that ended March 31, 1995. These incentives helped to avoid involuntary separations and eased the number of RIF's necessary to meet the downsizing goal of 272,000 FTE's.

The buyouts contained in this legislation are particularly important because they are targeted to the IRS, BATF, and the U.S. Customs Service. Each face imminent FTE reductions, and this buyout authority will help ease the pain and avoid chaos. They have been carefully planned and reviewed; the director of the Office of Management and Budget must approve each plan, and the plan approval will ensure that any separation incentive is appropriately targeted within the agency. An agency's FTE number will be reduced by one for each employee of the agency who receives an incentive.

I applaud the Appropriations Committee for including buyout authority in this bill, but I worry that one quarter is not enough. The last round lasted a full year. This amendment would simply extend the time by one quarter—from February 1, 1997 to March 31, 1997—so that agencies and employees can make informed decisions and fully explore their options as they leave public service. It is also critical that we allow retirement-eligible employees to take the buyouts. These employees are often the most willing to take buyouts, and precluding agencies from allowing them to use buyouts does not make strategic sense in targeted downsizing. I urge my colleagues to join me in supporting the Hoyer amendment.

Mr. HOYER. Mr. Chairman, I rise to offer an amendment that would change the deadline by which Federal employee buyouts provided in this bill must be taken from February 1, 1997 to March 31, 1997.

I understand that this amendment is acceptable to the chairman whom I want to commend for including buyout authority for three agencies: the IRS, ATF, and the Customs Service.

There is no dispute that, when an agency is going to downsize beyond normal attrition, buyouts are a fair and cost effective alternative to involuntary reductions in force.

They are also more reasonable for the Federal workers who are innocent victims of the budget battles here in Congress.

Buyouts offer managers flexibility to decide who can be spared from what departments in contrast to RIF's which often cause the loss of the bright young people who represent the future of the organization.

In a May 1996 report, the General Accounting Office found that the 5-year savings from buyouts generally exceed those from RIF's except in the occasional case where RIF's are done without allowing employees to bump others with less tenure.

GAO noted that when senior RIF'ed employees can bump lower level employees, using a buyout instead of a RIF typically saves an additional \$60,000 over 5 years.

More than 112,000 buyouts have been paid Governmentwide since 1993—saving the taxpayers millions and millions of dollars.

I was a leading proponent of those buyouts and I support continuing Governmentwide buyouts. In fact, I have joined Representative WOLF in introducing legislation that would allow some buyouts throughout the Government—H.R. 2751.

So I believe the provisions in this bill are a step in the right direction. Regrettably, they are only a small step.

Some of the limitations on who is eligible to take buyouts are, in my view, too restrictive. I will continue to talk with the chairman and others about that.

Also, we offer the provisions to just a few agencies even though others throughout the Federal Government are downsizing.

However, today I simply offer an amendment that extends the deadline for implementing buyouts by 2 months—from February 1 to March 31.

This amendment, which lengthens the window for buyouts from 4 to 6 months, makes buyouts a more viable tool for managers and employees alike.

I believe the amendment has been cleared and I thank the chairman for his concern for the impact that budget reductions may have on employees at the IRS, the Customs Service, and ATF.

Mr. HOYER. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Maryland [Mr. HOYER].

The amendment was agreed to.

The CHAIRMAN. Are there further amendments?

AMENDMENT OFFERED BY MR. SALMON

Mr. SALMON. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 10 offered by Mr. SALMON: Page 33, line 13, insert after "\$40,193,000" the following: "(reduced by \$500,000)".

The CHAIRMAN. Pursuant to the order of the House of Tuesday, July 16, 1996, the gentleman from Arizona [Mr. SALMON] will be recognized for 5 minutes in support of his amendment and a Member in opposition will be recognized for 5 minutes.

POINT OF ORDER

Mr. HOYER. Mr. Chairman, I make a point of order.

The CHAIRMAN. The Chair recognized the gentleman from Maryland [Mr. HOYER].

Mr. HOYER. Mr. Chairman, under the unanimous consent that was offered and agreed to, while the gentleman from Arizona [Mr. SALMON] does in fact have an amendment that is reserved for him for 10 minutes, it specifically refers to the White House Travel Office. This amendment, of course, is a reduction in the entire budget of the White House itself and I would suggest is not within the framework of the unanimous-consent request.

Mr. SALMON. Mr. Chairman, it is virtually the same amendment that we

submitted for the unanimous-consent request. I appeal to the Chair on that issue.

The CHAIRMAN. The Chair would inquire of the gentleman if it does pertain to the White House Travel Office which is what the unanimous-consent agreement as outlined would do.

Mr. SALMON. Yes, it does. If I may be permitted to speak, I will explain how.

The CHAIRMAN. The gentleman from Arizona may proceed.

Mr. SALMON. Mr. Chairman, last year I introduced a piece of legislation that I think could have been dubbed the Personal Responsibility Act. We are going to be talking a lot about personal responsibility this week when we talk about welfare reform. I think most of us know that a couple of years ago there was a real problem within the White House Travel Office.

Mr. HOYER. Mr. Chairman, are we proceeding on the point of order?

The CHAIRMAN. The Chair is attempting to hear argument on the point of order, on whether or not this amendment relates to the White House Travel Office which was part of the unanimous-consent agreement last night.

Mr. HOYER. I thank the Chair.

The CHAIRMAN. The gentleman from Arizona may proceed.

Mr. SALMON. Mr. Chairman, let me be as succinct as I possibly can. In a nutshell, all this amendment does is reduce within the administration and the Office of the White House the amount commensurate that we have already appropriated within the bill to compensate the seven people from the White House Travel Office that were, many of us believed, unlawfully terminated and vigorously pursued by the administration via the FBI. We already know the story. There is money in the bill to compensate these people. My proposal is simply that we get back to accountability and that the Office of the White House and the administration of the White House pay those moneys. Instead of appropriating new tax dollars to compensate those victims, that the money come out of already appropriated moneys and we get back to the concept of personal responsibility.

Mr. HOYER. Mr. Chairman, may I be heard on the point of order?

The CHAIRMAN. The Chair recognized the gentleman from Maryland [Mr. HOYER].

Mr. HOYER. Mr. Chairman, if the Chairman will review the amendment that has been offered and on which unanimous consent was accorded, he will see that it has two sections, an A section and a B section. It refers to the payment of moneys to individuals who worked for the Travel Office.

Specifically it says in section 301(a), "If an individual whose employment in the White House Travel Office was terminated on May 19, 1993, submits a claim under this subsection to the Secretary of the Treasury within 180 days after the date of the enactment of this

Act, the Secretary shall pay to the individual an amount equal to legal fees and expenses incurred by the individual with respect to that termination."

It then goes on to say, "For payments required under subsection (a), to be derived in equal amounts from funds made available in this title under the heading Compensation of the President and the White House Office—Salaries and Expenses and funds made available in this title under the heading Office of Administration, there are available to the Secretary of the Treasury up to \$500,000."

Mr. Chairman, I submit that this amendment has very little relationship to the amendment on which the unanimous consent was accorded. The reason for that is that it provides for payment to no one. It relates to the reduction of no specific office, Office of Administration or other White House account. This deals generally with the White House account across the board. As a result, I think it is clearly inconsistent with what Members gave unanimous consent about. One has to do with a cut in the White House budget. One has to do with reimbursement of White House travel officers.

The CHAIRMAN. The Chair, in attempting to rule on this point of order, would like to inquire of the gentleman from Arizona if the amount that he is proposing is specific to the White House Travel Office employees.

Mr. SALMON. Mr. Chairman, the amendment is very straightforward. It applies to the Office of Administration and the White House itself. However, in the unanimous-consent request, it simply stipulates that it must relate to the White House Travel Office which is a subcategory of the Office of Administration.

What I am trying to accomplish, I am trying not to be redundant. Since there is already a proposal within the legislation itself to compensate the Travelgate victims, I am simply reducing the amount from the Office of Administration and the White House. They have full purview to go to the Office of Travel and take the money from there if they so desire. I see no inconsistency with the unanimous-consent request.

The CHAIRMAN. In attempting to comply with the guidelines that have been outlined under the unanimous-consent agreement, the Chair is constrained to insist that it be very specific on the dollar level for the White House Travel Office.

Mr. OBEY. Mr. Chairman, if the chair is about to rule that the amendment as offered is not consistent with the unanimous-consent agreement, then I would have no further comment. I simply was intending to rise to make the point that, if we cannot count on the fact that amendments that are going to be offered are those which are discussed prior to unanimous-consent agreements, then it is going to be impossible to get unanimous-consent agreements around here.

Mr. HOYER. Mr. Chairman, further on the point of order, Mr. Chairman, let me first of all say I believe the gentleman from Arizona is one of the Members of this body who has high integrity and good faith, and I understand that he offers this in good faith. However, the amendment that he originally offered on which the unanimous consent was given is subject to a point of order. He has attempted to correct that understandably by his amendment that he has now offered.

The problem, Mr. Chairman, in answer to the question, did it deal specifically, the gentleman said, honestly, as I would have expected him to answer, no, it does not; and in fact it does not. In fact he offered it, however, to deal with the White House and the Office of Administration. It does not in fact, I tell the gentleman, deal with the Office of Administration. It deals with the White House budget per se in the section that he affects in terms of the line that he affects. As a result, Mr. Chairman, I think it is clearly inconsistent with the unanimous-consent request and therefore is not in order under that consent agreement.

The CHAIRMAN. The Chair is prepared to rule unless any other Members wish to be heard on the point of order.

Does the gentleman from Arizona wish to be heard further?

Mr. SALMON. Mr. Chairman, I would just simply like to say that we tried to accommodate all sides on this. Obviously, we did not want to be redundant. I believe that we have made a good-faith effort to make sure that we were consistent with the amendment that we offered yesterday that was adopted under unanimous consent. I believe that we have made every effort to do that. As the gentleman stipulated, it was completely in good faith. I would just appeal to the Chair.

The CHAIRMAN. The burden of establishing that the amendment relates to the White House Travel Office as required by the unanimous-consent order of the House of yesterday has not been carried by the gentleman from Arizona. That is the ruling of the Chair. The amendment is not in order.

AMENDMENT OFFERED BY MR. SANDERS

Mr. SANDERS. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. SANDERS: Page 119, after line 8, insert the following new title:

TITLE VIII—ADDITIONAL GENERAL PROVISIONS

SEC. 801. None of the funds appropriated by this Act shall be available to pay any amount to, or to pay the administrative expenses in connection with, any health plan under the Federal employees health benefit program, when it is made known to the Federal official having authority to obligate or expend such funds that such health plan operates a health care provider incentive plan that does not meet the requirements of section 1876(i)(8)(A) of the Social Security Act

(42 U.S.C. 1395mm(i)(8)(A)) for physician incentive plans in contracts with eligible organizations under section 1876 of such Act.

The CHAIRMAN. Pursuant to the order of the House of Tuesday, July 16, 1996, the gentleman from Vermont [Mr. SANDERS] will be recognized for 10 minutes in support of his amendment and a Member in opposition will be recognized for 10 minutes.

The Chair recognizes the gentleman from Vermont [Mr. SANDERS].

Mr. SANDERS. Mr. Chairman, I yield 5 minutes to the gentleman from Oklahoma [Mr. COBURN], a cosponsor of this amendment, and I ask unanimous consent that he be allowed to control that time.

The CHAIRMAN. Is there objection to the request of the gentleman from Vermont?

There was no objection.

Mr. SANDERS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, this amendment is substantively the same as an amendment No. 5 in the July 16, 1996, CONGRESSIONAL RECORD but it incorporates a technical change which I believe makes our intent clearer.

The amendment that I am offering today with the gentleman from Oklahoma [Mr. COBURN] along with the gentleman from New York [Mr. NADLER] and the gentleman from Florida [Mr. WELDON] touches on an issue of enormous consequence to millions of Americans, especially given the rapid transmission we are experiencing from traditional health insurance to managed care and HMO's. We can all agree on the need to control health care costs. However, we must also ensure that health care decisions which affect our lives and our well-being are made by physicians using medical rationale and who have the best interests of their patients at heart and not by insurance companies who may be putting their drive for profits before the best interests of their patients. Most importantly, Mr. Chairman, we must preserve the fundamental core of successful health care, and that is, the doctor-patient relationship.

When a patient walks into a doctor's office, he or she must be 100 percent confident that the treatment that is being recommended comes from the doctor's best medical judgment and is not motivated by an insurance company's desire for greater profits.

□ 1345

A patient deserves to be told the full truth when going to a doctor and that is what this amendment is all about.

Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN. The gentleman from Oklahoma [Mr. COBURN] is recognized for 5 minutes.

Mr. COBURN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, this is about looking at perspective and motivation and what our charge is as physicians as we look at health care in this country, and

every physician, every provider, takes an oath to put patients and their well-being first.

This amendment simply protects Federal employees the way we have protected Medicaid and Medicare patients by saying there cannot be a perverse incentive to not put the patient first, and it also states that in doing so, the well-being of the patient will be put first.

This amendment is supported by over 123 provider groups. It is vastly supported by Members of the House. It is a start back down the road where physicians are asked to do the right thing, to not be placed in the position in a competitive environment where they sacrifice quality care for their own livelihood, and this amendment prohibits that in regard to Federal employees.

It is my understanding that we may, in fact, have an acceptance of our amendment by the chairman of this subcommittee.

Mr. Chairman, I reserve the balance of my time.

Mr. LIGHTFOOT. Mr. Chairman, I ask unanimous consent to control 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa [Mr. LIGHTFOOT]?

There was no objection.

Mr. LIGHTFOOT. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, at this point I am very inclined to accept this amendment. I do not think any of us are in favor of HMO practices that cause shoddy medical care; we are all very much opposed to that. I have been dismayed to learn, for example, about situations where HMO's have caused a woman who has had a baby to leave just hours after the birth of the child. We had a daughter who just had a daughter a few months ago. It does not make sense at all to leave early.

I think that the course of treatment for any given patient should be up to his or her doctor. They are the ones in the best position to make that determination.

It is also a very difficult area in which to try and make law. Since 1994, the Department of Health and Human Services has been tasked with developing a set of regulations, eliminating certain types of HMO incentives for Medicare and Medicaid. These regulations are still incomplete, and I do not think that we can solve here in 20 minutes what HHS has been trying to figure out for 2 years.

I do not pretend to know the answers, either. I am not sure that any of us know what the real answers are. But what I do know is that we have not taken any time to deliberate a very complicated issue.

This committee has held no hearings on it. The authorizing committee of jurisdiction learned about the matter yesterday. For now, be willing to accept the amendment. I think it is a

well-intended amendment. As we go to conference, we will continue to work and look at this amendment and its ramifications.

Mr. Chairman, I yield such time as he may consume to the gentleman from Maryland [Mr. HOYER].

Mr. HOYER. Mr. Chairman, I subscribe to the remarks the gentleman just made.

Obviously, this committee has not addressed this issue. Having said that, just as obviously the proponents of this amendment I think have a proposition with which all of us would agree, and do agree, and this is an issue which we are going to have to study between now and conference from a substantive standpoint.

The chairman points out correctly that regulations in this area, vis-a-vis Medicare and Medicaid, as I understand, have taken even longer than 1994 to date and antedate that by some time.

Having said that, I think clearly the objective that the two gentlemen seek is an objective that is an important one and which I think all of us support.

Mr. COBURN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I take a few moments to clarify the record. The Committee on Commerce has held hearings on this. We have had one hearing in which we had significant testimony where care was denied based on the perverse incentives to the physician, and I think it is just the start of hearings that we are going to have in this regard, and I would like that placed in the RECORD.

Mr. Chairman, I reserve the balance of my time.

Mr. SANDERS. Mr. Chairman, I yield 1½ minutes to the gentleman from New York [Mr. NADLER].

Mr. NADLER. Mr. Chairman, I am very gratified to hear that this amendment is being accepted, at least for the time being.

I want to say that the practice of physicians being offered incentives, positive incentives that if they deny a treatment, they get more money, and negative incentives, if they grant the treatment, they get less money, and this form of health care that is proliferating throughout this country has led, as the gentleman said, to many denials of health care where it was needed, and it also constitutes an institutionalized conflict of interest.

If someone came to any Member of this body and said, "Vote this way and I will pay you \$1,000," we would call that a bribe, it would be against the law. But, in effect, what you have with many of these HMO's now is a practice where the insurance company comes to the doctor and says, "If in all your patients this next week you do not refer more than "X" number to specialists or to have a test, a CAT scan, we will give you more money, and if you do, we will take away money from you."

So the doctor, when he looks at a patient and thinks, do I really need to? This patient has chest pains, whatever.

Do I need to refer him to a cardiologist, has to think in the back of his or her mind, gee, I have already referred three people to a specialist this week. If I refer a fourth, it will cost me money. It is putting a direct conflict between the patient's interest, which the doctor is sworn to uphold, and the doctor's financial interest. That is an institutionalized conflict of interest.

It is a fundamental problem and this amendment begins to address that, and I thank the body for accepting it.

Mr. COBURN. Mr. Chairman, I yield 1 minute to the gentlewoman from New Jersey [Mrs. ROUKEMA].

(Mrs. ROUKEMA asked and was given permission to revise and extend her remarks.)

Mrs. ROUKEMA. Mr. Chairman, I am so pleased that this being accepted today. I strongly support it. It is a very straightforward proposition. It protects the ability of doctors to give their patients the best medical advice and, after all, that is what doctors do, that is what they have historically done, and that is what the Hippocratic oath is all about.

Make no mistake about it, the ideas of the bottom-line medicine that is being practiced in some circles is unconscionable. It cannot only lead to poor quality of care in many cases, as has been more recently annotated, it could be a matter of life and death.

I thank the chairman for accepting this amendment and I thank the authors of the amendment.

Mr. Chairman, I rise in strong support of the Sanders-Coburn amendment to H.R. 3756, the fiscal year 1997 Treasury-Postal Service appropriations bill, which would prohibit any funds in this bill from paying any managed care network under the Federal Employees Health Benefits Plan that offers physicians financial incentives to withhold medically necessary information from their patients.

I hope that the House overwhelmingly approves this simple, straightforward proposition that seeks to protect the ability of doctors to give patients their best medical judgment on possible treatment options. That's what doctors have historically done. That is the meaning of the Hippocratic oath.

Earlier this week, the Newark Star Ledger, New Jersey's largest daily newspaper, editorialized against the objectionable practice of some managed care networks for discouraging physicians from providing their patients with full information about their diagnosis and treatment options.

The Star Ledger said, and I completely agree "there is good reason to suspect arrangements that pay the doctor more for treating you less or for nodding in agreement when the treatment cooked-up by the health plan's computer goes against the doctor's best judgment."

Simply put: Doctors must be able to provide their patients with all available information and advice about treatment options. Anything else is completely unconscionable. This is bottom-line medicine and don't be misled—this could be a matter of life and death as has been more recently reported by reputable authorities.

Too many HMO's today seek to undermine the sacred doctor-patient relationship by pre-

venting physicians from providing patients with a full range of advice, because they are seeking to enhance the managed care network's bottom-line, at the direct expense of a patient's health. This can be a matter of life and death.

Doctors in HMO's are frequently penalized by having their salaries either reduced, or withheld, by the health plan for advising patients to seek treatment from a specialist.

This is wrong, and the Sanders-Coburn amendment is a modest attempt at protecting the right of physicians to give patients the best medical judgment.

I urge my fellow Members of the House to join me in supporting this worthwhile amendment.

Mr. SANDERS. Mr. Chairman, I yield 10 seconds to the gentleman from Maryland [Mr. HOYER].

Mr. HOYER. Mr. Chairman, I rise simply to make the point that I am against, and I want to make it clear, the form of this amendment unrelated to its substance, which I have already said I agree with. This made-known language, which I will make an additional point on in a future amendment, we should not pursue.

Mr. COBURN. Mr. Chairman, I yield the balance of my time to the gentleman from Florida [Mr. WELDON].

Mr. WELDON. Mr. Chairman, I thank the gentleman for yielding me the time, and I rise in strong support of the Sanders-Coburn amendment.

As most of my colleagues know, prior to coming to the House of Representatives, I was a practicing physician. I practiced for 6 years in the Army Medical Corps and then I went into private practice in Florida. One of the things that drew me to that medical practice with Melbourne Internal Medicine Associates, besides the beautiful climate and being there on the space coast, was the fact that the medical group I was asked to join was an extremely well run medical group.

When I was interviewing with the physicians with that medical group, it was quite apparent to me that the key to their success was that they always put quality patient care first and financial considerations secondary. They were always looking out for the best interests of their patients and, indeed, I have to say that as I have traveled all over the country through my years and met thousands of physicians, that is always the key to success for any physician, no matter what his specialty is, that he is always watching out for the best interests of his patient.

What I compliment the gentleman from Vermont [Mr. SANDERS] and the gentleman from Oklahoma [Mr. COBURN] in introducing is an effort to combat what I believe is a perversion of the doctor-patient relationship where doctors suddenly have perverse financial interests to deny patients quality care and quality access to care, and this has a very, very far-reaching impact if we as a body here do not try to address this issue.

The United States, as all Members know, is the world's leader in health

care. The rest of the nations of the world read our medical journals and they not only look to us for the specific science but they also look to us for leadership in the area of ethics, and this is an ethics of medicine issue. Each and every time a doctor sees a patient, he should be always looking out for the interests of his patients.

Support the Sanders-Coburn amendment.

Mr. SANDERS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I think we are all in agreement, those of us who have spoken, about what the issue here is, and it is not a complicated issue. What all of us believe is that when a patient walks into a doctor's office, we want to know that we are getting the best possible treatment that we can get and that there is not a perverse incentive being offered to the physician to give us less than the best quality care that can be offered.

We do not want to believe that a physician can make more money by offering us lesser care. That is not what health care is supposed to be about and, most importantly, that is not what the doctor-patient relationship is supposed to be about. If there is any relationship built on trust in our society, it is supposed to be the doctor-patient relationship, and historically that has been the case.

What this amendment does, it applies to Federal employees what already exists in law for Medicare and Medicaid beneficiaries, and it says that there cannot be perverse incentives offered to physicians so that they do not provide Federal employees the best quality care available.

I thank all of the cosponsors for this amendment and look forward to the body's support.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Vermont [Mr. SANDERS].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. KINGSTON

Mr. KINGSTON. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment Offered by Mr. KINGSTON: Page 119, after line 8, insert the following new title:

TITLE VIII—ADDITIONAL GENERAL PROVISIONS

SEC. 801. None of the funds made available in this Act may be used to issue, implement, administer, or enforce the amendments to the Customs regulations pertaining to field organization proposed by the United States Customs Service and published in the Federal Register on June 17, 1996 (61 Fed. Reg. 30552-30553).

MODIFICATION TO AMENDMENT OFFERED BY MR. KINGSTON

Mr. KINGSTON. Mr. Chairman, I also have a modification at the desk and I ask unanimous consent for the modification.

The CHAIRMAN. The Clerk will report the modification of the amendment.

The Clerk read as follows:

Modification to Amendment offered by Mr. KINGSTON: In lieu of the matter proposed to be inserted, on Page 16, line 19 of the bill, after the dollar amount, insert the following: "(reduced by \$2,000,000)".

The CHAIRMAN. Is there objection to the modification offered by the gentleman from Georgia [Mr. KINGSTON]?

There was no objection.

The CHAIRMAN. Pursuant to the order of the House of Tuesday, July 16, 1996, the gentleman from Georgia [Mr. KINGSTON] will be recognized for 4½ minutes in support of the amendment and a Member in opposition to the amendment will be recognized for 4½ minutes.

The Chair recognizes the gentleman from Georgia [Mr. KINGSTON].

Mr. KINGSTON. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, let me just say right now we are trying to address a problem that has occurred at the Sanford Airport in Florida and one that has developed as a result of that in Bangor, ME, and we have some private sector investors who have bargained to work in good faith with the U.S. Customs Service on that. It seems now there might be a problem, maybe of major miscommunication on it. We are trying to address that problem.

Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN. Is there a Member who seeks time in opposition to the amendment?

Mr. BALDACCI. Yes, I do, Mr. Chairman.

The CHAIRMAN. The gentleman from Maine [Mr. BALDACCI] is recognized for 4½ minutes to control time in opposition to the amendment.

Mr. BALDACCI. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I am pleased that Mr. Kingston has withdrawn his earlier amendment that was being put forward. The situation is, is that most of these airports that are ports of entries have established a threshold which says over this threshold, you are going to have to assess passengers \$6.50 apiece. So all international airports are doing this that are over that and that are ports of entry.

The particular airport in question is much more over that, an estimate of Customs is that 115,000, but yet it still not charging the higher fee and is able to market customers away from the other ports of entry, like Bangor, and take an unfair advantage in that particular situation, which has caused this situation with this amendment to develop.

Mr. Chairman, I look forward to now working with the gentleman from Georgia [Mr. KINGSTON] and others, to have these discussions in regard to this particular issue. But that is the preced-

ing issue of concern to people in Maine and all over the East Coast.

Mr. Chairman, I reserve the balance of my time.

□ 1400

Mr. KINGSTON. Mr. Chairman, I yield 1½ minutes to the gentleman from Florida [Mr. MICA].

Mr. MICA. Mr. Chairman, I just want to thank the gentleman from Maine and also the gentleman from Georgia for cooperating in this compromise.

The gentleman from Georgia has private investors who have invested in an airport in my district and the gentleman from Maine has some problems with what Customs has interpreted in this situation, and I think that this is a good compromise. It is a placeholder and it allows us to deal with Customs. We do not want to cut their budget. What we want to do is get a proper resolution of this problem, and this is, in fact, a placeholder so that Maine, Georgia, and Florida can work this problem out. Hopefully we will not hurt Maine or the new airport in the Orlando-Sanford area.

So I thank my colleagues for working out this compromise and support the amendment of the gentleman from Georgia [Mr. KINGSTON], and urge its adoption.

Mr. BALDACCI. Mr. Chairman, I appreciate the comments from the good Representative, the gentleman from Florida [Mr. MICA], and also the gentleman from Georgia [Mr. KINGSTON].

Just to further reinforce, I agree with Customs' determination in its classification and the rules it is promulgating. I am not in disagreement with that, but I am looking forward to the discussion that should ensue with all people in regards to this particular matter. But I wanted to make that clear.

Mr. Chairman, I yield back the balance of my time.

Mr. KINGSTON. Mr. Chairman, I yield myself such time as I may consume.

I just want to say what I believe has happened from the investors' standpoint is, trying to encourage private investment and getting into an airport, they felt like they had a certain agreement with Customs and that Customs, in the later stages, changed the rules of the game on them.

We had a sincere concern with the way Customs has apparently handled that, but the gentlemen from Maine, Mr. BALDACCI and Mr. LONGLEY, have brought up some excellent points in terms of the impact on Bangor's inconsistency with Customs, and so forth. So we are all working together to try to continue this dialogue.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Georgia [Mr. KINGSTON].

Mr. HOYER. Mr. Chairman, point of clarification. The amendment we are voting on is the substitute which the

gentleman has offered for the language?

The CHAIRMAN. The amendment, as modified by unanimous consent.

Mr. HOYER. Which is simply the \$2 million reduction; am I correct?

Mr. KINGSTON. That is correct.

The CHAIRMAN. The question is on the amendment, as modified, offered by the gentleman from Georgia [Mr. KINGSTON].

The amendment, as modified, was agreed to.

The CHAIRMAN. Are there further amendments to the bill?

AMENDMENT OFFERED BY MR. GUTKNECHT

Mr. GUTKNECHT. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 2 offered by Mr. GUTKNECHT: Page 119, after line 8, insert the following new section:

SEC. 701. Each amount appropriated or otherwise made available by this Act that is not required to be appropriated or otherwise made available by a provision of law is hereby reduced by 1.9 percent.

The CHAIRMAN. Pursuant to the order of the House of Tuesday, July 16, 1996, the gentleman from Minnesota [Mr. GUTKNECHT] will be recognized for 10 minutes in support of his amendment and a Member in opposition will be recognized for 10 minutes.

The Chair recognizes the gentleman from Minnesota [Mr. GUTKNECHT].

Could the gentleman clarify for us exactly which amendment? Is it amendment No. 7 or amendment No. 2?

Mr. GUTKNECHT. It is amendment No. 2.

Mr. HOYER. Mr. Chairman, I think the gentleman only has one amendment remaining. We have dealt with one of his amendments. He only had two. We dealt with the reduction of political appointees, and I believe the only amendment, this amendment, deals with the reduction of 1.9 percent across the board.

Mr. GUTKNECHT. The gentleman is correct.

The CHAIRMAN. It is still amendment No. 2.

Mr. HOYER. I will agree with that.

The CHAIRMAN. The Chair recognizes the gentleman from Minnesota [Mr. GUTKNECHT] for 10 minutes in support of his amendment.

Mr. GUTKNECHT. Mr. Chairman, I yield myself 2 minutes.

Mr. Chairman, I feel a little bit like the famous cartoon character Horton, who hatched the egg. Just to remind Members what this is all about, back when we passed the budget resolution the joint conference committee report with the Senate, this Congress did something which many of us felt was inappropriate and something that needed to be corrected.

We literally agreed to increase spending by \$4.1 billion more than we had agreed we would spend last year. Unfortunately, that budget resolution,

the conference committee came back after we passed a couple of the budget bills previous to this.

Now, I certainly do not want to cast any aspersions on the subcommittee chairman and the work of the Committee on Appropriations, but I think in terms of keeping faith with our promises last year and keeping faith with the American people and most importantly keeping faith with the American children, I think it is important that we do everything within our power to try to recover that fumble.

What we did was we increased spending by \$4.1 billion. So we sat down, some of us freshmen with our staff, and said how can we help recover that fumble. One of the ways we can do that is offer an amendment to every appropriation bill for the balance of the appropriation season that would cut discretionary spending 1.9 percent across the board.

Now, 1.9 percent is not a huge cut. As a matter of fact, in this bill we are talking about total spending of \$23 billion. Applying our formula, we are asking the full committee here to reduce spending \$213 million. Now, \$213 million is a lot of money, but in terms of a percentage of the total spending in this bill it is less than 1 percent. So applying the 1.9 percent formula just to the discretionary side of this appropriating bill cuts \$213 million.

The question we have to ask ourselves, and I think a legitimate question the American people should ask us, if we cannot cut 1 percent off the total spending in this bill, how in the world are we going to say to the American people that in 3 years we are going to be able to cut \$47 billion in spending. The unvarnished truth is we may not be able to.

Mr. Chairman, this is an important amendment, and I would appreciate my colleagues support.

The CHAIRMAN. Is there a Member seeking time in opposition to the amendment?

Mr. LIGHTFOOT. Mr. Chairman, I rise in opposition to the amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Iowa [Mr. LIGHTFOOT] for 10 minutes.

Mr. LIGHTFOOT. Mr. Chairman, I yield myself such time as I may consume.

As presented to the House, the Treasury-Postal bill achieves a deficit reduction of \$513 million. That is since last year. The subcommittee has achieved a total of \$1.2 billion in deficit reduction since January of last year, and we have done this by targeting specific programs, by terminating obsolete agencies and programs, and restructuring agencies and activities to create efficient and effective organizations.

In all due respect to my good friend from Minnesota, I think his amendment is not well thought out because there are no policy assumptions. One of the problems with across the board cuts in any bill is that it just takes a swipe out of everything. You end up

taking little nicks out of big programs that need big nicks and you take big nicks out of little programs that are struggling to get along and do things that we really need. There is no recognition that some of these agencies and programs we have already cut 20, 30, 40 percent. We have already cut them.

My colleague should be aware that the amendment will mean cuts to basic law enforcement functions of the Department of the Treasury. As my colleague said, voting for this bill is just a simple little 1.9 percent cut or 2 percent, if we want to round the figure off. If we want to vote for it, then that means we are going to vote to cut \$228,000 out of the ATF's investigation on church fires. If we vote for the Gutknecht amendment, that means we are willing to take \$80,000 out of the investigation for missing and exploited children, including child pornography. If we vote for his amendment, it means we are saying no to \$1.3 million to go to the Customs Service for drug interdiction along the Southwest border. If we support this amendment, it means we are saying no to \$532,000 for Customs' drug interdiction in the Caribbean. If we support this amendment, we are saying no to \$662,000 for the drug czar to set up his new office. And if we support this amendment, we are saying no to \$2.1 million for the drug czar's efforts to fight drugs in high crime neighborhoods and districts.

I think these cuts are unreasonable, particularly given the subcommittee's strong report on deficit reduction. As I said earlier, we have thought this out very closely. We have argued over these numbers, we have fought over them, we have cut every place we can cut. But I think the responsible way we get to balancing the budget is we evaluate each agency and each program on its merits and then we make the necessary cuts, and in some of these we have already cut as much as 40 percent.

Mr. Chairman, I would urge my colleagues to oppose the amendment.

Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN. The Chair wishes to inquire of the gentleman from Minnesota if he would like to ask unanimous consent to withdraw his amendment and offer a different amendment?

There has been some confusion up here at the desk over the two amendments that were offered and we have been informed that the gentleman wishes to offer another amendment.

Mr. GUTKNECHT. Yes.

Mr. HOYER. Mr. Chairman, reserving the right to object, and with all due respect.

The CHAIRMAN. The gentleman has not propounded a unanimous consent request yet.

Mr. HOYER. He responded "yes" to the Chair's asking for a unanimous consent on his behalf, it sounded to me like.

The CHAIRMAN. Does the gentleman have a request for the Chair?

Mr. GUTKNECHT. Mr. Chairman, let me first of all say, if I might, there was some confusion. There apparently is a different list. We were item No. 7, now we are item No. 2. In either event, I intend to offer my amendment to reduce expenditures across the board 1.9 percent. If that requires a unanimous consent request to withdraw this amendment, I would be happy to do that, but I do intend to offer the amendment in either event.

The CHAIRMAN. Is there objection to the request of the gentleman from Minnesota?

Mr. HOYER. Mr. Chairman, reserving the right to object. I appreciate the Chair's advising all of us as to what the status is. Apparently, I do not know what amendment is pending at the desk. Would the Chair clarify and have the Clerk clarify what amendment is pending at the desk now?

The CHAIRMAN. The Clerk will report the pending amendment, which is amendment No. 2.

The Clerk read as follows:

Amendment No. 2 offered by Mr. GUTKNECHT of Minnesota: Page 119, after line 8, insert the following new section:

Sec. 701. Each amount appropriated or otherwise made available by this Act that is not required to be appropriated or otherwise made available by a provision of law is hereby reduced by 1.9 percent.

Mr. HOYER. That is a reduction, as I understand it, of 1.9 percent in discretionary funds; is it not?

Mr. GUTKNECHT. Mr. Chairman, will the gentleman yield?

Mr. HOYER. Mr. Chairman, under my reservation of objection, I yield to the gentleman from Minnesota.

Mr. GUTKNECHT. Mr. Chairman, I would advise the gentleman that that is the amendment we have been debating for the last 4 minutes, yes.

Mr. HOYER. Apparently, the Chair believes that that is not the amendment that was being debated. That is the amendment I thought it was.

I am unclear what the Chair is asking and what the gentleman is asking in terms of a unanimous consent until such time as I understand what is going on.

The CHAIRMAN. The Chair will inform the committee that it was our understanding that staff had come to the desk and offered a different amendment and had asked that that amendment be considered. That was the understanding of the Chair.

If that is not the case, we will proceed with debate of amendment No. 2.

Mr. GUTKNECHT. Mr. Chairman, if the gentleman would continue to yield.

Mr. HOYER. Mr. Chairman, under my reservation of objection, I will be glad to continue to yield so we can straighten this out.

Mr. GUTKNECHT. Mr. Chairman, I apologize. Apparently, we had brought to the desk a modification of an original amendment. I was not sure if it was No. 2 or 7. If the Clerk would please make it clear which amendment.

The CHAIRMAN. It is amendment No. 2.

Mr. HOYER. Mr. Chairman, on my list, amendment No. 2 or 7 is irrelevant. If the Chair says 1, 2, 3, we have not been going in order so it is somewhat confusing as to what 1, 2 and 3 is. If it is No. 2, we have done 8 before it.

The CHAIRMAN. The Chair will inform the committee that both are across-the-board amendments. The difference is that they place the language at different points in the bill.

Mr. HOYER. Mr. Chairman, before I give unanimous consent, I want to see both amendments, and I do not have both amendments in front of me.

The CHAIRMAN. Does the gentleman seek unanimous consent to withdraw the amendments? If not, we are proceeding with debate on amendment No. 2.

Mr. GUTKNECHT. Mr. Chairman, perhaps I can modify my request. What I would request of the Chair is that I be permitted to substitute amendment No. 7 for amendment No. 2, and I would request unanimous consent.

The CHAIRMAN. The gentleman has asked unanimous consent. The gentleman from Maryland has reserved the right to object.

Mr. HOYER. Reserving the right to object, I am looking at the text now.

□ 1415

Mr. Chairman, I believe I have seen the two amendments the gentleman is talking about, but I wanted to make sure. One is at page 119 after line 8; one is at page 118 after line 16. Am I correct, however, that the substance, as a matter of fact, the exact verbiage of both is the same?

Mr. GUTKNECHT. Mr. Chairman, will the gentleman yield?

Mr. HOYER. I yield to the gentleman from Minnesota.

Mr. GUTKNECHT. Mr. Chairman, I believe that is correct.

Mr. HOYER. Mr. Chairman, so that the only difference is where the gentleman places them in the bill.

Mr. GUTKNECHT. Mr. Chairman, that is correct.

Mr. HOYER. Mr. Chairman, continuing my reservation of objection, may I ask the gentleman, does he perceive any difference in the impact of the amendments as a result of the placement in one position or the other?

Mr. GUTKNECHT. Mr. Chairman, if the gentleman will continue to yield, I am afraid I do not know why, the reasons the staff recommended we change location.

Mr. HOYER. I will tell the gentleman, I suffer from that problem all the time.

Mr. GUTKNECHT. Mr. Chairman, I think I can clear this up. My amendment is not intended to affect appropriations for fiscal year 1996. That is the reason it has to be moved to the different location. We only want to affect discretionary appropriations for fiscal year 1997.

Mr. HOYER. So the amendment the gentleman wants to offer is the prospective amendment, and which amendment is that?

Mr. GUTKNECHT. Mr. Chairman, we believe it is No. 1.

Mr. HOYER. Mr. Chairman, if that is the case, then, and No. 2 is pending, I would have, checking with my own staff, given my quick analysis, it seems to me that this is carrying out what we thought we were considering.

If I can, however, before I withdraw my objection, the gentleman indicated he intends to offer the other amendment. Is there another amendment? Is this the last amendment that the gentleman from Minnesota is offering?

Mr. GUTKNECHT. Mr. Chairman, if the gentleman will continue to yield, I think I can honestly say, this will be the last 1.9 percent amendment on this bill, yes.

Mr. HOYER. Mr. Chairman, but does the gentleman have any other amendment on this bill?

Mr. GUTKNECHT. No, I have no other amendments.

Mr. HOYER. Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Without objection, the amendment is modified.

There was no objection.

The text of the amendment, as modified, is as follows:

Modification of amendment offered by Mr. GUTKNECHT: Page 118, after line 16, insert the following new section:

Section 637. Each amount appropriated or otherwise made available by Titles I through VI of this Act that is not required to be appropriated or otherwise made available by a provision of law is hereby reduced by 1.9 percent.

The CHAIRMAN. The gentleman from Minnesota [Mr. GUTKNECHT] has 8 minutes remaining, and the gentleman from Iowa [Mr. LIGHTFOOT] has 7½ minutes remaining.

Mr. GUTKNECHT. Mr. Chairman, I reserve the balance of my time.

Mr. LIGHTFOOT. Mr. Chairman, I yield 4 minutes to the gentleman from Maryland [Mr. HOYER].

Mr. HOYER. Mr. Chairman, I thank the gentleman from Iowa who knows me probably too well, he thinks.

Mr. Chairman, now that we have decided which amendment is pending, I am opposed to it, I say to my friend from Minnesota. And very frankly, if we had decided the other amendment, I would have opposed it. The fact of the matter is, this bill spends too little money. Who says that? The Committee on Ways and Means says that.

This bill has already cut \$130 million below last year's. In the committee report, we assume the Federal employees in this bill as well as every other bill are going to get a 3-percent raise. I am for that. I think that is appropriate. We assume as well that there are going to be additional costs, as every business operator assumes.

So that not only are we cutting \$130 million below last year's appropriation, but we are cutting very substantially more below actual costs to do exactly the same services.

Furthermore, as the Committee on Ways and Means has pointed out, they are very concerned that we have sufficient resources to carry out the

present responsibilities of the Internal Revenue Service under law. The Committee on Ways and Means has further said that they are very concerned about the IRS being able to service the taxpayers consistent with their responsibilities.

Furthermore, the IRS has been cut \$700 million plus dollars, three-quarters of a billion dollars. The gentleman's amendment, as pointed out by the chairman, cuts across the board and makes no judgment as to whether or not an agency has been cut deeply, has been increased or has stayed the same. That is why these across-the-board amendments are so unwise. It is incumbent upon us to make judgments. Sometimes those judgments are hard judgments. We have to make a determination how much an agency needs, how necessary is an agency, how necessary are the functions that that agency carries out.

I believe that the IRS is woefully underfunded under the provisions of this bill. But cutting them 1.9 percent, you simply exacerbate and make worse the problem confronting the Nation, not IRS, the Nation. Why? As the gentleman from Texas [BILL ARCHER] said in his letter of June 26 to the gentleman from Louisiana [Mr. LIVINGSTON], he believes the cuts that currently exist, currently, even without this cut, according to the Committee on Ways and Means, that the Internal Revenue system is getting under this bill puts at risk deficit reduction. The irony of the gentleman's amendment is, the Committee on Ways and Means, not this side of the aisle, the gentleman from Texas [Mr. ARCHER] and the gentlewoman from Connecticut [Mrs. JOHNSON], as well as the gentleman from California [Mr. MATSUI] and the gentleman from Florida [Mr. GIBBONS], believe the present underfunding of IRS puts at risk deficit reduction. In point of fact, I believe this amendment, if adopted, would cost hundreds of millions of dollars in lost revenues and deficit reduction.

I know that the gentleman offers this amendment sincerely, concerned as I am about the budget deficit. I am one of those who voted for a balanced budget amendment, as I think the gentleman knows. I believe we need to balance the budget. I voted for the coalition budget, which balanced the budget by 2002 and created \$137 billion less debt. I hope that we defeat this amendment which would be costly to the taxpayers and the country.

Mr. GUTKNECHT. Mr. Chairman, I yield 4 minutes the gentleman from Indiana [Mr. SOUDER].

(Mr. SOUDER asked and was given permission to revise and extend his remarks.)

Mr. SOUDER. Mr. Chairman, I want to first congratulate the gentleman from Maryland, who is a very articulate spokesman for his constituents. And if I were a Federal worker who lived in his district, I would, too. I also believe he believes in his heart in the

importance of the Federal Government, and I know he has been conscientious on other budget matters.

Mr. HOYER. Mr. Chairman, will the gentleman yield?

Mr. SOUDER, I yield to the gentleman from Maryland.

Mr. HOYER. Mr. Chairman, I appreciate my friend's comments about me. But essentially, I was quoting Mr. ARCHER of Texas, the chairman of the Committee on Ways and Means, expressing his views, because I understand that some may believe I am subjective to protect Federal employees, which I am, that is why I quoted Mr. ARCHER of the gentleman's party and chair of the Committee on Ways and Means.

Mr. SOUDER. Mr. Chairman, the second point I was going to make is that on the 1.9 percent amendment, it has been very interesting, because if this was the only bill where we heard that a 1.9 percent across the board cut in this department would devastate a particular program or a department, it would be a little more believable. One point nine percent is not the total amount that comes out of the IRS. It comes out of many different subsections of this bill.

It seems like we hear this week after week after week, that we cannot do 1.9 percent, that 1 week we are devastating Yosemite Park, the next week we are devastating the entire thing. It is 1.9 percent. If the committees, and with all due respect, they have worked hard to get the budgets down, but if the committees would have been committed to not having the deficit go up the second year, we would not have offered this amendment.

This is a principled amendment. We came to Congress, and we talk about balancing the budget. We say we are trying to balance the budget. But the fact is the deficit goes up the second year. One point nine percent would change that. It would be nice to get some of that out of the entitlement programs, but since we cannot pass an entitlement bill, if we are not going to have the deficit come up, it has to come out of the discretionary programs. One point nine percent will not devastate the IRS; it will not devastate Yosemite Park.

Week after week we hear reasons why these bills are going to devastate the entire thing. In fact, some of our Republicans are starting to sound like the Democrats sound on our original bills, and it has been very disconcerting to many of the freshman.

Mr. HOYER. Mr. Chairman, if the gentleman will continue to yield, I do not know how the gentleman voted but, of course, the Republican budget that passed—

Mr. SOUDER. Mr. Chairman, I voted against it.

Mr. HOYER. Because the budget that his side of the aisle offered, of course, does exactly what he is concerned about.

Mr. SOUDER. I will hope that many, as some have on the Democratic side

who say that they are for balancing the budget, will vote with those of us who have been trying to promote the 1.9 percent, because a 1.9 percent reduction on every appropriations bill will fix the bump up. It is a small bump up. We have been moving in the right direction, but the fact is the deficit goes up the second year we are here in Congress.

As far as the IRS, I understand that you need to have dollars to correct it. I understand that. We are saying that if we prioritize correctly, for example, in addition to the supplemental appropriations for church burning investigations, ATF, the Alcohol, Tobacco, and Firearms, remained funded at the same level. I find it hard to believe that they cannot carry out their function at a 1.9 percent reduction. We could take more of that if there was a prioritization correctly.

Also the same is true of the White House. They were able to give a 40 percent raise to someone like former security director Craig Livingstone, who had no apparent qualifications for that position, according to a committee hearing we were just in. They could absorb a 1.9 percent reduction. They have multiple pastry chefs at the White House, as well as the taxpayer funded database that we have been concerned about and concerned about the security systems. This 1.9 percent would not have to come out of the IRS, but at this point on the floor we are systematically offering 1.9 percent across the board, of which part of that falls on the IRS, part of that falls to ATF and different things because of procedures.

We are offering a philosophical statement that says 1.9 percent across the board. I personally would have had it categorized inside the appropriations bills and dealt with that, but this is our only way to express our frustration with this budget.

Mr. LIGHTFOOT. Mr. Chairman, I yield myself such time as I may consume to respond briefly.

I know it sounds good to say we are going to cut everything across the board. But, again, Members have got to remember, if they vote for this amendment to cut across the board, they have got constituents at home who they are going to have to answer to. Why did you take money out of the high-intensity drug traffic areas, why did you take money out of the drug czar office, which our leadership has asked that we put in, why did you take money out of missing and exploited children?

Yes, we have pastry cooks and, yes, we have political appointees that get paid salaries which some of us may think are outrageous. But the other side of the coin is, every administration is supplied with a budget for their political appointees and how they use these people is up to them.

We face the problem of addressing that particular issue as administrations change. That budget is there for one administration after the other. I

think that is where we get into some real problems.

Again, I know my colleagues are well-intended. But we have cut \$1.2 billion out of this budget since January of last year. We have tried to do it in a responsible manner, in making those cuts where we can make them.

Reference was made to ATF and the church fires. The money that we put into ATF and the church fires we took from the IRS. So if we are going to cut another 1.9 percent, that does not make a whole lot of sense either. The ATF is going to be downsized about 445 employees. So that agency is already taking cuts. As I mentioned earlier, most of these agencies have been cut 10, 15, 20, some as high as 40 percent.

Mr. Chairman, I reserve the balance of my time.

Mr. GUTKNECHT. Mr. Chairman, I yield 2 minutes to the gentleman from Oklahoma [Mr. COBURN].

(Mr. COBURN asked and was given permission to revise and extend his remarks.)

Mr. COBURN. Mr. Chairman, I recognize that the chairman has done and his committee have done great work on this. But I want to change the perspective for a minute about what we are talking about.

We are talking about two pennies, two pennies out of every dollar we spend in this and every other appropriation bill to try to preserve the pattern of getting a balanced budget, No. 1; No. 2, living up to the commitment that this Congress made a short 8 months ago.

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Mr. Chairman, I would draw the analogy we are getting ready to see the Olympics. The Americans who trained for the Olympics, if their coaches and if their trainers had said, "You cannot do any better," they are not going to compete well, but the fact is, everywhere in this Federal Government is fat, tons of fat, lots of places to save money, lots of places to become more efficient, lots of places to achieve economies of scale that have not been recognized and not been looked at.

The fact is that it takes hard leadership to set that standard for the people who are going to spend this money, and what we would like to do is to say we recognize the tremendous efforts that have been moved in that direction. We just think that we can go further, and we would like for our colleagues to consider the 2 percent, 1.9 percent. Why? Children and grandchildren.

Mr. Chairman, this deficit is not going to be \$115 billion this year. There is another \$65 billion on top of that recognized from the use of Social Security funds to fund the general obligations of this Government. So at the minimum it is \$180 billion this year.

I ask that my colleagues support this bill.

Mr. GUTKNECHT. Mr. Chairman I yield myself the balance of the time.

The CHAIRMAN. The gentleman from Minnesota is recognized for 2 minutes 15 seconds.

Mr. GUTKNECHT. Mr. Chairman, at several points in this debate we heard about priorities, and I just want to make it clear we are not changing the priorities of this subcommittee, and we are not saying they did the wrong things, but what we are saying is, I think it is an old German expression, it maybe an old Iowa expression: "Fool me once, shame on you; fool me twice, shame on me," and if we look at the history of what has happened around this place and in this city over the last 10 or 15 years, we have one budget deal after another budget deal. We had Gramm-Rudman, we had this deal, there were promises made to the American people, and what they all amounted to was this: Manana, tomorrow, next year; we are going to fix it next year.

But if we are going to balance the budget, it is not what we do next year that counts. It is what we do now, it is what we do every day, it is what we do on every appropriation bill.

Now, I think those guys have done great work, and I admire the Committee on Appropriations and the Committee on the Budget for all they have done. I do not serve on either of those committees, and a little over a month ago they brought a bill or the Committee on the Budget brought a bill to the floor, and I voted against it, and a bunch of my freshman colleagues voted against it because we began down that slippery slope once again saying, "Well, the deficit is going to go up this year, but we'll fix it next year." We cannot cut 4.1 billion dollars' worth of spending in this appropriation bill, but in 3 years we will cut \$47 billion.

Now, maybe my colleagues believe that, maybe the American people believe that, but I have got to tell my colleagues as just one Member I have trouble believing that. And so it is what we do every day that counts. That is why this little 1.9-percent amendment is so important. It is about setting priorities that our colleagues set, it is accepting those priorities, but it is saying we are going to ask the bureaucracies at every level to find an extra 1.9-percent worth of fat in their budget, and I do not think there is a small business person, I do not think there is a farmer, I do not think there is a taxpayer in America who does not believe that we cannot find 1.9 percent worth of fat in every Federal bureaucracy.

That is what this amendment is about. It is about keeping our word, it is about doing our work every single year and not saying manana, next year, next 3 years from now, then we are going to balance the budget.

This is hard work, but the American taxpayers and the American families did not send us here to do what was easy. They sent us here to do what was hard; 1.9 percent is not too much to ask. It is about preserving the American dream for our kids. It is an important amendment. I would request a "yes" vote.

Mr. LIGHTFOOT. Mr. Chairman, I yield myself the remainder of the time.

I say to my friend from Minnesota we are doing what is hard. A 1.9 percent cut is a coward's way out. It is an easy way to do it. Oh, we just slash across the board. We do not care what happens, who gets hurt, who falls. The Committee has been doing the hard work. What do our colleagues not understand about \$513 million less this year than last year? What do our colleagues not understand about \$1.2 billion less than January 1995?

We are on the glide slope to a balanced budget. It fits in with our budget resolution. We have a plan. We are trying to get there. And I resent the idea that someone who has not put in any work on this committee, knows nothing about the hours and hours of negotiations that have taken place, comes up and says are not doing our job.

It is about time that we realized what we are doing here and quit this self-flagellation. We are headed toward a balanced budget. We have a budget resolution that will get us there. The Committee on Appropriations is spending the money or cutting back on the spending of the money in order to fit in with that budget resolution which will get us there over a period of time, in 6 or 7 years. We are not going at it willy-nilly. We are trying to use some responsibility in the way we go about it. We are trying to downsize government. We are. We cut out over 200 programs. We will continue to cut more.

Mr. HOYER. Mr. Chairman, will the gentleman yield?

Mr. LIGHTFOOT. I yield to the gentleman from Maryland.

Mr. HOYER. Mr. Chairman, I would like to comment just briefly.

I tell my friend from Minnesota this is the easy work: 1.9 percent across the board is not a hard lift. What is a hard lift is telling people, "You're not going to get as much money next year in Social Security or Federal retirement or on Medicare or Medicaid." I understand that. We have had that debate.

That is the hard business. Why? Because, I tell my friend from Minnesota, we are spending less and less and less on discretionary spending in America every year.

The CHAIRMAN. The question is on the amendment, as modified, offered by the gentleman from Minnesota [Mr. GUTKNECHT].

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. GUTKNECHT. Mr. Chairman, I demanded a recorded vote.

The CHAIRMAN. Pursuant to House Resolution 475, further proceedings on the amendment offered by the gentleman from Minnesota [Mr. GUTKNECHT] will be postponed.

The CHAIRMAN. Are there further amendments?

AMENDMENT OFFERED BY MS. KAPTUR

Ms. KAPTUR. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Ms. KAPTUR: Page 119, insert the following after line 8:

TITLE VII—MISCELLANEOUS PROVISIONS

SEC. 801. None of the funds made available in this Act for the United States Customs Service may be used to make, issue, prescribe, take, implement, administer, or enforce any determination, finding, rule, order, policy, or other action relating to trade relations between the United States and the People's Republic of China when it is made known to the Federal official having authority to obligate or expend such funds that such determination, finding, rule, order, policy, or other action has the effect of allowing imports into the United States of products of the People's Republic of China that were mined, produced, or manufactured with the use of prison, slave, or child labor.

Mr. HOYER. Mr. Chairman, I reserve a point of order on the amendment.

The CHAIRMAN. The gentleman from Maryland reserves a point of order.

Pursuant to the order of the House of Tuesday, July 16, 1996, the gentleman from Ohio [Ms. KAPTUR] will be recognized for 5 minutes, and a Member in opposition to the amendment will be recognized for 5 minutes.

The Chair recognizes the gentleman from Ohio [Ms. KAPTUR].

Ms. KAPTUR. Mr. Chairman, our amendment simply states that no funds made available to the United States Customs Service may be used to allow the importation of Chinese goods into the United States that were made with the use of prison, slave or child labor.

Now, under a previous memorandum of understanding signed in August 1992 between the United States and the People's Republic of China along with the statement of cooperation signed then 2 years later in 1994, the United States Customs Department is already directed to monitor and ban the importation of such goods, but we know that there is convincing evidence that the United States Customs Service has not been doing so and not following the law.

Now, this amendment is very important because it reiterates the commitment of this Congress not to allow the importation into this marketplace of goods made with child, prison, or slave labor. We know that in China 5 to 50 million children are currently working under slave labor conditions in horrendous sweatshops. We also know that 80 to 90 percent of convicts in China are placed in forced labor conditions in Laogai prison camps in the name of re-education through labor, and there are plenty of publications available that describe what happens. In fact, some of our Members on both sides of the aisle have gone into these camps, even returning here at home with those gum shoes and other products that are sold into this marketplace which should not even be allowed over our borders.

We know the latest Amnesty International report on China redocuments the fact that the government treats its own people with contempt, and in regard to prison labor we know that the Chinese Government and prison authorities have knowingly, knowingly sought to evade China's commitment to the two agreements we as a Nation signed with them. In fact, in our own State Department's 1995 country report on human rights practices it is stated, and I quote directly:

Repeated delays in arranging prison labor site visits called into question Chinese intentions regarding China's commitments.

Now, under our laws the United States Customs Department is already directed to monitor and enforce the prohibition of Chinese goods made under those specific conditions. There may be some questions with the reservation that was asked for, but I hope will be suspended when this is complete, that any impact on funds directed to the U.S. Customs Department and subsequent revenue collection activities would only be impacted under this amendment if there is evidence that Chinese goods made under these conditions are still being allowed into our marketplace.

At present there is ostensibly no tariff revenue collected on Chinese goods made under these conditions because ostensibly the United States Customs Department should be complying with United States law.

Now, let me add there are other points here, other egregious examples of where our United States-China trade relationship is off on the wrong foot and really fails to protect our national interests, and these are so compelling and so indisputable and so vital to address I wish there were a way to do it under this measure. But we are narrowly focusing our attention on just those goods made under those three conditions that we do not want into this country.

But let me mention that we have a growing trade deficit with China, this year over \$40 billion a year, lost jobs in this marketplace, lost revenues to our treasury and lost business to our exporters and manufacturers partly due to the lack of reciprocity between this market and the Chinese market where, under China MFN, we give China a 2-percent tariff advantage in our marketplace. They only have to pay 2 percent for their goods come in here. Yet they charge us 40-percent tariff rates on a whole range of products which I will be submitting to the record as evidence here. And also the dual exchange rate system that they operate that truly disadvantages our exporters and acts as a \$15 billion tax in the form of tariffs due to this exchange rate differential on our manufacturers exporting

into that market. And I will be submitting that evidence for the record of this very lopsided trading relationship that effectively discriminates severely against U.S. interests.

But in terms of this amendment there can be no question that through China's use of prison, slave, and child labor they should not be able to make goods that then find their way into this marketplace, and it is the obligation of the United States Customs Service to enforce the laws of this country.

Mr. Chairman, I submit the following information for the RECORD:

TABLE A3.1: AVERAGE TARIFF LEVELS  
(In percent)

HS Chapter	Trade weighted	Unweighted
0 .....	34.7	44.4
1 .....	24.8	42.7
2 .....	18.8	27.4
3 .....	18.6	40.1
4 .....	23.2	35.1
5 .....	60.1	66.2
6 .....	71.1	79.9
7 .....	18.9	27.6
8 .....	32.2	34.1
9 .....	42.6	48.9
Total .....	31.9	42.8

Note:—These trade weighted tariff levels have been estimated using first quarter import data for 1992 at the six-digit HS level, and information on tariff rates at the nine-digit level of disaggregation, both provided by the Customs Directorate.

Source: Chinese Customs Directorate and staff estimates.

TABLE A3.2: CHINA AVERAGE TARIFF RATES  
(By SITC 2-digit codes)

Line number	SITC Rev 2, 2 digit	Simple avg. tariff rate	Weighted avg. tariff rate	Difference simple-weighted
1 .....	0	0.00	0.00	0.0
2 .....	1	54.62	50.46	4.2
3 .....	2	57.18	31.43	25.8
4 .....	3	38.88	32.36	6.5
5 .....	4	36.86	6.96	29.9
6 .....	5	53.12	45.17	7.9
7 .....	6	52.14	39.95	12.2
8 .....	7	44.54	48.01	-3.5
9 .....	8	22.33	6.84	15.5
10 .....	9	65.40	73.15	-7.8
11 .....	11	126.25	88.48	37.8
12 .....	12	116.67	143.44	-26.8
13 .....	21	36.53	15.69	20.8
14 .....	22	46.56	50.15	-3.6
15 .....	23	22.06	26.94	-4.9
16 .....	24	11.84	14.96	-3.1
17 .....	25	2.00	2.00	0.0
18 .....	26	31.80	27.62	4.2
19 .....	27	27.21	18.95	8.3
20 .....	28	6.32	4.76	1.6
21 .....	29	35.29	30.99	4.3
22 .....	32	15.00	15.00	0.0
23 .....	33	18.37	10.64	7.7
24 .....	34	30.00	59.00	-29.0
25 .....	41	41.25	36.17	5.1
26 .....	42	29.12	25.83	3.3
27 .....	43	46.00	45.35	0.7
28 .....	51	19.59	18.71	0.9
29 .....	52	21.26	21.51	-0.3
30 .....	53	31.54	31.51	0.0
31 .....	54	22.37	31.06	-8.7
32 .....	55	85.35	50.22	35.1
33 .....	56	5.38	5.05	0.3
34 .....	57	39.33	30.15	9.2
35 .....	58	33.37	32.09	1.3
36 .....	59	30.38	32.62	-2.2
37 .....	61	47.95	27.85	20.1
38 .....	62	36.53	35.87	0.7
39 .....	63	31.50	22.05	9.5
40 .....	64	36.66	34.27	2.4
41 .....	65	70.73	66.17	4.6
42 .....	66	44.79	28.74	16.1
43 .....	67	14.97	13.45	1.5

TABLE A3.3A: CHINA: STRUCTURE OF PRODUCTION, IMPORTS AND EXPORTS

[By two-digit SITC (revision 2) category, 1985]

Serial No.	SITC 2 code	Label	GVI0 1985 (Cur- rent) (Y mil.)	GVI0 1985 (Cur- rent) (\$ mil.)	Imports 1985 (Cur- rent) (\$ mil.)	Exports 1985 (Cur- rent) (\$ mil.)	Share of GVI0 1985 (Cur- rent) (%)	Imports/ GVI0 (%)	Exports/ GVI0 (%)
1	0	Live animals, chiefly for food							
2	1	Meat and preparations	11,577	3,942	6.3	431.1	1.4	0.2	10.9
3	2	Dairy products, birds' eggs	1,179	402	29.1	53.1	0.1	7.2	13.2
4	3	Fish and preparations	1,067	363	41.3	267.9	0.1	11.4	73.8
5	4	Cereals and preparations	26,443	9,004	902.7	1,007.5	3.3	10.0	11.2
6	5	Vegetables and fruit	4,011	1,366	47.5	781.6	0.5	3.5	57.2
7	6	Sugar and preps, honey	8,119	2,765	263.1	74.1	1.0	9.5	2.7
8	7	Coffee, tea, cocoa, spices	3,407	1,160	38.5	484.7	0.4	3.3	35.7
9	8	Feeding stuff for animals	2,487	847	78.7	224.6	0.3	9.3	26.5
10	9	Misc. edible products	2,253	767	21.4	62.0	0.3	2.8	8.1
11	11	Beverages	13,713	4,669	20.2	67.5	1.7	0.4	1.4
12	12	Tobacco and manufactures	20,226	6,887	173.3	32.9	2.5	2.5	0.5
13	21	Oilseeds and oleaginous fruit							
14	22	Hides, skins, furskins							
15	23	Rubber, crude		126	205.5	3.5	0.0	162.5	2.8
16	24	Cork and wood	8,069	2,748	812.5	8.9	1.0	29.6	0.3
17	25	Pulp and waste paper	58	20	208.8	0.2	0.0	1056.8	1.2
18	26	Textile fibers and waste	18,589	6,330	1,031.8	1,076.6	2.3	16.3	17.0
19	27	Crude fertilizer, minerals nes	5,173	1,762	51.4	250.3	0.6	2.9	14.2
20	28	Metalliferous ores, scrap	3,640	1,239	520.7	214.8	0.4	42.0	17.3
21	29	Crude animal, veg. mat nes	4,662	1,588	91.4	377.0	0.6	5.8	23.7
22	32	Coal, coke and briquettes	24,993	8,306	59.7	328.4	3.0	0.7	4.0
23	33	Petroleum and products	45,980	15,657	46.4	6,300.5	5.7	0.3	40.2
24	34	Gas, natural and manufactured	1,556	530	1.9	3.1	0.2	0.4	0.6
25	35	Electric current	29,195	9,941	53.9	2.6	3.6	0.5	0.0
26	41	Animal oils and fats							
27	42	Fixed vegetable oil, fat	6,813	2,320	83.4	125.5	0.8	3.6	5.4
28	43	Processed animal veg oil, etc.	197	67	2.8	10.9	0.0	4.1	1.4
29	51	Organic chemicals	9,067	3,056	648.9	291.7	1.1	21.2	9.5
30	52	Inorganic chemicals	9,067	3,088	298.5	270.3	1.1	9.7	8.8
31	53	Dyes, tanning, color prod	6,198	2,110	131.2	72.7	0.8	6.2	3.4
32	54	Medicinal, pharm. products	8,078	2,751	96.1	280.8	1.0	3.5	10.2
33	55	Perfume, cleaning, etc., prod	5,612	1,911	24.1	103.5	0.7	1.3	5.4
34	56	Fertilizers, manufactured	13,223	4,503	1,375.6	1.7	1.6	30.5	0.0
35	57	Explosives, pyrotech prod	832	283	1.4	106.0	0.1	0.5	37.4
36	58	Plastic materials, etc.	11,705	3,986	1,346.4	39.1	1.4	33.8	1.0
37	59	Chemical materials nes	7,446	2,536	236.3	114.8	0.9	9.3	4.5
38	61	Lather, dressed fur, etc.	4,037	1,375	135.6	42.1	0.5	9.9	3.1
39	62	Rubber manufactures nes	10,646	3,625	14.1	48.7	1.3	0.4	1.3
40	63	Wood, cork manufactures nes	15,989	898	244.5	23.9	0.3	27.2	2.7
41	64	Paper, paperboard and mfr	97,651	5,444	407.2	142.1	2.0	7.5	2.6
42	65	Textile yarn, fabrics, etc.	41,542	33,252	1,502.3	3,051.7	12.0	4.5	9.2
43	66	Nonmetal mineral mfs nes	55,054	18,747	6,650.0	110.3	6.8	35.5	0.6
44	67	Iron and steel	20,220	6,885	1,532.7	193.6	2.5	22.3	2.8
45	68	Nonferrous metals	21,021	7,158	328.5	400.0	2.6	4.6	5.6
46	69	Metal manufactures nes	15,154	5,160	302.0	46.3	1.9	5.9	0.9
47	71	Power generating equipment	26,965	9,182	4,902.6	142.6	3.3	53.4	1.6
48	72	Machs for special industries	11,634	3,962	287.8	27.1	1.4	7.3	0.7
49	73	Metalworking machinery	18,933	6,447	980.6	47.9	2.3	15.2	0.7
50	74	General industrial machinery nes	1,532	522	95.6	9.8	0.2	183.4	1.9
51	75	Office machines, adp. equipment	13,803	4,700	2,389.5	85.8	1.7	50.8	1.8
52	76	Telecomm, sound equipment	36,746	12,513	1,249.4	111.4	4.5	10.9	0.9
53	77	Electric machinery nes, etc.	29,775	10,139	3,063.0	54.5	3.7	30.2	0.5
54	78	Road vehicles	7,830	2,666	1,366.7	193.3	1.0	51.3	7.3
55	79	Other transport equipment	1,625	553	35.6	35.2	0.2	6.4	6.4
56	81	Plumbing, heating, lighting equipment	4,735	1,612	32.7	85.3	0.6	2.0	5.3
57	82	Furniture, parts thereof	4,860	293	2.5	79.0	0.1	0.9	27.0
58	83	Travel goods, handbags	16,301	5,551	13.8	193.9	2.0	0.2	34.9
59	84	Clothing and accessories	9,801	3,337	7.0	242.3	1.2	0.2	7.3
60	85	Footwear	7,068	2,407	835.8	31.8	0.9	34.7	1.3
61	87	Precision instruments nes	3,950	1,345	371.0	60.3	0.5	27.6	4.5
62	88	Photo equ, optical goods, etc.	21,640	7,369	500.1	813.9	2.7	6.8	11.0
63	89	Misc manufactured goods nes	21,640	7,369	500.1	813.9	2.7	6.8	11.0
64	95	Not classified elsewhere							
65	97	Not classified elsewhere							
Total			811,463	811,463	37,371.2	21,619.0	100.0		

Source: China Statistical Yearbook, 1991 p. 360 for 1990 data on GVI0, NVIO; China Industrial Census for 1985 date.

TABLE A2.8: TRENDS IN EXCHANGE RATES

Year-quarter	Official exchange rate (Yuan/\$)	Secondary market rate (Yuan/\$)	Weighted exchange rate for exports (Yuan/\$)	Real effective exchange rate (official) (1980=10)	Real effective exchange rate (secondary market) (1980=10)	Nominal effective exchange rate (official) (1980=10)	Nominal effective exchange rate (secondary market) (1980=10)
1987-I	3.72	5.25	4.39	4.05	2.87	5.41	3.84
1987-II	3.72	5.3	4.42	3.96	2.78	5.31	3.73
1987-III	3.72	5.46	4.49	4.07	2.78	5.44	3.71
1987-IV	3.72	5.61	4.55	3.97	2.78	5.24	3.48
1988-I	3.72	5.7	4.59	3.97	2.64	5.17	3.38
1988-II	3.72	6.3	4.86	4.13	2.59	5.23	3.09
1988-III	3.72	6.6	4.99	4.67	2.44	5.60	3.16
1988-IV	3.72	6.65	5.01	4.72	2.43	5.48	3.07
1989-I	3.72	6.65	5.01	4.95	2.64	5.67	3.17
1989-II	3.72	6.6	4.99	5.23	2.77	6.06	3.42
1989-III	3.72	6.55	4.97	5.24	2.95	6.36	3.61
1989-IV	3.89	5.9	4.77	4.86	2.98	6.16	4.07
1990-I	4.72	5.91	5.24	3.93	3.21	5.26	4.20
1990-II	4.72	5.81	5.20	3.96	3.14	5.45	4.43
1990-III	4.72	5.8	5.20	3.70	3.22	5.27	4.39
1990-IV	4.97	5.7	5.29	3.33	3.08	4.84	4.24
1991-I	5.22	5.8	5.68	3.19	2.92	4.75	4.33
1991-II	5.31	5.84	5.73	3.33	2.91	4.95	4.33
1991-III	5.36	5.87	5.77	3.30	3.03	4.93	4.51
1991-IV	5.39	5.87	5.77	3.15	3.02	4.79	4.36
1992-I	5.46	5.95	5.85	3.12	2.87	4.80	4.37
1992-II	5.5	6.25	6.10	3.13	2.75	4.84	4.26
1992-III	5.5	7	6.70	3.07	2.46	4.76	3.81
1993-I	5.73	8.41	7.87	3.16	3.17	4.88	3.35

Source: International Monetary Fund and Staff Estimates.

## POINT OF ORDER

The CHAIRMAN. Does the gentleman from Maryland insist on his point of order?

Mr. HOYER. Yes, Mr. Chairman, I reserved the point of order, and may I be recognized under my reservation?

The CHAIRMAN. The gentleman from Maryland wishes to pursue his point of order and is recognized.

Mr. HOYER. Mr. Chairman, previously on another amendment, the Solomon amendment, I raised the issue with respect to these, quote, "made known" amendments. Members are offering these made known amendments so that they comply with the rules. It is understandable.

In this case I strongly agree with the gentlewoman from Ohio [Ms. KAPTUR], as she knows, and I have been very concerned about the practices of countries around the world, and specifically, of course, the People's Republic of China.

However, the reason I reserved the point of order is to again make the point to the Members of the House to look at the language of this made known amendment: None of the funds made available in this act for the U.S. Custom Service may be used to make, issue, prescribe, take, implement, administer or enforce any determination, finding, rule, order, policy or other action relating to trade relations between the United States and the People's Republic of China when it is made known to the Federal official.

Now, here we do not even know which Federal official it is.

When it is made known to the Federal official having authority to obligate or expend such funds that such determination, finding, rule, order policy or other action has the effect of allowing imports into the United States of products of the People's Republic of China that were mined, produced or manufactured with the use of prison slave or child labor.

I agree with that sentiment.

□ 1445

But let me suggest to the Members what it requires the Federal officials to do. The Federal official, first of all, has to make a determination—was it manufactured, mined, produced with prison, slave, or child labor? So the Federal official must do that, presumably, unless he simply or she simply takes at face value the representation of anybody, because the made-known amendments do not specify who it is, of anybody who calls up and says to that Federal official: Hey, guess what, your rule, regulation, or policy has the effect of accepting goods from China which are produced by slave or child labor.

There is a problem with these made-known amendments. Is the Federal official to simply take that at face value no matter who picks up the phone and calls or writes? A competitor? Somebody who wants to undermine trade? Somebody who wants to attack the importer? Somebody who wants to attack

the exporter in China? Who knows that the motivation might be of the party making known.

I urge the Chair, I urge those making this determination to carefully consider the premise underlying the making in order of these amendments. I would say to the chairman, who is a distinguished member of the Committee on Rules and a leader on his side of the aisle and in this House on rules changes, that we need to carefully review what we are generating in this House, not as it relates to the substance of either the amendment offered by the gentlewoman from Ohio [Ms. KAPTUR] or the gentleman from New York [Mr. SOLOMON], but in terms of what we are getting ourselves into in terms of a policy of telling to our Federal officials who are responsible for carrying out their duties and responsibilities. We are suggesting if somebody calls you up and makes it known to you, you cannot spend any money and you cannot pursue the objectives.

I suggest that makes no sense. Therefore, I again respectfully suggest that the underlying rationale of the sustaining of this kind of amendment as consistent with the rules ought to be overturned.

The CHAIRMAN. The Chair appreciates the recommendation of the gentleman from Maryland.

Mr. KOLBE. Mr. Chairman, I also rise on a point of order, a different point of order.

I make a point of order against the amendment on the grounds that it cites clause 5(b) of rule XXI of the House, and ask that I be heard.

The CHAIRMAN. The gentleman from Arizona [Mr. KOLBE] is recognized on the point of order.

Mr. KOLBE. Mr. Chairman, clause 5(b) of rule XXI states that no amendment that includes a tax or a tariff measure may be considered in the House of Representatives to a bill that is reported from any committee that does not have jurisdiction.

This amendment clearly contains a tariff measure. It is a tariff measure in the form of prohibiting the use of funds in the bill to enforce policies, regulations, rules, relating to trade relations between the United States and the People's Republic of China.

The primary role of the Customs Service in regulating trade relations with China, in fact almost its only one, is to collect customs duties on imports from China. Therefore, this amendment has a direct and inevitable, let me repeat, inevitable effect on tariff revenues.

To be somewhat more specific, first, Customs is the only Government agency directly responsible for collecting tariffs on imported products. Nobody else can do that. Second, the only source of funding for the Customs Service is through the appropriation bill. That is the act we are considering here today.

Third, the United States currently engages in trade with China that in-

volves dutiable goods. Nobody contests that.

Fourth, the operation of this amendment would clearly affect and in some way would arrest the flow of goods. That is, when the Customs Service becomes aware of any imports from China of products using prison, slave, or child labor, even though they have no legal authority, perhaps, to deny them entry into the United States, when they become aware of it, then all funding relating to trade relations between the United States and China would cease. That means Customs has no ability, no funding, therefore no ability, to collect tariff revenues which are now being collected under current law due on the importation of goods that come from the People's Republic of China.

That is why I would argue, Mr. Chairman, that this amendment has an inevitable, a direct, and irrefutable effect on revenues. Therefore, consequently, the amendment is a tariff measure subject to a point of order made under rule XXI, clause 5(b). In light of the fact the measure was not reported by the Committee on Ways and Means, which has jurisdiction on tariff measures, I believe this point of order applies, and I would urge the Chair to sustain the point of order.

The CHAIRMAN. Are there any Members who wish to be heard in opposition to either the point of order of the gentleman from Maryland [Mr. HOYER] or the point of order of the gentleman from Arizona [Mr. KOLBE]?

Ms. KAPTUR. I do, Mr. Chairman.

The CHAIRMAN. The Chair recognizes the gentlewoman from Ohio [Ms. KAPTUR].

Ms. KAPTUR. I listened carefully to the gentleman's argument, Mr. Chairman, on the point of order. I must point out that the section that the gentleman refers to, I think, rule XXI, clause 5(b), this particular amendment that we are offering, which is not the one that was listed in the Congressional Digest this morning, is a different amendment.

The reason that this does not violate that rule is simply because there is ostensibly no tariff revenue collected on these Chinese goods made under these conditions because the U.S. Customs Department should be complying with the law. In other words, these goods should not be coming over our shores, and, therefore, revenues should not be being collected on them.

So this particular amendment is revenue-neutral, unlike, perhaps, another amendment that was being contemplated which might have been proper to raise a point of order against yesterday. This is a different amendment. Therefore, it does not have any revenue impact. It does not violate any jurisdiction of any other committee in this Chamber. It merely asks the Customs Service to enforce the laws that we have placed on them, but it does not have any revenue impact.

Mr. KOLBE. Mr. Chairman, I would like to speak on the point of order.

The CHAIRMAN. The Chair recognizes the gentleman from Arizona.

Mr. KOLBE. If I might respond, Mr. Chairman, I am aware that the amendment that the gentlewoman from Ohio has offered is different, considerably different, I might say, than the one that was the subject of the unanimous-consent agreement yesterday.

However, the point of order that I made was made against that amendment that was offered here today, not against the one that was being offered yesterday. I believe my point of order still applies, most particularly because prison slave and child labor are undefined here. Therefore, child labor is not subject to the legislation which the gentlewoman referred to.

Therefore, if the simple statement is made, as the gentleman from Maryland [Mr. HOYER] pointed out earlier that something is subject to this, then it would be made known, and therefore all funding would cease immediately to the Customs Service for its work in China. Therefore that would have an effect on tariffs.

It is inevitable. It must have an effect. That is the whole point of the gentlewoman's amendment, to have that kind of effect. Therefore, it would have that effect. It has not been reported by the Committee on Ways and Means, and rule XXI clause 5(b) does apply.

The CHAIRMAN. Does the gentlewoman from Ohio [Ms. KAPTUR] wish to be heard further on the point of order?

Ms. KAPTUR. Yes, Mr. Chairman.

The CHAIRMAN. The Chair recognizes the gentlewoman from Ohio [Ms. KAPTUR].

Ms. KAPTUR. Mr. Chairman, I just wanted to take a few seconds to say that if the Chair were to sustain the gentleman's point of order, it would mean that in that act, the Chair sanctions illegal goods coming into the United States with revenue being collected on those goods against the intent of our law. It would also mean that the U.S. Customs Service is breaking the law.

Finally, it would mean that the question for the Member making the point of order is, what illegal goods are coming in and how much revenue is being collected? It is aimed at enforcing current law, which is well-defined in terms of prison labor, child labor, and slave labor. It is merely meant to send a very strong signal to the customs agency that it is time to enforce the laws on the books and the two memoranda of understanding and statements of cooperation with China.

The CHAIRMAN. The Chair would inquire of the gentleman from Maryland [Mr. HOYER] if he insists on his point of order.

Mr. HOYER. No, Mr. Chairman. I withdraw my point of order.

The CHAIRMAN. The Chair is prepared to rule on the point of order that has been propounded by the gentleman from Arizona [Mr. KOLBE].

The gentleman from Arizona makes a point of order that the amendment of-

ferred by the gentlewoman from Ohio violates clause 5(b) of rule XXI prohibiting the consideration of an amendment carrying a tax or tariff measure to a bill reported by a committee not having that jurisdiction.

The amendment offered by the gentlewoman from Ohio seeks to prohibit use of funds made available by the bill for the Customs Service to take any action relating to trade relations between the United States and the People's Republic of China when it is made known to the appropriate Federal official that such action would have a specified effect.

Clause 5(b) of rule XXI provides a point of order against an amendment carrying a tax or tariff measure to a bill reported by a committee not having that jurisdiction. In determining whether a limitation on a general appropriation bill constitutes a tax or tariff measure proscribed by clause 5(b), the Chair must consider among other things whether the limitation would inevitably change revenue collections. As stated on page 655 of House Rules and Manual, the burden is on the Member making the point of order to show the inevitability of the tariff change.

The amendment offered by the gentlewoman from Ohio [Ms. KAPTUR] would cause funding for the United States Customs Service for any action, including duties, rules, and policies relating to trade relations between the United States and the People's Republic of China, to cease when certain information becomes known to the official concerned.

Taking notice of the fact that some of the dutiable goods mentioned by the gentlewoman from Ohio produced in the People's Republic of China currently enter the customs territory of the United States under existing law where tariffs are assessed by the Customs Service using funds in this bill, the Chair finds that the operation of the instant limitation would arrest the flow of certain dutiable imports. Thus, the amendment would inevitably affect revenue collections by the Customs Service.

Accordingly, the point of order is sustained. Are there further amendments?

Mr. HOYER. Mr. Chairman, I do not have a further amendment at this point in time, but I ask unanimous consent that I be allowed to enter into a colloquy with the gentleman from Iowa [Mr. LIGHTFOOT] and the gentleman from Florida [Mr. MICA].

The CHAIRMAN. Does the gentleman from Maryland [Mr. HOYER] move to strike the last word?

Mr. HOYER. No, Mr. Chairman, I ask unanimous consent to allow myself and the gentleman from Florida to enter into a colloquy with the chairman.

The CHAIRMAN. Under this request, does the gentleman from Maryland plan to control the time of debate?

Mr. HOYER. No, sir. I would think that the chairman would control time.

Mr. MICA. Mr. Chairman, I ask unanimous consent to strike the last word.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

There was no objection.

The CHAIRMAN. The gentleman from Florida [Mr. MICA] is recognized for 5 minutes.

POINT OF ORDER

Mr. HOYER. Point of order, Mr. Chairman.

The CHAIRMAN. The gentleman will state his point of order.

Mr. HOYER. Mr. Chairman, is striking the last word in order under the unanimous-consent agreement?

The CHAIRMAN. The gentleman asked unanimous consent to strike the last word. There was no objection, and he was recognized for 5 minutes.

Mr. HOYER. Fine, Mr. Chairman.

Mr. MICA. Mr. Chairman, I would like to enter into a colloquy with the gentleman from Iowa [Mr. LIGHTFOOT].

Mr. Chairman, I am deeply concerned about the practice of the Office of Personnel Management of turning over Federal employees' home addresses to labor organizations. This practice I believe is an egregious violation of the privacy of Federal employees.

On April 17, 1996, OPM, the Office of Personnel Management, put into effect a proposal to give bargaining unit employees home addresses to the labor unions. This was instituted despite a 1994 Supreme Court decision that held in fact that the Privacy Act prohibited unions from obtaining the home addresses of Federal employees under the Freedom of Information Act.

To get around the Supreme Court decision, OPM created what is called a routine use under the Privacy Act. Documents show that the administration lawyers developed this method of evading the Supreme Court's ruling in response to a request from the Vice President.

In light of what I consider the improper and unjustified collection of FBI files of former White House Republican staffers and the release of employees' home addresses, it appears to me that this wholesale invasion of Federal employees' privacy is now becoming the administration's policy.

Unfortunately, according to a letter sent to the president of the American Federation of Government Employees by the Director of Office of Management and Budget, Alice Rivlin, the administration in fact intends that all other agencies will be releasing the names and home addresses of bargaining unit employees.

I commend the gentleman, the chairman, for his distinguished service, the gentleman from Iowa [Mr. LIGHTFOOT], and for including in the report language in this bill language that expresses his concern about the violation of Federal employees' privacy.

However, I urge the gentleman to further address this issue in the conference committee in light of the seriousness of this practice. It may in fact

be necessary to include a statutory prohibition against this practice. I was prepared to offer an amendment today, and I am not going to do that because of the cooperation of the chairman. I would ask if he would be willing to consider proposing that statutory language be included in the conference committee.

□ 1500

Mr. LIGHTFOOT. Mr. Chairman, will the gentleman yield?

Mr. MICA. I yield to the gentleman from Iowa.

Mr. LIGHTFOOT. Mr. Chairman, as the gentleman is aware, I am very deeply concerned about the policy of the Clinton administration to release the home addresses of employees of the Office of Personnel Management. I have included report language that directs OPM to explain, in writing, why it failed to provide any notification to the Committee on Appropriations.

I appreciate the gentleman's concern, and shall be very pleased to further consider this issue in conference. I look forward to working with the gentleman on this very important matter.

Mr. MICA. Mr. Chairman, I thank the gentleman for his cooperation in this matter.

Mr. HOYER. Mr. Chairman, I ask unanimous consent to strike the last word.

The CHAIRMAN. Without objection, the gentleman from Maryland is recognized for 5 minutes.

There was no objection.

Mr. HOYER. Mr. Chairman, I would like to engage in a colloquy with the chairman of the subcommittee concerning the Internal Revenue Service.

Mr. Chairman, both the Secretary of Treasury and I believe that the funding levels provided in this bill for IRS, which are 11 percent below current spending, will adversely affect the 1997 filing season and may in some instances ultimately impede the collection of taxes. I know that this is not the chairman's intention. I also understand that the Senate has a higher spending allocation for the Treasury/Postal Subcommittee. In the event that the subcommittee receives a higher allocation when we go to conference with the Senate, can the chairman share his intentions regarding specific funding levels for IRS?

Mr. LIGHTFOOT. Mr. Chairman, will the gentleman yield?

Mr. HOYER. I yield to the gentleman from Iowa.

Mr. LIGHTFOOT. Mr. Chairman, I would like to commit to the gentleman now that my intentions are to fully fund IRS at a level that would ensure not only a successful 1997 filing season but also an efficient and modernized IRS for the future. My goal all along has been simply to get the tax systems modernization program back on track. Unfortunately, that means taking some very dramatic steps. I understand the legitimate concerns of the gentleman from Maryland and am com-

mitted to scrubbing these numbers as we move toward conference with the Senate. I would also like to point out to the gentleman it was never the intention of the committee to hinder the 1997 filing season. The amounts provided in this bill for 1997 are based on numbers given to the committee by the administration and the IRS. But I can assure the gentleman we will work together to get the right numbers, ones that are built on a solid set of assumptions and are adequately justified. I am optimistic that my distinguished ranking member will be able to join me in this effort as we negotiate our bill with the Department of the Treasury.

Mr. HOYER. I thank the chairman for his remarks. I will be pleased to work with the chairman on this very important issue. I would also appreciate a bit more clarification regarding the operational components of the tax systems modernization program. As the bill is currently written, my concern is that some programs, such as electronic filing, will come to a standstill.

What types of accommodations is the chairman willing to make as we conference this bill as it relates to the operational TSM programs?

Mr. LIGHTFOOT. If the gentleman will yield further, it is not my intent to underfund either the current computer system referred to as "Legacy" or the operational components of TSM. I can assure the gentleman that it is not my intention nor desire to stop successful TSM programs such as the electronic filing initiative developed by IRS. Unfortunately, IRS, has funded programs such as this together with TSM. It is my hope that IRS can give this subcommittee a solid definition of what is considered a legacy system, what is considered an operational TSM program, and what is considered a developmental TSM program. On that basis, we are prepared to fund those successful TSM programs that can be justified in the upcoming year.

Mr. HOYER. I thank the gentleman for his clarification, and I would like to work closely with the chairman on this issue as we have on so many others. I share his concerns that we need to develop a very solid and clear definition of what operational TSM is, what is developmental TSM, and what is considered a legacy system.

Mr. Chairman, I would also like to have clarified the issue of contracting out of TSM and specifically putting the responsibility for a new contract into the hands of the Department of Defense. I cannot support, as the gentleman knows, this proposal. Can the gentleman share with me his intention as it relates to this issue?

Mr. LIGHTFOOT. If the gentleman will yield further, I understand my colleague's concerns on this issue. We have very carefully listened to these points, as we discussed this in subcommittee and full committee. My point here is very simple. I am firmly committed to taking IRS out of the

business of writing this very large contract. Quite frankly, I have not been convinced IRS is capable of managing a contract of this size. There is simply too much evidence to the contrary to ignore. Having said that, as I said in my opening statement, I invite Treasury to the table to begin negotiations with me on who should have responsibility for the contract. I am not wedded to this contract going to DOD. Again, I have listened to the gentleman's concerns. I believe that they are very legitimate. I am very clearly willing to negotiate on this point, but there is one point that I will not negotiate, and that is simply this: The IRS is out of the business of TSM contracting.

Mr. HOYER. I thank the chairman for that clarification.

Mr. Chairman, I have one final point that needs clarification. The bill requires the IRS maintain taxpayer services at 1995 levels. I am concerned that this provision will require IRS to reopen walk-in taxpayer service centers rather than allow IRS to rely on more cost-effective telephone service. Can the gentleman clarify his intent on this provision?

The CHAIRMAN. The time of the gentleman from Maryland [Mr. HOYER] has expired.

(On request of Mr. LIGHTFOOT, and by unanimous consent, Mr. HOYER was allowed to proceed for 5 additional minutes.)

Mr. HOYER. I yield to the gentleman from Iowa.

Mr. LIGHTFOOT. Mr. Chairman, I can assure the gentleman that this provision was carefully written so the IRS can apply it in the broadest way possible. In other words, should IRS feel it is better to provide taxpayer assistance through the telephone, they would simply be able to do so. The only point of this provision is to assure that taxpayers receive the same level of service that they did in 1995.

Mr. HOYER. I thank the gentleman for those comments. I share many of the chairman's concerns as it relates to TSM as he knows, and we have worked together to make those concerns known to the Treasury Department and to the Internal Revenue Service. I believe we must take strong action to be sure this program is ultimately successful and gives us a tax administration system that is efficient and effective. I am committed to working with the chairman on these and other important issues as we move to conference with the Senate. Again I would reiterate my thanks to the chairman for these clarifications.

The CHAIRMAN. Are there further amendments to the bill?

Mr. HOYER. Mr. Chairman, I ask unanimous consent that in lieu of offering the last amendment I have listed that I be allowed to address the House for up to 10 minutes and to revise and extend my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from Maryland?

There was no objection.

Mr. HOYER. Mr. Chairman, let me start by commenting, as I have in the past, that all too often the American public sees on the floor of this House through C-SPAN or through other means the Members fighting in a way that appears that they are not at all conversing or trying to work constructively toward solving the problems that confront this country.

One of the happy instances of my service in the House of Representatives is to serve both as chairman, with the gentleman from Iowa as ranking member, and now as ranking member with the gentleman from Iowa [Mr. LIGHTFOOT] as the chairman.

He is a constructive, positive participant in the legislative process. He is a man that tries to make common sense and to serve his constituents and the people of America as best he can. We have from time to time serious disagreements, and the happy news is that we have those disagreements as friends. I would hope that more Americans could see that happening so that they would have more confidence in their elected officials and in the process which sometimes they come to be frustrated with and lose faith in.

Mr. Chairman, I rise because the chairman and I have had a significant disagreement, but in a constructive way. We have just had a colloquy which clearly indicates that the chairman and I are going to be working together to try to bridge those differences, to ensure the proper operations of the offices under our responsibility.

The chairman and I have agreed on the law enforcement components and, very frankly, I think if we had more money, we would in some ways want to further enhance the law enforcement capabilities of the Treasury Department's law enforcement agencies. They do a critically important job, and I congratulate the chairman for his efforts in that regard.

Mr. Chairman, as I raised in my opening statement, and I want to reiterate, I will be opposing this bill, notwithstanding the fact that I expect to work constructively with the chairman as we go to conference and in conference to hopefully bring a bill back to the House that we can both support and feel comfortable with.

Mr. Chairman, I have referred to a number of items, but in closing this debate in opposition to the passage of this bill, let me raise some specific concerns again to remind the Members why I believe this bill does not do what it ought to do.

First of all, I refer again to the letter of the Committee on Ways and Means. I refer to the committee's letter because it comes from the Republican chairman, the chairman is of the majority party, the gentleman from Texas [Mr. ARCHER].

Quite obviously, I want to make sure that folks know that there is a legitimate policy difference here, not simply

a political difference. There may be political differences but there is a genuine policy difference that is being discussed. That policy difference is whether this bill provides sufficient resources to allow the Internal Revenue Service to collect fairly and properly the revenues due under the existing tax system and provide the funds both to reduce the deficit and to fund very critical services.

I see the chairman of the committee on Veterans' Affairs here. He cares deeply, as I do, about making sure that veterans' services, which we owe them and want to give them for their service to the country, are funded properly. If IRS does not collect any moneys, I tell my friend from Arizona [Mr. STUMP], he will not nor will I have any money to support those objectives.

Mr. Chairman, I have constructed a chart here to incorporate the letter of June 26, and I want to refer to three of its comments, because again in a bipartisan way, the gentleman from Texas [Mr. ARCHER], the Republican chairman of the Committee on Ways and Means, which as all the Members know, oversees the IRS and has the responsibility to make sure IRS is doing the proper thing, as we do on the Committee on Appropriations, but our particular responsibility is to fund those services.

In the letter, the gentleman from Texas [Mr. ARCHER] says this: However, contrary to the assertion in the subcommittee's report that, "within the funds provided, the IRS should be able to accomplish its mission."

That was clearly the premise of the subcommittee because the chairman and the staff want to make sure the IRS can do its duties. But there is a significant disagreement. The gentleman from Texas [Mr. ARCHER] says, "We are very concerned that the funding levels in the subcommittee's mark will seriously impair the IRS's ability to perform its core responsibilities."

I tell my friends in the majority party, that is not some Democrat that is just an apologist for Government. The gentleman from Texas [Mr. ARCHER] is not known as that. He is a responsible American who is chairman of a committee who says that he is concerned because their core responsibilities are important to all the people of America.

The letter goes on to say, again signed by the gentleman from Texas, Mr. ARCHER and NANCY JOHNSON, the majority party's Chair of the Oversight Subcommittee, "We are very concerned that the cuts proposed in funding for IRS Information Systems will seriously endanger the IRS's ability to perform its most important functions."

Again, they are saying you have not just cut the flesh, not just the muscle, you are down to bone in terms of the appropriate carrying out of the responsibilities. We "will seriously endanger the IRS's ability to perform its most important functions, the timely proc-

essing of tax returns," and every American wants their tax return timely processed. Why? Because if they are due a refund, they want it as quickly as possible.

The gentleman from Texas [Mr. ARCHER], the chairman, is saying, we are putting that at risk in this bill.

He goes on to say, "And the collection of taxes impose a collateral risk of impairing the IRS's ability to provide efficient customer services to the Nation's taxpayers."

□ 1515

There is not a Member here that wants to, as is the fear of the gentleman from Texas [Mr. ARCHER], undermine the efficient customer service to the Nation's taxpayers.

Let me refer to one additional item that the gentleman from Texas [Mr. ARCHER] and the gentlewoman from Connecticut [Mrs. JOHNSON], as well as the gentleman from Florida [Mr. GIBBONS] and the gentleman from California [Mr. MATSUI], raise a concern about. We are also very concerned that some of the proposed budget cuts create a very significant risk. Hear me, my friends, hear the gentleman from Texas [Mr. ARCHER].

The gentleman from Minnesota raised the issue about the deficit. The gentleman and I agree on that. Listen to what the gentleman from Texas [Mr. ARCHER], not the Democrats, the gentleman from Texas, who I would think the gentleman from Minnesota agrees is equally, if not more, concerned about the budget deficit than I am. He is certainly equally concerned. We are very concerned that some of the proposed budget cuts create a very significant risk that substantial Federal revenues could be lost, thereby exacerbating the Federal budget deficit problems. That is the gentleman from Texas, Mr. ARCHER, talking, not the gentleman from Maryland, STENY HOYER. We have a serious responsibility to be honest with the American public, and we need to stand and say yes, we want to save money. As I have said before, I voted for a balanced budget amendment on two or three or four occasions and believe in it and continue to support it because we need to bring down the deficit.

The good news in America today is that under President Clinton and the previous Congress and this Congress, we have brought the budget deficit down 4 years in a row. If you look at the graph, it is at its lowest point since it was since 1980, 15 years ago, and it is on a downward slope, and it is the first time, Mr. Chairman, that we have brought the deficit down 4 years in a row in this century. In 91 previous years, 92 previous years, we had not accomplished that objective. In 1993, 1994 and 1996, we brought the deficit down 4 years in a row. We are on the right track.

But what does the gentleman from Texas, [Mr. ARCHER] say? The gentleman from Texas [Mr. ARCHER] says,

and the committee's leadership on both sides of the aisle agrees, we are concerned that the proposed budget cuts create a very significant risk that the budget deficit reduction effort will be undermined. Vote against this bill. Vote for deficit reduction and sound fiscal policies.

**SEQUENTIAL VOTES POSTPONED IN THE COMMITTEE OF THE WHOLE**

The CHAIRMAN. Pursuant to House Resolution 475, proceedings will now resume on those amendments on which further proceedings were postponed, in the following order: the amendment offered by the gentleman from Maryland [Mr. HOYER]; the amendment offered by the gentleman from New York [Mr. SOLOMON]; and the amendment offered by the gentleman from Minnesota [Mr. GUTKNECHT].

The Chair will reduce to 5 minutes the time for any electronic vote after the first vote in this series.

AMENDMENT OFFERED BY MR. HOYER

The CHAIRMAN. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from Maryland [Mr. HOYER] on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 184, noes 238, not voting 11, as follows:

[Roll No. 320]

AYES—184

Abercrombie	DeLauro	Gunderson
Ackerman	Dellums	Gutierrez
Andrews	Deutsch	Harman
Baesler	Dicks	Hastings (FL)
Baldacci	Dingell	Hefner
Barrett (WI)	Dixon	Hilliard
Bass	Doggett	Hinche
Becerra	Dooley	Horn
Beilenson	Durbin	Houghton
Bentsen	Ehrlich	Hoyer
Berman	Engel	Jackson (IL)
Bishop	Eshoo	Jackson-Lee
Blumenauer	Evans	(TX)
Boehlert	Farr	Jefferson
Bonilla	Fattah	Johnson (CT)
Boucher	Fawell	Johnson (SD)
Brown (CA)	Fazio	Johnson, E. B.
Brown (FL)	Fields (LA)	Johnston
Brown (OH)	Filner	Kelly
Bryant (TX)	Flake	Kennedy (MA)
Campbell	Foglietta	Kennedy (RI)
Cardin	Foley	Kennelly
Chapman	Frank (MA)	Klug
Clay	Franks (CT)	Kolbe
Clement	Franks (NJ)	Lantos
Clyburn	Frelinghuysen	Lazio
Coleman	Frost	Levin
Collins (IL)	Furse	Lewis (GA)
Collins (MI)	Gejdenson	Lofgren
Condit	Gephardt	Lowe
Conyers	Gilchrest	Luther
Coyne	Gilman	Maloney
Cramer	Gonzalez	Markey
Cummings	Gordon	Martinez
Davis	Green (TX)	Martini
DeFazio	Greenwood	Matsui

McCarthy	Peterson (FL)
McDermott	Pickett
McInnis	Pomeroy
McKinney	Porter
Meehan	Pryce
Meek	Rangel
Menendez	Reed
Meyers	Richardson
Millender-McDonald	Rivers
Miller (FL)	Roukema
Minge	Roybal-Allard
Mink	Rush
Molinar	Sabo
Moran	Sanders
Morella	Sawyer
Nadler	Schroeder
Neal	Schumer
Obey	Scott
Olver	Serrano
Owens	Shays
Pallone	Sisisky
Pastor	Skaggs
Payne (NJ)	Spratt
Payne (VA)	Stark
Pelosi	Stokes

NOES—238

Allard	Ewing
Archer	Fields (TX)
Armey	Flanagan
Bachus	Forbes
Baker (CA)	Fowler
Baker (LA)	Fox
Ballenger	Frisa
Barcia	Funderburk
Barr	Gallegly
Barrett (NE)	Ganske
Bartlett	Gekas
Barton	Geren
Bateman	Gillmor
Bereuter	Goodlatte
Bevill	Goodling
Bilbray	Moorhead
Bilirakis	Murtha
Bliley	Myers
Blute	Myrick
Boehner	Nethercutt
Bonior	Hall (TX)
Bono	Hamilton
Borski	Hancock
Brewster	Hansen
Browder	Hastert
Brownback	Hastings (WA)
Bryant (TN)	Hayes
Bunn	Hayworth
Bunning	Hefley
Burr	Heineman
Burton	Herber
Buyer	Hilleary
Callahan	Hobson
Calvert	Hoekstra
Camp	Hoke
Canady	Holden
Castle	Hostettler
Chabot	Hunter
Chambliss	Hutchinson
Chenoweth	Hyde
Christensen	Inglis
Chrysler	Istook
Clinger	Jacobs
Coble	Johnson, Sam
Coburn	Jones
Collins (GA)	Kanjorski
Comb	Kaptur
Cooley	Kasich
Costello	Kildee
Cox	Kim
Crane	King
Crapo	Kingston
Creameans	Klecza
Cubin	Klink
Cunningham	Knollenberg
Danner	LaFalce
Deal	LaHood
DeLay	Largent
Diaz-Balart	Latham
Dickey	LaTourette
Doolittle	Laughlin
Dorman	Leach
Doyle	Lewis (CA)
Dreier	Lewis (KY)
Duncan	Lightfoot
Dunn	Linder
Edwards	Lipinski
Ehlers	Livingston
English	LoBiondo
Ensign	Longley
Everett	Lucas
	Manton

Studds	Stockman
Tanner	Stump
Thompson	Stupak
Thornton	Talent
Thurman	Tate
Torkildsen	Tauzin
Torres	Taylor (MS)
Torricelli	Taylor (NC)
Towns	Tejeda
Traficant	
Velazquez	
Vento	
Visclosky	
Ward	
Waters	
Watt (NC)	
Waxman	
White	
Williams	
Wilson	
Wise	
Woolsey	
Wynn	
Yates	
Zeliff	
Zimmer	

Clayton
de la Garza
Ford
Gibbons

Thomas
Thornberry
Tiahrt
Upton
Volkmer
Vucanovich
Walker
Walsh
Wamp

NOT VOTING—11

Hall (OH)
Lincoln
McDade
Miller (CA)

Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Young (AK)
Young (FL)

□ 1538

Mr. KILDEE and Mr. POMBO changed their vote from "aye" to "no."

Mr. CUMMINGS, Mr. VENTO, and Mrs. KELLY changed their vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. SOLOMON

The CHAIRMAN. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from New York [Mr. SOLOMON] on which further proceedings were postponed, and on which the ayes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 107, noes 312, answered "present" 4, not voting 10, as follows:

[Roll No. 321]

AYES—107

Allard	Hastings (WA)	Oberstar
Archer	Hayes	Obey
Bateman	Hayworth	Packard
Bilbray	Hefley	Pallone
Bliley	Hinche	Paxon
Boehlert	Holden	Pomeroy
Bryant (TX)	Horn	Porter
Burton	Hunter	Poshard
Callahan	Jones	Quillen
Christensen	Kanjorski	Quinn
Chrysler	Kennelly	Rahall
Clinger	Kildee	Reed
Coble	Kim	Rivers
Collins (GA)	Kingston	Ros-Lehtinen
Condit	Klink	Sanders
Costello	Leach	Sanford
Crane	Lewis (CA)	Saxton
Cunningham	Lipinski	Schaefer
Deal	Livingston	Schumer
Dia-Balart	LoBiondo	Sensenbrenner
Dingell	Longley	Shuster
Doyle	Markey	Smith (NJ)
Ehlers	Martini	Solomon
Ensign	Mascara	Stearns
Evans	McCrery	Stockman
Ewing	McHale	Tanner
Fawell	McHugh	Tate
Fazio	McNulty	Tauzin
Forbes	Menendez	Thurman
Franks (NJ)	Metcalfe	Upton
Frisa	Mica	Volkmer
Ganske	Mollohan	Walsh
Gejdenson	Montgomery	Weldon (PA)
Gephardt	Neal	Weller
Gilchrest	Ney	Zimmer
Gillmor	Norwood	