and D students were now getting A's and B's. Classes who used his K through 12 math series routinely doubled enrollment and raised college board scores by greater than 50 percent.

Despite the mounting evidence supporting the Saxon method, the math establishment considered him to be a pariah. One journal of the profession dismissed his method as meaningless, while others accused him of turning back the clock on math education.

The cornerstone of Saxon's method is to train students in the fundamentals. Saxon was the Vince Lombardy of math education. He understood the importance of constantly drilling his pupils in the fundamentals like blocking and tackling.

Saxon said that algebra is the basic language of all mathematics beyond arithmetic. He believed higher math skills could not be taught or comprehended by students who were not thoroughly drilled in the basics. To Saxon, the math establishment was like a coach. He was trying to teach his players trick plays before they knew how to run a sweep.

As we consider how to improve math education in this country, we should reconsider what the so-called math education experts have been telling us. The education experts in society ought to be determined by the results that they produce, the impact that they have in the lives of the children, not by the titles or by their degrees that adorn their offices. Saxon's success was due to the power of his ideas, not by the prestige of any position.

Today, Saxon Publishing is growing like crazy, according to the company president Frank Wang. All 50 States and 20,000 schools nationwide use Saxon books, and company sales have quadrupled since 1991. The Washington Post ran a column this week by Wang. He said that, Saxon was in Washington picketing the annual meeting of the National Council of Teachers of Mathematics for their recommendation that calculators be integrated into classrooms. Wang said Saxon would have been surprised that at last month's council meeting Wang was invited to participate in a panel discussion on the role of the basics.

John Saxon is no longer a voice in the wilderness. Today, his legacy is on the bridge of revolutionizing math education in America. As we continue to discuss how to improve math and science education, I encourage my colleagues to let the Saxon legacy lead the way.

CONGRESS MUST ACT ON CHILD CARE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. MCGOVERN) is recognized for 5 minutes.

Mr. MCGOVERN. Mr. Speaker, it is time for this Congress to act and provide early childhood development, quality child care and after-school programs for the children of this country.

In January, President Clinton announced his child care initiative and asked the Congress to provide $20 billion over the next 5 years in support of the largest single investment in child care in this Nation's history. The President's proposal would help working families pay for child care, build the number of quality after-school programs, improve the safety and quality of care, and promote early childhood learning and early childhood development.

I am proud of the fact and proud of the President's initiative to establish an early learning fund, to strengthen early childhood development and support for parents, is based on legislation introduced in this House by myself and my colleagues, the gentlewoman from Connecticut (Ms. DELAURO) and the gentlewoman from Maryland (Mrs. MORELLA).

□ 1715

Last month, President Clinton again asked the Congress to put aside partisan differences and act on his call for new investments in child care but, sadly, the Republican leadership in this House has done nothing, absolutely nothing, to respond to that call.

Mr. Speaker, today, more than ever, America's parents are working. Three out of 5 mothers with children under age 6 work outside the home. Fathers and mothers must spend more hours at the workplace than past generations of parents, putting greater strain on the family to provide quality child care, especially for infants and toddlers 3 years and younger. Yet somehow this Congress last failed to act and, in my opinion, has neglected the needs of American working families.

Now, we are always told that money cannot be found, but over one-third of the funds required to fund the President's entire initiative was to be provided by comprehensive tobacco legislation. That funding was targeted to include not only the strengthening of child care and early childhood programs but investments in medical research and the education and training of quality child care providers. But the leadership in this Congress has rejected these initiatives time and time again and turned their backs on America's children and working families. Instead they chose to embrace big tobacco companies and the campaign funding they pour into Republican coffers.

Last month, a new Rand study found money spent to give children from modest-income and disadvantaged families a good start results in greatly reduced government costs later for remedial education, welfare, health care, and incarceration. In February, more than 170 police chiefs, sheriffs, and prosecutors called on the Federal Government to increase support for quality child care and education for preschoolers, as well as after-school programs for older children. These American law enforcement officials endorsed the President's child care initiative and described its approval as one of the most important steps Congress could take to fight crime.

The message is clear: The benefits to government and society of comprehensive child care, parent training, and early learning and development programs are measurable and far cheaper to provide than trying to rehabilitate young people who have gone astray. Simply put: An ounce of prevention can prevent tons of costly cures later on. Yet the Republican leadership in this Congress remains callous and indifferent to these urgent calls for action.

Mr. Speaker, on Tuesday, just 2 days ago, OMB Director Franklin Raines stated clearly that the administration would not be able to find alternative sources of funding for these initiatives if Congress failed to enact comprehensive tobacco legislation. In spite of bipartisan bills awaiting action in both bodies of Congress that would provide comprehensive tobacco legislation and funding for these critical initiatives, the Republican leadership in the House, in particular, has rejected any tobacco legislation that would channel funds toward child care.

The Republican leadership has turned its back on children, on working families, on the struggles confronting the mothers and fathers of this country, and it is a very ugly gift for this Sunday's Mother's Day.

I want the President to know that there are many Members in this Congress who believe that it is critical to enact tobacco legislation and to target part of those revenues for child care and after-school programs, and I call upon the Speaker and the leadership of this House to listen to the voices of mothers and fathers, community leaders, and child care providers that Congress must act on child care today.

BANKRUPTCY REFORM

The SPEAKER pro tempore (Mr. MILLER of Florida). Under the Speaker's announced policy of January 7, 1997, the gentlewoman from Texas (Ms. JACKSON-LEE) is recognized for 60 minutes as the designee of the minority leader.

Ms. JACKSON-LEE of Texas. As I listened to my colleagues, Mr. Speaker, discussing issues regarding the family, I cannot help but comment as well on an issue as important as the marriage penalty under the IRS code, and agree with my colleagues that we need to move quickly and expeditiously to really do for families rather than talk about families.

I offered in 1997 the Taxpayers Justice Act, which, among other things, had a provision to eliminate the marriage penalty, along with creating a taxpayers' advocacy board simplifying the Tax Code and making sure that those IRS employees who abuse their position were handled appropriately,

recognizing that there are many good hardworking Federal employees. But I think it is important that when we talk about family issues, we need to do for the families. And I believe that in many instances, it is important to do it in a bipartisan fashion.

I want to thank my colleague as well, the gentleman from Massachusetts (Mr. MCGOVERN), for his comments on the very vital and important issue of child care. For he is right; the President has presented a very extensive response to the needs of our working families on child care.

Whenever I go to my district, if there is anything that is talked about more heartily, it is the needs of our children, working women, working men, working families, and single parents. If there is anything that creates a greater degree of panic and frustration, it is the inability to have safe and secure child care. And so the child care tax credit is extremely important.

Flexibility in child care hours, likewise, are part of the necessity of the new work style with so many single parents and different shifts. That is important.

And, clearly, a safe and nurturing environment is a key element to the concept of ensuring child care.

Access. All parents with children should have the ability to be able to pay for child care, to access child care. In many instance, some of the concerns that have been expressed by some of my constituents is the enormous burden, the enormous number of dollars that it takes to provide for their children.

So I rise to the floor, Mr. Speaker, to add another aspect of our concerns for families, for consumers, and something that I think we can do a lot about; and that is, as we move into next week, for the first time since 1978, we will be looking to do a major overhaul of the bankruptcy code.

Now, Mr. Speaker, when we started this discussion just a few short months ago, we had hoped, many of us serving on the Committee on the Judiciary, that this would be not only a bipartisan discussion but, as we waited upon the bankruptcy commission's final review, we really had hoped that it would bring about bipartisan solutions.

I do not know if any were aware of the process of 1978, but it was a serious process: 60 days of hearings over a 5-year period. It was intended to be instructive as well as lasting, long-lasting, in fact, and to bring about consensus. I think that should be the direction of this overhaul. To my sad dismay, we have not had the full hearing or airing of the many different aspects, the many needs that face individuals who find themselves unfortunately entangled in debt so much that they are required to file for bankruptcy.

Now, I think it is important for us to recognize that bankruptcy is not a new concept. And, frankly, most consumers are not so much aware of their neighbor's bankruptcy as they are aware of the savings and loans debacle, the major corporations, real estate companies who folded, and many other large corporations who have taken advantage of bankruptcy through restructuring and reordering their debts.

We know the airline industry faced dire times, and many of those companies went bankrupt. Some famous names that we used to fly; we wondered about their demise. Because of the excess of debt versus assets, they filed bankruptcy. And we do well know that they filed bankruptcy. They filed it and managed to save at least the shirts on the backs of the shareholders. They were able to consolidate debt. They were able to balance debt off of assets. Fair enough. Some people might have disagreed with that. They might have said those big corporations need to pay their bills. I would simply say that has been the American way.

But the tragedy comes now that the brunt of this revision of the bankruptcy code falls on the backs of the consumers, hardworking Americans embarrassed by being overwhelmed with debt, looking to pay back their responsibilities. Now, this is not to say that there are not improvements that all of us should join in. In fact, it is also to acknowledge that it is important for the dialogue that has been going on with credit card companies, credit unions, banks, and landlords.

This is an important and needed debate; what happens when a person files bankruptcy. But it cannot be the overriding factor in determining what the legislation will ultimately be.

Why do I say that? One very prominent lawyer, representing the credit card industry in testimony in our hearings, admitted that the credit cards actually see only 4 percent of their debt go into default. Imagine that, Mr. Speaker. I think that many of us would want those odds. Four percent of the debt going into default at the same time when interest rates on credit cards are 19 percent, 17 percent, 21, 22. How high can I go? Many consumers complain about that; that they paid over and over the actual debt by way of paying the interest rates.

So I believe that we are misdirected and misguided by the very fast and what I would think is a nondeliberative manner in which this legislation will be in markup and then moved to the floor of the House.

Bankruptcy is not a new concept. We have applied the complex provisions of the bankruptcy code to thousands of bankruptcy cases filed by individual debtors. And I would like to share with my colleagues a letter from some of the experts in bankruptcy, the bankruptcy court judges. One hundred ten of them, Mr. Speaker. One hundred ten; many who have been bankruptcy judges for more than 10 years. They have seen the downward trend of our economy. They now see the good times of our economy. They have no axe to grind. They are bipartisan. They are not elected, they are appointed. They have been appointed by circumstances that have input from Republicans and Democrats alike.

They come from different political, intellectual, and economic perspectives and represent every Federal judicial circuit, but they share one common concern: that the legislation presently before Congress would make fundamental changes in bankruptcy for individual debtors that have not been sufficiently considered. Since 1898, the letter goes on to say, an individual's debt has been discharged upon surrender of the individual's nonexempt property and the property has been liquidated to pay the individual creditors.

What does that mean? An individual takes what they have, they liquidate it, they pay off what they can, and they get a fresh start. Fair enough. They do not dodge, they do not run away from the community. They are ashamed, yes. Many people are. For these are people who have grown up in their neighborhoods. These are doctors and lawyers, small business persons, small banks. They have been contributors to their community. They are not scoundrels, criminals, and derelicts.

This proposed legislation would deny this basis for discharge in many cases, listen to this, Mr. Speaker, requiring instead that individuals make payment out of their future earnings for as much as 7 years.

Mr. Speaker, what does that mean? Shackled with their hands behind their back. Forever shackled to the tragedy of their life. Terrible medical conditions, downturn in the economy, tragedy in their family, loss of employment, collapse of their business, bad times. How many of us have not faced bad times?

□ 1730

And yet, rather than taking their assets, as I have seen so many people go through bankruptcy and cry at the loss of heirlooms and special items, or maybe it is just something simple like a bicycle or an old car, but yet those assets have been taken and the debts have been discharged, that person with barely nothing, maybe the roof over their head, can now start anew.

Maybe they have learned a new lesson, to go on and to begin to put their life together again. This bankruptcy revision will say no to that. It will take the mother and the father, the children, maybe they are planning for their college education, they have now learned their lesson and it will shackle them for 7 years.

All that says, Mr. Speaker, is that they will be back in bankruptcy again, maybe through a broken home, a family torn apart through money problems, children not able to go on to college, distressed and distraught.

These bankruptcy judges go on to say that this bill is important, but the changes are too sweeping to be acted upon without thorough consideration. They are alarmed by how little study appears to have been given to the pending bills. They believe and they know

that they are on the verge of going to the floor, and they recount that fewer than a dozen hearings have been held on all of the bills combined.

The oldest bill that has been offered, H.R. 2500, was introduced a little more than 6 months ago. The haste with which these bills are being processed can be seen by comparison, as I said, with the Bankruptcy Code of 1978, where we took 5 years.

We have been discussing the IRS. Mr. Speaker, outrageous claims have been made of abuse of power. But this Congress has held several hearings; legislation is just now coming to the floor of the House in magnitude. I would venture to say that we will be discussing those bills for a long time. But they came out of great ire and frustration and people crying out.

No one has heard from the general public on bankruptcy. No one is claiming that they have been taken advantage of by bankruptcy judges or trustees in large measure. In fact, Mr. Speaker, let me say, I do hear of disgruntled persons who filed bankruptcy and have thought that our trustees or judges have been unfair to them versus someone else. But the system overall does work, and it provides people with a second chance to come back, again to be part of the community.

These judges go on to say that the proposed bills will fail to fully accomplish their intended purpose. Already they are a failure. They will generate unnecessary litigation over unclear terms. How many times have we heard, ''Washington, leave it alone. Leave it alone. Do not make anymore trouble''? We are going to generate more litigation and then impose excessive costs on all of the participants in the bankruptcy system.

Those charged with responsibility for applying the bankruptcy laws, they are urging us, Mr. Speaker, they are urging us to pull the reins on our horse, hold up just a little bit more time, do not rush to the finish line. And they come from so many different parts of our community. The Southern District of California; the Districts of Oregon, of Ohio, Illinois, Arizona, and the Northern District of Georgia; the Northern District of Ohio; the Western District of Oklahoma; the District of Massachusetts; the Southern District of California; the Western District of Washington, Louisiana, North Carolina; the Western District of Texas; the Southern District of Florida; the District of Puerto Rico; the Western District of Kentucky; Wisconsin, New York, Pennsylvania, Kansas; the Western District of Arkansas; the District of New Jersey, Maine; the District of Indiana, Michigan, and Idaho, Iowa, Michigan, Connecticut. They come from so many different parts. Montana, as well, is noted, Mr. Speaker.

That does not seem like a small outcry of reckless and unknowledgeable persons. Those individuals represent the depth of our experience, the individuals that implement the Bankruptcy Code; and they have asked us, Mr. Speaker, to not move this bill ahead. They have asked us to hold up the time and to recognize that we do not have the solutions.

Mr. Speaker, let me share with my colleagues some additional excerpts, because I think it is important to realize that there are those who are speaking on behalf of the voiceless, probably bankruptcy persons who are filing bankruptcies who are in need and do not even realize that within moments the laws will change, totally throw askew the ability to fairly file for bankruptcy.

Mr. Speaker, I draw to the attention of my colleagues a letter from 57 academics who are, likewise, concerned about the proposed legislation. There are 875 years of experience combined in these 57 professors who teach bankruptcy law, who understand what the tool was to be utilized for. They remind us again in 1978, 60 days and 5 years. They express their concern about the quality of information presented at the few hearings which we have held. Sitting through some of those hearings, I too recognized that much of what was said seemed to be focused specifically on those who are in the credit business.

Mr. Speaker, I would think an immediate solution would be to acknowledge several things. Americans are bombarded by credit offers. Americans, starting at the age of a high school student, can probably get a credit card sooner than they can get their driver's license.

Mr. Speaker, what about those letters that come in the mail and say, with a printed, look-alike check with someone's name on it preprinted, ''Take this to your bank and you have got $10,000.'' That is a credit offer, Mr. Speaker.

What about the many credit cards that come in through many different affiliations? Some of us get them from our alma maters. Of course, we take pride in those. But it is nothing more than credit, nothing more than free, loose credit.

What we really need, Mr. Speaker, is a stand-alone bill that educates the consumers, educates the consumers about how to use credit effectively and responsibly. I would imagine, Mr. Speaker, that we would have all of these bankruptcy judges whom I have just alluded to, all of these academics whose letters I am about to share with my colleagues, joining us in saying, if nothing else, that is the right step. Teach the single parent, the divorced parent, the single person, the senior citizen, teach them, the small business owner, how to effectively use credit.

Now, I am not charging that credit is not an important aspect of our financial infrastructure in America. In fact, it is well-known, and let me thank them, that many small businesses who are now successful today started with a credit card loan of $1,000 or $2,500. Might I add, as an additional insight, many of my constituents African Americans, Hispanics, and women who have had a tough time getting actual, traditional bank loans have started their businesses with credit cards; and they in fact have benefited, paid it back, and their businesses have grown.

So this is not to undermine or to eliminate access to credit or credit cards. But I do not think there would be much disagreement that the overuse of credit cards, the bombarding of credit card offers have been some of the real reasons why we have seen in many instances the utilization of the Bankruptcy Code and process and why many of our citizens have fallen upon hard times, along with other items that might contribute.

These particular academics said again that they are concerned about the kind of information that we got at the hearings. The studies that have been the driving force behind many proposed reforms appear to have been inadequate and to have emphasized the interest of institutional creditors. To date, virtually no one has spoken for those Americans who have declared bankruptcy or who may one day be forced into that position.

In fact, Mr. Speaker, we were very short on persons who were there and who had filed for bankruptcy. How can we bring about a consensus by not having those true partakers of all shapes and sizes that can literally tell us what they went through, what would help them, what would help them not file again, how the code or the process worked for them? Are we ashamed of people who own up they just did not have the financial ability to pay their debts, help them out, and find a way to make sure that whomever they could pay, they would? I find it disappointing.

How difficult it was that we as Democrats attempted to make the point, slow down, where are the other witnesses? But yet, our voices were unheard. We made the record. We will have the record to stand on. But, Mr. Speaker, I am here to get solutions. And I will be looking to draft legislation that stands alone, that speaks directly to the question of educating consumers responsibly about using credit. That is where we can get bipartisan support and help. And let the rest of these major revisions, which cause an imbalance on the scales of justice, creditors high up and debtors low down, let that be stalled until we can hear from a broader cross-section of Americans about this Bankruptcy Code.

''Aside from the Tax Code,'' the letter goes on to say, ''and the Social Security laws, no other Federal law affects more Americans.'' I think that is the point that I am trying to make, Mr. Speaker. Bankruptcy is not a popular discussion. April 15, everyone knows the IRS, the Internal Revenue Service. They are filling out those papers, willingly or unwillingly.

Social Security has been the lifeblood of many in our community. They know those words, Social Security.

Bankruptcy, albeit utilized quite frequently, the very reason why we should go slow is because many people do it under duress, unwillingly, because they are still struggling to try and pay those bills on their own.

Just recently one of the talk shows had the youngest bankrupt filers, and I remember an excerpt in particular where a youngster, maybe a young woman or a teenager, used a credit card to buy something for 25 cents.

Mr. Speaker, credit is rampant in this country, and that is what we really need to be talking about. This is what this Congress needs to be, a problem solver, not a creator of problems. And that is what we are doing with this Bankruptcy Code, Mr. Speaker. Bankruptcy brings about shame, but yet it is equated with the Tax Code and Social Security.

My colleagues would not see us overhaul the Tax Code. In fact, in my bill, the Taxpayers Justice Act that calls for the simplification of the Tax Code, I know that there is a long journey for that legislation to follow.

We know that the Tax Code is enormous. But we are not going to do it with meager hearings. It is going to take a while.

This whole question of preserving the Social Security Trust, now that we know that 2032 is when we will see it faltering, it is going to take an enormous number of years. We are committed to preserving Social Security. But what about bankruptcy and the procedures that keep this country going? Few people talk about it because they file in the dark of night, in silence, because, Mr. Speaker, people are not filing recklessly or they are not filing to abuse the system.

They are not filing happily. They are filing, Mr. Speaker, because they have come upon hard times that any one of us could face, any one of us with catastrophic illnesses, children with catastrophic diseases requiring transplants, or long illnesses of a loved one who is tragically injured, personally injured or disabled, maybe the breadwinner, and that family now has to turn to other resources.

Are we, Mr. Speaker, going to apply these new revisions raising the cap on who can apply, taking their earned income 7 years down the road?

□ 1745

For some of those families caring for a loved one, that is taking all of their money. You might literally be putting those families out on the street because they cannot clear their debts.

It is very evident, Mr. Speaker, that most, as the letter goes on to say, individuals who file bankruptcy are average middle-class Americans focusing on one interest, that of creditors, and in particular creditors who hold credit card debt. But focusing on this one interest tends to mute the voices of the millions of other Americans affected by bankruptcy law. This imbalance affects more than debtors. When debt institutions hold the stage and suggest the changes, noninstitutional creditors such as former spouses with support claims stand to lose. Do you know who stands to lose? Children. Children of these individuals who have maybe gone a little bit over their head.

These law professors as well come from all manner of political philosophies. Creighton University, the University of Kansas Law School, Rutgers, the University of Chicago, Emory Law School, the University of Iowa College of Law, Seton Hall, Indiana University, the University of Arizona, Cornell Law School, Emory again, Georgia State, University of California at Los Angeles, Creighton University, University of Memphis, the College of William and Mary, California Western School of Law, Northwestern University School of Law, Capital University, the University of Tulsa, Arizona State, the University of Connecticut. The University of North Carolina at Chapel Hill, the University of Pittsburgh, Franklin Pierce, Boston College Law School, Duke University, Indiana, New York University, University of California again at L.A., Florida State University, the University of Missouri Columbia, the University of Tennessee. So many. The University of Wisconsin, San Francisco, Harvard, University of Wyoming, University of Texas, Columbia University, George Washington University, University of Michigan, Tulane, Santa Clara, University of Miami, Washington & Lee, Gonzaga University, University of Baltimore.

Mr. Speaker, this collective thought should be an overwhelming statement that we are going just too far. And so, Mr. Speaker, I think it is important that the facts be put on the table. We need to be able to understand that in order to address the question, you have also got to have the facts. I would add along with the facts, let us have a little compassion. In works done by Elizabeth Warren, Leo Gottlieb Professor of Law at Harvard Law School where she summarizes her research, she provides for us information that about 1.4 million families will file for consumer bankruptcy, a rise of about 400 percent since 1980.

> Virtually all independent academic study and all government studies of the increase in bankruptcy demonstrate that the rise in bankruptcy filings follows equally sharp rises in the amount of consumer debt per household.

So there it is. I would like to see someone refute the fact that this enormous amount of consumer debt has contributed to the upward climb in bankruptcy that rose sharply in 1986, dipped in the 1990s, and a steeper rise since 1994.

''Families carry short-term high interest credit card debt and they are more at risk for failure.'' Because what happens, Mr. Speaker, is when you have got that credit card debt, no savings, any setback such as a job loss or uninsured medical loss, catastrophic illnesses, divorce, death can bring about this debt. I know it full well. Houston, Texas in the 1980s suffered an oil bust that we never thought we would see. Texas is an oil State. We are proud of it. Much happiness and wealth came about through the speculation and the exploration of domestic oil deposits. We had people who were wildcatters and proud of it. As a lawyer in Houston, small energy companies proliferated, some successfully, some not. But when the oil bust hit, I can assure you, Mr. Speaker, tragedies befell our community. Many of those persons were the backbone of our charitable giving. We saw major layoffs. Similar to the defense fall in California, when people just walked away from their homes, when neighborhoods became valleys of desperation, that is what happened in Houston. Suburban communities became desolate. People in their frustration had to walk away. That was not a pretty sight. I can assure you those individuals who had the wherewithal to use the bankruptcy process were not doing it willingly.

''New academic research,'' Professor Warren says,

> demonstrates that as a group the debtors who file for bankruptcy in the mid-1990s are worse off than their counterparts who filed in the 1980s. Their incomes are lower, their debts are higher. These data suggest that as a group Americans are less willing to declare bankruptcy. They file when they are so pressed financially that they have no alternative.

I think it is important, Mr. Speaker, to realize, maybe that is what will slow this down. Maybe if we could stop the name-calling and the belief that everyone is trying to run away from the credit debt that they have, the car loans that they have. Here it is right here. The data suggest that it is the last resort. Are we, Mr. Speaker, going to take the last lifeline from a drowning man or woman, this bankruptcy code, and tell them, ''You drown''? That is what this bill does.

> Bankrupt debtors are a cross-section of America. People who file for bankruptcy have educational levels on par with all other middle-class Americans. They work in the same occupations and in the same industries as other middle-class Americans. They are employed and they own homes in roughly similar proportions to all other Americans.

By every social measure, they are middle class. But, Mr. Speaker, the real point is they are decent Americans. We have got them, holding them up to ridicule, to embarrassment and now we are going to do the final blow. ''We will get you, we will change the requirements so you won't have any opportunity to save dignity, to remain in your community, to send your children to college.''

Mr. Speaker, let me give you the roll call of the consumer bankruptcies as Professor Warren outlays for us. Let me give you the enemies list that this bill is going after. Older Americans. I tell you, they fight it tooth and nail.

But because they take on less consumer debt per household, older Americans end up in bankruptcy less frequently than their younger counterparts. But when they do file, a larger fraction, 40 percent, explain that they are driven to bankruptcy by medical debts they cannot pay. Medicare does not pay it, insurance does not pay it. Older Americans also suffer from job losses and job erosion so that two-thirds of the debtors age 50 to 65 cite either a medical reason or a job reason for their bankruptcy filings.

The next culprit, the next one on the roll call list, the next enemy, women raising families. In fact, both men and women, the report goes on to say, file bankruptcy following a divorce. Collectively, the bankruptcy sample has 300 percent more divorced people than the population generally. I can attest to the many women who are divorced and who I have interacted with who have indicated the real difficulty of getting their financial situation in place. Texas is a community property State. But in many instances in a divorce, much is lost, the sharing of assets, many of it is debt. The women are left with limited assets. They may not have worked, they may have been homemakers caring for the children. They have to scramble to get employment. That employment does not pay the share of the debts left for them. Families already laden with consumer debt cannot divide their income to support two households and survive economically.

Mr. Speaker, the real victim who is added to the enemies list now is and will be the child, the children of that family. This is outrageous. We have a bankruptcy bill, Mr. Speaker, that does not even protect child support as protected income when you file bankruptcy.

Mr. Speaker, that is why I will offer amendments and, if need be, a free-standing bill to protect child support as protected income for the receiver of the child support and the renderer of the child support. How outrageous can we get? So that if you pay child support right now, as this bill proceeds you would have the opportunity, if you will, to lose it, because it goes into the pot that pays all the credit card companies, the car loan, and other debts while those children waiting for the monthly stipend to help pay for clothing and food and medical expenses goes untaken care of. And the payer of the child support, who is well-meaning and well-intended and the one who wants to escape, for there is no doubt that it is well-known of the enormous numbers of women and the custodial male parent who needs child support who do not get it because one parent escapes to another part of the country, that is one of the most serious problems that we are facing in many of our communities, children untaken care of, because the parent who is not the custodial parent does not provide support.

Mr. Speaker, do we want to add more to the rolls? I would hope that everyone, women who receive child support, will join me in their ire but also their advocacy for ensuring that whatever happens, that we do not destroy the protection of child support, join me in support of this legislation and this effort to ensure a bill that is broken and should not proceed at least does not destroy the remaining remnants of a family trying to take care singularly of children who are in need.

I already mentioned the oil bust, the defense bust, if you will, in California, many other busts throughout the country, farmers who we have worked with, particularly the black farmers who are facing strife in dealing with trying to be compensated for ills that this government perpetrated against them. Many had to file bankruptcy, many had to lose their property, many became unemployed, so the next culprit on the roll call list, unemployed workers. I did not say, Mr. Speaker, workers who never worked. I never said those who cast about in our community as some people allege, never looking to be responsible. I said unemployed workers, union workers, working men and women, defense contractors, workers who work for the government, local government, county government, and they have been laid off. More than half the debtors who file for bankruptcy report a significant period of unemployment preceding their filings. For single-parent households, a period of unemployment can be devastating. Of course, married couples may fare a little better than or slightly better than, but they still have the harshness of one person being unemployed. And you will find, as Professor Warren goes on to say, that many times the wife is unemployed before bankruptcy is filed.

Just yesterday we addressed the question of the Riggs amendment about affirmative action and the question of whether it was needed in higher education. I want to thank the House of Representatives for, in a bipartisan manner, voting against eliminating affirmative action across this Nation. They took the high moral ground.

Let me give you another population of persons that are uniquely placed on the bankruptcy rolls. Here is another group to add to the enemies list. African-American and Hispanic families are overrepresented in bankruptcy. Now, someone who wants to give a negative taint to this, Mr. Speaker, would simply say, ''Here they go again.'' But they don't go again. That is not accurate. They face job loss and medical debts as their counterparts in the larger community. But what happens is, is that in the African-American and Hispanic communities, their home represents their greatest asset. Their savings are limited. They do not have as much in savings as the larger community.

□ 1800

The deep pockets are not there. They do not have a lot of retirement plans and portfolios, stock portfolios and other real estate investment. So a larger fraction of the African-American and Hispanic filers are in position to lose their homes, and so they are reaching out for a lifeline in order to be able to save their home. Debt secured by home mortgage or home equity line of credit cannot be stripped down or reduced any way in bankruptcy. And most families will also continue to make car payments. They need their cars, and they will lose them if they do not pay.

That goes to the answer of why people file bankruptcy, and what does it do. Chapter 7 discharges all its short-term, high-interest debt, principally credit card and finance company debt, along with some medical debts. However, after that, the bankrupt person must make all payments on the family home, including interest, late charges, and penalties or they will lose their homes. They must also pay off any second or third mortgages plus any home equity lines of credit or risk losing the house.

They will do that, Mr. Speaker. The families will continue to make that effort. But they sure cannot do it if you going to take their future income for 7 years. They sure cannot get to work if you take their car because they are taking the money to pay off debts rather than having discharged it on the assets that they would have.

Let me remind you again, Mr. Speaker, I gave you a number. Four percent of the credit card debt in America is defaulted. Thus, in fact, for people who believe that Chapter 7, Professor Warren says, is a get-by type of relief, I got you, I got you; it is not, for families are still paying off debt. But what they can do is they can concentrate more effectively on the moneys that keep the roof over their head to pay the alimony and child support to take care of back taxes and education loans and the heavy burden of other debt, yes, that they mistakenly took, is off their shoulders. They can raise their head up a little bit, they can be part of the community, they can become more stable. They can possibly take classes that teach them how to be more responsible in the utilizing of credit.

You will find that the mortgage company and the ex- spouse and the IRS and the child are more likely to collect, and to the extent that these debtors are thrown out of the bankruptcy system, they will not stabilize financially, this report goes on to say, they will just crumble and collapse. They will become nonentities, disappearing from the formal community structure, possibly going on public assistance and, as well, Mr. Speaker, going back rather than going forward.

It is extremely important, Mr. Speaker, that we recognize that to destroy the bankruptcy system that has not cried out for major change, there has not been a public outcry or uprising, and here we are trying to fix something in Washington; here we go again, seeking to have people pay 7 years in

the future, taking literally the roof off over their head, the car out of their driveway, telling them that you just need to crumble.

In the instance of Chapter 13; that is, as Professor Warren notes, these are people who volunteer to pay some portion of their debts over 3 to 5 years. For over 15 years, however, two out of three of the debtors who filed for Chapter 13 do not make it through a repayment plan. Why? Many face unemployment; it is just too long. For many, however, the reason is simple; they do not earn enough money.

So Chapter 13 repayment plans fail and they leave the system and they disappear, whereas Chapter 7 takes the debt away from them, gets them back into paying those most vital and important bills that they have to pay.

I hope to be home this weekend, Mr. Speaker, and listen to the voices of my constituents. I have already listened, and I have not heard a major outcry of the consumers who use debt. I have not seen evidence of the need for the complete overhaul as expeditiously as we are doing it, Mr. Speaker. I do believe that more deliberative hearings, more balanced hearings, can answer the questions of the community of credit card companies, the community of retailers, the community of credit unions, all good people. In fact, quietly one might find that they know what filing bankruptcy means. It is not a respecter of persons, Mr. Speaker. But it does, it does help a drowning man or woman.

Why would we want to be in the United States Congress and be the very articulators, if you will, the very implementors of legislation that would take away the lifeline of hardworking Americans?

I want to take a moment, Mr. Speaker, to really focus on women as creditors, because I think that women need to realize that this quiet legislation working its way through the process like the bionic minute, going against time, traveling at the speed of light, really is going to hurt women.

In Bankruptcy and Single Parents, again Professor Warren notes that current law gives women priority in collection. During 1997, an estimated 300,000 bankruptcy cases involved child support and alimony orders. In about half of these cases, Mr. Speaker, the woman was the creditor trying to collect alimony and child support. And, Mr. Speaker, as I have said, now we want to pass legislation that heightens credit cards and others and lowers women and children.

Alimony and support obligations are not dischargeable. The pending legislation largely supported, as I said, by many of the credit card companies, would put credit card charges on the same footing as support obligations.

Now what does that mean, Mr. Speaker?

It simply says that the big guns will get that poor and despondent filer of bankruptcy over the ex-wife or the child, because when you have to enforce the order and you are equal, then I would simply say that the person with the deep pockets is going to be able to get that money first and faster.

Currently, alimony and child support, past taxes and educational loans survive a Chapter 7 bankruptcy. Recipients of child support and alimony are benefited with their financially troubled ex-spouses, can discharge their own debts and get their finances in order so they can make the payment on their nondischargeable debts including their alimony and support payments.

So what happens now is you get rid of those debts and you begin to pay those, where others are depending upon you for their actual survival. But now, if these changes are made, whereas right now we have a shot at getting that money, if the changes are made, you can be sure that the ex-spouse, the mother, the father who has custodial care, who needs those support payments or in fact alimony payments for that divorced person who has no other means of support, will be out there swimming with the sharks, if you will. They will be fighting with others, trying to get the few pennies that will keep the roof over their head, bread on their table, a doctor seeing them for their medical ailments.

Mr. Speaker, if I sound dire and distressed, I am; because this bankruptcy revision is wrongheaded and misdirected.

Even today in Chapter 13, ex-spouses currently enjoy a preference in repayment. Typically, past-due alimony and child support can be paid on an accelerated schedule in Chapter 13. The proposed amendments would force debtors to pay all unsecured debt in pro rata installments with nondischargeable debts, cited by Professor Warren in Bankruptcy and Single Parents.

Mr. Speaker, what it would do is it would certainly draw the curtains down on the survival of many families in America.

Mr. Speaker, this Congress rises to the floor of the House so many times, and it speaks about family values, protecting the family, the sanctity of the family. Well, I am ashamed to tell you, Mr. Speaker, that this bankruptcy revision, or revisionist bankruptcy activities, does not even protect our tithe.

I offered an amendment there as well, Mr. Speaker. There are many in our communities, our religious communities, whose biblical teachings instruct them to tithe, to separate out moneys to give to the One that they believe in. We have always spoken, Mr. Speaker, of the separation of church and State. This Congress has also raised its voice about how important religion is, even to the extent where I disagree, where they have intruded upon religions by certain amendments forcing different religion on persons of different religions. I am a believer in the separation of church and State and the freedom of religion, and hold with high degree of respect and reverence the right for all Americans to practice their faith. I believe in that. But do you mean to tell me that we would have the audacity to pass legislation, Mr. Speaker, that would announce that a tithe is illegitimate?

How can that be true; tithe is now illegitimate? And that means, Mr. Speaker, that I would be assessing your religious beliefs that tithe would not be protected income.

Now, Mr. Speaker, I am not asking that this be allowed with no documentation. I am simply saying to you, Mr. Speaker, that there is all manner of ways to document that tithe has been given over to the religious institution. The religious institution can provide the receipt, certainly documentation on behalf of the debtor; but the importance factor, Mr. Speaker, is that we need to acknowledge that we have no business in taking money from those who cannot pay their other bills.

I want to simply show you, Mr. Speaker, so that we can set the record straight about those individuals who apply for bankruptcy so that no one will have any impression again that these people are rolling in money.

I think I heard testimony in one of the few hearings that we had: Well, you know it is these rich professionals that are running off and using the bankruptcy code recklessly and unfairly, and we are being burdened by their debt.

Again I remind you that on the credit card debt we are paying high interest rates. I would imagine that many have paid that debt over and over again, over and over again.

But this chart shows us, and that tall pole there that you might be seeing shows us, that the median income in filing for bankruptcy in 1997 dollars, you have got $42,000; in 1981, $23,000; 1991, $18,000; 1995, $17,000; and then 1997.

□ 1815

It shows, Mr. Speaker, that it is not the rich person that tries to take advantage on the consumer end, but it is the hard-working, struggling, taxpaying citizen of this country with a number of children who is trying to make ends meet.

This proposed legislation would burden larger families. Again, I refer my colleagues, Mr. Speaker, to whole concept of the sanctity of families, preserving families. In fact, this legislation that would be revised, Mr. Speaker, would hurt families who are struggling to stay together.

Mr. Speaker, I hope this evening that some eyes have been opened, that although the Bankruptcy Code does not ring special, does not have the ring of Social Security or the IRS, does not ring a bell, that what we have laid out this evening will certainly speak to the issue, hold it up.

Do not mark it up and certainly do not bring this bill to the floor of the House, for if we talk about a revamping

of the financial services industry, which has taken some time, but within minutes we are talking about overhauling the bankruptcy structure, which, Mr. Speaker, will undermine the infrastructure of this country, will have people fleeing their communities. Tragedies will befall families who are overwhelmed with debt and are only looking for a lifeline to renew their commitment to this system and to begin to pay their bills, child support, not protected; alimony, not protected; older citizens, violated and cannot file on the basis of this legislation; unemployed persons now unable to do so; people with catastrophic illnesses.

My call, Mr. Speaker, is to make sure we protect our children, and I am working on the support legislation and the alimony legislation to make it protected income. But most importantly, Mr. Speaker, I am calling for this bill not to be brought to the floor of the House, and if it does come here, that ultimately it is vetoed by the President of the United States. I am standing on behalf of hard-working Americans to ensure, Mr. Speaker, that we have a deliberative process that balances the needs of businesses with the needs of consumers, and educates consumers against credit use and abuse, and educates the credit-givers against bombarding America with all kinds of miscellaneous credit.

Mr. Speaker, I think if we can do that, we can find a way for the bell to ring on the bankruptcy revisions in a consolidated manner that has consensus, Mr. Speaker, and speaks on behalf of the American people.

BETRAYAL OF AMERICANS BY AMERICANS

The SPEAKER pro tempore (Mr. PEASE). Under the Speaker's announced policy of January 7, 1997, the gentleman from California (Mr. ROHRABACHER) is recognized for 60 minutes.

Mr. ROHRABACHER. Mr. Speaker, today I rise again to discuss one of the most disturbing issues with which I have had to deal since being elected to Congress 10 years ago. The facts are still being uncovered, but it appears now that America has been betrayed, betrayed by several large, high-technology corporations and by the Clinton administration.

I do not use the word ''betrayal'' lightly. When Bill Clinton was elected President of the United States 5 years ago, we could confront wrongdoing on the part of the Red Chinese with little direct threat to the United States. This, unfortunately, is no longer true. In the future, should we confront the Communist Chinese over an act of aggression, perhaps against our friends in the Philippines, for example, where the Communist Chinese are trying to occupy some of the Spratly Islands by force, and the Filipinos have no ability to defend themselves, but in the future when the Communist Chinese commit these acts of aggression, they will have the capability of launching a missile from the mainland of China and landing a nuclear weapon in the United States. This puts every man, woman and child in our country in jeopardy.

How is it that the Communist Chinese have improved their missile capability? You better sit down, Mr. and Mrs. America, because it appears that several large American high-tech corporations, in collusion with the Clinton administration, provided technology to the Communist Chinese that perfected their nuclear weapons delivery systems, and you can read that, ''missiles.'' American technology is being used to upgrade the capability of the Communist Chinese to launch a nuclear strike against the United States. It takes the wind right out of your lungs, does it not, just to think about it? If this is true, it is the worst technological betrayal of the American people since the Rosenbergs. This is nothing less than a catastrophe for the security of our Nation and the safety of our people.

So if it did happen, which there seems to be evidence that it did, how did such a thing happen? First and foremost, pushed by corporate leaders eager for profit and liberal foreign policy polls, America has been walking down a dangerous and counterproductive road with the Communist Chinese for a decade. Yes, reasonable people can disagree. Even I was optimistic before Tiananmen Square. I was optimistic that China would evolve out of its Communist dictatorship and perhaps evolve into a freer society, perhaps even a democracy. And, in the late 1980s, when there were clear signs of an evolution in the right direction, a policy of goodwill, sincerity, and on building the Chinese economy through trade made sense, even if it meant at the time that the trade between us was a little bit unequal; and was unequal, certainly.

But all that changed, Mr. Speaker, on June 4, 1989. What happened in Tiananmen Square was not just a massacre of several thousand unarmed Chinese students, it was an internal declaration of war against democracy and human rights and all of those decent people in China who advocate more humane and democratic government.

All those who claim that doing business with China will make that country a more open and free society have been proven wrong. That trend, which we saw in the 1980s, was reversed. That trend for the last 10 years has been in the opposite direction, even as massive investments have been made in these last 10 years since Tiananmen Square in China.

Ten years ago there was a reform movement in China. There was hope for an evolution in Tibet; there was the growth of Christianity. Today, all the reformers have fled or are in jail or are dead. Christians, Tibetan Buddhists, Muslims, all of the religious believers alike, are being persecuted with increased and renewed intensity.

Even as the Chinese regime shoots its prisoners and sells their body organs in order to make money from this gruesome task, during these last 10 years, the investment in China from the United States has accelerated, even as we continue to go in the wrong direction, totally disproving this theory that all we have to do is trade with these people.

It is the idea that if we just trade more with Hitler and interact with him socially, we are going to make Hitler into a nice, fuzzy, warm liberal instead of a Nazi. That, of course, was stupid. Hitler and Germany at that time, as well as Italy, were economically advanced countries. The same with Japan, an economically advanced country, yet they had vicious dictatorships in the 1930s. Our businessmen traded with these people. They did their best to establish economic ties with these people. Yet the Japanese militarists, the Nazis and the Fascists, they just drove their tanks right over the hopes and dreams of all of these people who were wishful thinkers.

China today is the worst abuser of human rights on this planet. It maintains a 30 to 40 percent tariff on all U.S. imports, while at the same time the Chinese consumer products are flooded into our market with a 3 or 4 percent tariff. So here we have a country that is the worst human rights abuser in the world today, a dictatorship, a country that is belligerent towards the West and has been giving technological secrets to the Iranians and other terrorist states, yet we have given this country the right to import with a flood of imports into the United States of America consumer goods at only 3 or 4 percent tariffs, while their tariffs are 30 or 40 percent at times on American goods.

Who negotiated that treaty? Who was watching out for our interests?

The Communist Chinese continue to enjoy a $40 to $50 billion trade surplus with us because of this unfair trade relationship. No wonder, when we permit that to keep an unfair trade relationship, to keep a situation where they can charge us tariffs on our goods and they get to flood theirs in here and they make $50 billion a year, no wonder they do not take us seriously when our leaders talk about human rights.

They must know that when Bill Clinton, as President of the United States, is talking about human rights, he is only doing it for domestic consumption, because if he really meant it, he would do something that would threaten this $50 billion trade surplus that they have.

And what are they doing with their trade surplus? They are building weapons. They are building ships and missiles and military weapons that will someday threaten the United States, and in fact, their missiles already threaten the United States.

President Clinton, reversing an election commitment to oppose Most Favored Nation status for China has