

EXTENSIONS OF REMARKS

APPOINTMENT OF THE COMPTROLLER GENERAL AND DEPUTY

HON. DAN BURTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 22, 1998

Mr. BURTON of Indiana. Mr. Speaker, today I am introducing legislation to change the appointment process for the Comptroller General and Deputy Comptroller General. These officials are now Presidential appointees even though they are part of the Legislative branch, not the Executive branch. Consistent with their status as Legislative branch officials, my bill provides for their appointment by the Congress. The bill would not alter in any way the independence and non-partisanship of these officials or of the agency they head, the General Accounting Office.

Under current law, the Comptroller General is appointed by the President, with the advice and consent of the Senate, to a 15-year term of office. The law provides for a bipartisan, bicameral Congressional commission to recommend individuals to the President as potential appointees for Comptroller General. The commission is composed of the Speaker of the House, the President pro tempore of the Senate, the majority and minority leaders of the House and Senate, and the chairs and ranking minority members of the House Committee on Government Reform and Oversight and the Senate Committee on Governmental Affairs. The same commission, with the Comptroller General as an additional member, makes recommendations to the President for Deputy Comptroller General.

When the General Accounting Office was created in 1921, the Comptroller General was made a Presidential appointee. This was because GAO's original functions were almost entirely "executive" in nature and, therefore, had to be vested in an "officer of the United States" appointed by the President. However, GAO's functions have completely changed since 1921. Over the years, its preeminent role as a Legislative branch agency providing direct support to Congress emerged. At the same time, its "executive" functions virtually disappeared. Indeed, the Supreme Court's 1986 decision in *Bowsher v. Synar*, 478 U.S. 714, held that GAO cannot perform "executive" functions.

Mr. Speaker, the idea that Congress should appoint the leaders of its own Congressional "watchdog" agency is not new. During the mid 1970's, Senator Lee Metcalf and Congressman Jack Brooks sponsored legislation to provide for Congressional appointment of the Comptroller General. This legislation was not enacted due to concern that it could jeopardize GAO's ability to perform the limited "executive" functions it retained at that time. As a compromise, the current appointment process was enacted in 1980 to retain Presidential appointment but establish the bipartisan, bicameral Congressional commission to recommend names to the President.

Congress would have made the Comptroller General a Congressional appointee in 1980 were it not for the lingering concerns about the agency "executive" functions. The Supreme Court's subsequent decision in *Bowsher v. Synar* laid these concerns to rest once and for all, and thereby removed the last vestige of the original rationale for Presidential appointment of the Comptroller General and Deputy Comptroller General.

The time has come to complete the task Congress began years ago. GAO is now firmly established in law and practice as a Congressional support agency that Congress relies upon every day for a wide range of information and advice. It makes no more sense for the President to appoint the leaders of the GAO than it would for Congress to appoint the Director and Deputy Director of OMB. It is particularly incongruous that the President should appoint Congressional officials whose fundamental mission is to support oversight of the very branch of government that the President heads.

As my predecessors recognized, Congress has a strong institutional interest in appointing the Comptroller General. Senator Metcalf described this as "a congressional declaration of independence from the White House." Congressman Brooks said that it "would go a long way toward restoring to Congress some of the power and prestige that have slipped away to the executive branch over the years."

In addition to being sound in concept, changing the appointment process has become a practical necessity since the current process is broken. The term of the last Comptroller General, Charles A. Bowsher, expired on September 30, 1996. Thereafter, in accordance with the current law, the Congressional commission interviewed a number of candidates for Comptroller General and, by majority vote, recommended 3 names to the President. However, the President rejected the commission's recommendations out of hand and with no stated reasons. Unfortunately, the process now appears to be stalemated with no end in sight, and GAO has been without permanent leadership for over 1½ years. Moreover, the current process has never successfully led to the appointment of a Deputy Comptroller General. Due to a series of impasses involving different Congresses and Presidents spanning many years, Mr. Bowsher remained without a Deputy for his entire 15-year term of office.

Finally, I want to reiterate that enactment of this bill will not affect the independence, non-partisanship, and objectivity of the GAO. These attributes are, of course, essential to maintaining the agency's credibility and, therefore, its usefulness to the Congress. It would be self-defeating for Congress to do anything to undercut them, and, indeed, the bill carefully preserves them. The bill retains the current Congressional commission now provided by law and makes it the appointing authority. This ensures bipartisan participation in the appointment process. The bill also retains the current provisions governing the terms of of-

fice of the Comptroller General and the Deputy and severely limiting the means and grounds for their removal from office.

Mr. Speaker, I urge prompt action on this important legislation. The GAO provides invaluable assistance and support to the Congress. We need to provide GAO with the permanent leadership it needs to do its work and serve all of the Congress most effectively. I have attached a series of questions and answers that provide additional background.

QUESTIONS AND ANSWERS ON H.R. 4296

Q. What does the bill do?

A. Current law provides for appointment of the Comptroller General and Deputy Comptroller General by the President, with the advice and consent of the Senate. Under the current law, which was last amended in 1980, a bipartisan, bicameral Congressional commission recommends names to the President as potential appointees for Comptroller General and Deputy. The commission is composed of the Speaker of the House, the President pro tempore of the Senate, the majority and minority leaders of the House and Senate, and the chairs and ranking minority members of the House Committee on Government Reform and Oversight and the Senate Committee on Governmental Affairs. The commission must submit at least 3 names to the President for Comptroller General. While the President is expected to "give great weight" to the commission's recommendations, he is not bound by them. The President may request additional names, or he may nominate someone not recommended by the commission.

The bill makes the existing bipartisan, bicameral Congressional commission the appointing authority for the comptroller General and the Deputy.

Q. Why is the Comptroller General a Presidential appointee in the first place?

A. When GAO was established in 1921, its core mission was to perform Executive branch auditing and accounting functions that were transferred to GAO from the Treasury Department. Under the Constitution, such "executive" functions can only be vested in an agency headed by an "officer of the United States" appointed in accordance with the Constitution's "appointments clause." Therefore, the Comptroller General had to be a Presidential appointee. This is no longer the case since GAO no longer performs "executive" functions. It is now firmly established in law and practice that the Comptroller General and GAO are part of the Legislative branch and that they can perform only "legislative" functions in support of Congress.

Q. Does shifting appointment of the Comptroller General from the President to Congress pose any legal problems?

A. No. In 1977 testimony addressing Congressional involvement in the Comptroller General's appointment, a Justice Department official stated that—"so long as the Comptroller General is performing functions that are of a legislative nature such as investigating and disseminating information . . . it seems to us pretty clear that . . . his appointment may be handled in whatever manner Congress deems appropriate."

There were concerns over changing the appointment process at that time since GAO still performed some "executive" functions.

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

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

However, the Supreme Court subsequently held in *Bowsher v. Synar*, 478 U.S. 714 (1986), that the Comptroller General could not constitutionally perform "executive" functions notwithstanding his appointment by the President. The Court reasoned that the statutory provisions governing removal of the Comptroller General, which vest removal authority in Congress instead of the President, prevented the Comptroller from being an "officer of the United States" and thereby performing "executive" functions regardless of how he was appointed. Thus, the Comptroller General's status as a Presidential appointee has no legal significance today.

Q. Why change the Comptroller General appointment process now?

A. There are three main reasons to change the appointment process:

(1) The only reason for making the Comptroller General a Presidential appointee in the first place and the only reason Congress has retained the Presidential appointment thus far—to preserve GAO's ability to perform "executive" functions—was eliminated by the Supreme Court's decision in *Bowsher v. Synar*. Following this decision, Congress enacted legislation repealing, modifying, or transferring to the Executive branch virtually all of GAO's remaining "executive" functions. Now is the first opportunity Congress has to complete the task by changing the appointment process.

(2) Given GAO's role as Congress' "watchdog" agency over the Executive branch, it makes no sense for the President to appoint the Comptroller General and it is only natural to shift this responsibility to Congress. On a daily basis, GAO provides information and advice to Congress covering the full range of legislative and oversight issues that Congress faces. Given Congress' reliance on GAO and its close working relationship with GAO, Congress should appoint the head of this agency. Having the President continue to appoint the Comptroller General makes as much sense as it would for Congress to appoint the Director of OMB. It is particularly incongruous for the President to appoint the head of an agency whose exclusive mission is supporting Congressional oversight of the branch of government that the President heads.

(3) The current appointment process is broken and needs repair. Following expiration of former Comptroller General Charles Bowsher's term on September 30, 1996, the Congressional commission was established as provided by law. Working on a bipartisan basis, the commission developed, screened, and interviewed a number of candidates for Comptroller General. By majority vote and in accordance with the current law, the commission recommended 3 names to the President. However, the President rejected the commission's recommendations out of hand and with no stated reasons. As a result, the appointment process appears to be stalemated with no end in sight and GAO has been without permanent leadership for well over 1½ years. Further, the current process has never led to the appointment of a Deputy Comptroller General. Due to a series of impasses involving different Congresses and Presidents spanning many years, Mr. Bowsher remained without a Deputy for his entire 15-year term of office.

Q. Will making the Comptroller General a Congressional appointee detract from GAO's independence and non-partisanship?

A. No. GAO's independence and non-partisanship are, of course, essential to maintaining the agency's credibility and, hence, its usefulness to the Congress. It would be foolish and self-defeating for Congress to do anything to undercut these attributes. There is no reason to think that eliminating the Presidential appointment would have this ef-

fect. The current commission process ensures bipartisan participation in the appointment. The Comptroller's fixed term of office, combined with the severe statutory limits on removal of the Comptroller, provide more than adequate assurance of independence.

Q. Will making the Comptroller General a Congressional appointee politicize the appointment process?

A. No. Congress has a strong institutional interest in making the Comptroller General a Congressional appointee that should transcend politics. In fact, the leading proponents of Congressional appointment of the Comptroller General have been prominent Democratic Members of Congress.

In 1975, Senator Lee Metcalf, then a senior member of the Senate Governmental Affairs Committee and Vice Chairman of the Joint Committee on Congressional Operations, introduced legislation to provide for Congressional appointment of the Comptroller General as well as other Legislative branch officials. Senator Metcalf described his legislation as "a congressional declaration of administrative independence from the White House" and noted that "there are compelling reasons from an institutional perspective why we should take a hard look at the manner in which [these officials] are appointed." He concluded that "the time has come to provide for their appointment by and for the Congress of which they are a part."

Congressman Jack Brooks, then Chairman of the Government Operations Committee, introduced similar legislation on the House side. Chairman Brooks also stressed the importance of his bill from an institutional perspective, noting that the bill "would go a long way toward restoring to Congress some of the power and prestige that have slipped away to the executive branch over the years." He added: "... The doctrine of separation of powers is basic to our system of government and Congress contributes to the weakening of that system when it permits the President to exercise authority in the legislative domain."

When both GAO and the Justice Department resisted direct Congressional appointment of the Comptroller General based on the then-existing concerns about GAO's ability to retain "executive" functions, Chairman Brooks sought to require the President to appoint a Comptroller General from names recommended by the Congressional commission. GAO supported this approach, but Justice objected that even this limitation on the President's appointment authority would be unconstitutional. Chairman Brooks finally had to settle for the current process, whereby a Congressional commission submits nonbinding recommendations to the President but the President remains free to nominate whomever he wishes.

Q. Since some other Congressional officials are appointed by the President, why not the Comptroller General?

A. The Librarian of Congress probably needs to be a Presidential appointee since the Library performs "executive" functions under the copyright laws. Similarly, the Public Printer performs functions that could be considered "executive" in nature. One could question the current status of the Architect of the Capitol. In any event, however, the Architect's functions are not at all analogous to those of the Comptroller General and GAO. The Congressional agency that is most analogous to GAO is the Congressional Budget Office, whose head is appointed by Congress.

IN RECOGNITION OF THE GSS FAMILY THRIFT STORE

HON. LOIS CAPP

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 22, 1998

Mrs. CAPP. Mr. Speaker, I rise to bring to the attention of my colleagues the remarkable work of Curtis Foreman, John Carnell, and the GSS Family Thrift Store. Since it opened in October of 1989, the thrift store has raised three-quarters of a million dollars to help support a local homeless shelter in Santa Maria, California.

All of the merchandise in the store is available to residents of the shelter. Free clothes, furniture, and household goods are made accessible to those who do not have these essential items. In addition, shelter residents are employed at GSS Family Thrift Store when possible. There are currently three shelter residents employed as full-time workers.

I ask my colleagues to join with me, the county of Santa Barbara, and the city of Santa Maria in commending the work of Mr. Foreman and Mr. Carnell. The GSS Family Thrift Store is truly a model for this community and the entire nation. I commend the noble work of this unique establishment.

AIDS

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 22, 1998

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, July 22, 1998 into the CONGRESSIONAL RECORD.

AIDS IN AMERICA

Recent legal and medical developments concerning the Acquired Immune Deficiency Syndrome (AIDS) have renewed interest in the disease around the world. Since the discovery of the disease in 1981, much has changed. Here are some frequently asked questions regarding AIDS:

What is AIDS? AIDS is a fatal disease that attacks the immune system, destroying the body's ability to fight off infections and cancers. The disease is believed to be caused by a virus called human immunodeficiency virus (HIV) which is spread through bodily fluids. AIDS is the syndrome that develops after someone is infected with HIV and the immune system is unable to fight off common infections. After initial infection with HIV, it takes an average of eight to ten years for the virus to develop into full-blown AIDS. The life expectancy of AIDS victims varies in accordance with availability of various drug therapies, but typically ranges from one to four years. No cure currently exists for HIV/AIDS.

What is the extent of the problem? HIV/AIDS is one of the greatest threats to public health in America, especially among youth. AIDS is currently the second leading cause of death among Americans between the ages of 25 and 44. The greatest threat can be seen in the rising HIV infection rates among minorities, women, and teenagers.

Nearly 370,000 Americans have died from AIDS-related illnesses. An estimated 650,000 to 900,000 Americans have been infected with HIV since 1981. Approximately 5,200 cases of AIDS have been reported in Indiana since

1982. As of April 1998, 2,955 Hoosiers have died from AIDS.

AIDS is certainly a global crisis, as almost every country has reported cases. The problem is particularly bad in developing nations. In certain regions of Africa and India, one out of four adults is infected. Lack of medical facilities and AIDS education make it unlikely that the rapid rate of infection will curb within the near future.

Can AIDS be prevented? According to the Surgeon General, the most certain way to control the AIDS epidemic is through using condoms, monogamous sexual relationships, and avoiding illegal intravenous drug use. There is no evidence that HIV can be transmitted through casual contact. With no cure for AIDS, educating those at risk of infection is currently the only way to halt the spread of the disease. Because needle sharing among intravenous drug users leads to the spread of HIV, some public health officials advocate the distribution of clean needles as part of drug abuse treatment programs.

What is the government doing? Since the 1980s, Congress has steadily increased funding for research, improving access to health care for AIDS patients and supporting public education initiatives. In 1998, the federal government will spend close to \$9 billion on HIV/AIDS programs, compared to the \$22 billion spent on cancer programs and the \$43 billion for heart disease.

State and local governments are also fighting the epidemic. Indiana will spend approximately \$1.2 million in state tax dollars on HIV/AIDS related prevention and health care services in 1998.

How are HIV/AIDS cost financed? HIV/AIDS cases are an enormous financial strain for individuals, insurance companies, and the government. The average cost of caring for an HIV/AIDS patient from infection to death is approximately \$150,000 or an average \$12,000 per year, largely spent on costly new drugs.

Private health insurance covers an average of 50% of the cost for caring for persons with HIV/AIDS. Medicaid also covers a sizeable amount of the cost of patient care. The Ryan White Comprehensive AIDS Resources Emergency (CARE) Act is the centerpiece of federal programs serving AIDS-related health care needs. CARE Act programs, implemented through public-private coalitions, are aimed at cutting the cost of care, reducing the need for expensive hospitalization, and developing support services across the nation.

Should there be mandatory testing? All donated blood is now screened for HIV, and testing is mandatory for military personnel and federal prisoners. There is broad agreement that individuals at high risk of contracting HIV should seek testing.

Due to costs, it is unlikely that sweeping mandatory tests, such as for medical practitioners, will be implemented. A preliminary HIV screening costs approximately five dollars per person. Each person who tests positive would require a follow-up test which would cost approximately fifty dollars. To implement nationwide tests would place a significant strain on government resources.

How are HIV/AIDS victims treated under the law? Americans with HIV/AIDS have often been targets of various forms of discrimination, although laws have been established to protect against discrimination. Under the Americans with Disabilities Act of 1990, HIV/AIDS is considered a handicap, therefore making it illegal to discriminate against HIV/AIDS victims in hiring practices and in providing access to public facilities.

A recent Supreme Court decision declared that HIV infection without present symptoms is a disability due to the fatal nature of the disease. Thus, it is illegal for medical

providers to refuse treatment to HIV-infected individuals on the basis of their medical condition.

What progress has been made? A great deal of progress has been made on AIDS research in the past decade. For example, drug "cocktails", which involve a combination of as many as ten different medications, are allowing HIV-infected people to live longer with a higher quality of life.

In June, the first human trials were begun in the study for an AIDS vaccine. However, experts still have serious concerns as to the effectiveness of any vaccine in stopping the spread of the disease.

Conclusion: Much still needs to be learned and done about HIV and AIDS. An aggressive strategy to combat the disease is urgently needed. A heavy emphasis must be placed on prevention through grassroots education. Research to develop treatment, cures and vaccines must be continued and expanded. Help must be given to developing countries where HIV/AIDS is spreading at a staggering rate. All of this could save millions of dollars and millions of lives. It is a battle worth fighting.

THE RENO_x '98 CONFERENCE IN RENO, NEVADA

HON. JOHN E. ENSIGN

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 22, 1998

Mr. ENSIGN. Mr. Speaker, rarely have policy-makers been able to agree on approaches to attack our environmental problems. Both sides of the aisle seem to muddy the waters with rhetoric that does nothing more than to exacerbate emotionalism and further ignore scientific reality. It is for this very reason that I am proud to announce an event being held later this month in my home state of Nevada. This event is specifically designed to cut through such rhetoric and provide real solutions to fight one of our most pressing environmental problems—the control of oxides of nitrogen or NO_x, one of the most pervasive air pollutants.

The Gunnerman Foundation and numerous other federal, state, and industry organizations are sponsoring the ReNO_x '98 Conference in Reno from July 26th through July 28th. Developing solutions to NO_x is just yet another in a long line of success stories for Gunnerman Foundation Chairman Rudy Gunnerman. Ten years ago, Mr. Gunnerman was called an alarmist for bringing to light critical air pollution problems. I call him a pioneer. His leadership has spurred technology and policy innovations on air pollution issues for over two decades.

Similarly, this conference will stimulate action on the issue NO_x. This conference will bring together industry, government and community interests to address barriers and develop policy recommendations that will benefit NO_x reduction strategies.

NO_x emissions come from cars and trucks, coal-burning power plants, and industrial combustion and waste disposal operations. NO_x emissions increased over 220 percent between 1940 and 1996, with a 9 percent rise from 1970 to 1996.

NO_x interacts with other compounds in the air to form ground-level ozone and acid rain—primary threats to human health and the environment. These critical air pollution problems have levied serious costs on our society,

which range from asthma and other respiratory illnesses to the deterioration of our lakes, forests, soils, and our national monuments.

Therefore, I would like to take this opportunity to commend the Gunnerman Foundation and Rudy Gunnerman for sponsoring this worthwhile forum. I invite my colleagues to join this effort to develop real solutions to an environmental problem that deserves our attention and commitment.

HONORING JOHN KORREY

HON. BOB SCHAFFER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 22, 1998

Mr. BOB SCHAFFER of Colorado. Mr. Speaker, I rise today to recognize John Korrey of Liff, Colorado who recently earned first place at the International Livestock Auctioneer Championship held in Calgary, Alberta, Canada. Along with farming and ranching, Mr. Korrey and his wife, Janna, own Korrey Auction Services and co-run Primary Livestock Sales Management in Liff.

John Korrey decided to be an auctioneer when his father, a produce farmer, took him to livestock sales. He listened and watched the auctioneers and adopted each trait that appealed to him. When describing his auctioneering experiences, Mr. Korrey stated, "I didn't become a quality auctioneer overnight. It takes years of practice and learning. I learn everyday. Sales or mistakes, I always learn. If you are too old to learn, you are in major trouble."

With that energetic attitude, Mr. Korrey found himself competing in the International Livestock Auctioneer Championship. In the International competition 30 competitors auctioned cattle at the Alberta Fed Beef Expo in Strathmore, Alberta on the first day. On the second day, the top 10 auctioneers auctioned 3,000 cattle at the Calgary Fair.

Five judges measured competitors on appearance, mannerisms, and deportment, worth 20 points; spotting bids, repartee and time; worth 40 points. Each judge could award 100 points to each competitor. The competitors score was averaged over the two days with the high and low score tossed out. Korrey walked away from the competition with the top prize including \$5000, a custom designed silver belt buckle, and an invitation to Jones and Vold Auction Company in Ponoka, Alberta.

Korrey's daughters, Heidi and Lacey, were at the auction cheering him on and had eight of the 10 winners placed correctly. When asked if his daughters placed him first, Korrey laughed and said, "They better. It was special to have them here."

This was Korrey's sixth year at the championship and he always finished in the top five. Although he will not be eligible to compete in next year's competition, Korrey can look forward to his new role as the contest's master of ceremonies. He will introduce all the competitors and conduct the auction at the Calgary Fair's champion livestock pens.

As a member of Congress representing Colorado's Fourth District where John Korrey lives, works, and shares his passion for auctioneering with his community, I am proud to honor this talented man. I congratulate him

on this tremendous achievement. I also thank him for demonstrating excellence in a field which is so vital to this nation's ranching heritage and to rural Colorado.

DEPARTMENT OF THE INTERIOR
AND RELATED AGENCIES APPROPRIATIONS ACT, 1999

SPEECH OF

HON. NANCY PELOSI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 21, 1998

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 4193) making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1999, and for other purposes:

Ms. PELOSI. Mr. Chairman, I rise in support of full funding for the National Endowment for the Arts. Federal support is necessary to ensure that broad access to the arts is possible for citizens of all economic backgrounds and all regions of the country. Today, arts agencies in all 50 states and 6 territories receive federal funding through the NEA to support the arts. Prior to the creation of the NEA, few state arts councils awarded grants.

Arts funding in this country rests on the combined support of federal, state, and local public dollars, as well as private donations. Federal dollars are essential in leveraging other support. For example, in FY 1997, \$99.5 million in federal dollars was matched with \$280 million in state support and \$675 million in local funding.

Last week, the House Committee on Appropriations voted 31-27 to provide funding for the NEA. Now, the Republican majority is seeking to undermine the work of the Committee, and set back arts in this country by passing a rule that will allow NEA funding to be zeroed out.

Opponents of the NEA suggest there is little accountability at the agency. However, over the last several years, the NEA has made substantial changes to address Congressional concerns and also make it more responsive to the public.

Recently, six Members of Congress were added to the NEA advisory body, a new NEA Chairman was unanimously approved by the Senate, and a new grant award program was established to provide for a more equal distribution of arts funds to underserved states. In addition, the NEA also implemented changes in its grant award program to improve accountability by prohibiting the shifting of funds from one project to another.

The NEA has been responsive to concerns raised by Congress and the public. New attempts to cut funding to this agency are without merit. Given that last month the Supreme Court uphold the use by the NEA of "general standards of decency" in awarding grants, the current attacks on the NEA for funding controversial projects are unwarranted.

Over the last three decades, the NEA has substantially increased arts activity in every state in this country. Federal support is needed to ensure that all Americans have an opportunity to discover and enrich their lives by experiencing the arts. I urge my colleagues to support full funding for the NEA.

IN CELEBRATION OF THE PRESENTATION OF THE AIR FORCE AIRMAN'S MEDAL

HON. LOIS CAPP

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 22, 1998

Mrs. CAPP. Mr. Speaker, I rise to bring to the attention of my colleagues the awarding of the Air Force Airman's Medal to Master Sergeant Tim Brown. Sergeant Brown is a member of the 30th Security Forces Squadron at Vandenberg Air Force Base, located in my district, on June 26th. The Airman's Medal is the highest award for heroism given during peacetime.

Master Sergeant Brown saved three people in the waters off Wall Beach, California on Christmas Day, 1997. Strong undertows pulled thirteen-year-old Melissa Woodward out to sea. Her father, Mark Woodward, and her uncle, Staff Sergeant Randy Sexton, were also caught by the undertow when they went to help the young girl. Colonel Paul Sowada heard their call for help from shore and radioed for assistance. Master Sergeant Brown responded to Colonel Sowada's call. None of the victims were seriously injured. Colonel Sowada also received the Airman Medal in a ceremony on June 12th.

I ask my colleagues to join me in congratulating these two brave men on the awarding of such a special medal. They are to be commended for their noble efforts.

TRIBUTE TO COL. JIMMY JACOBS

HON. JOHN M. SPRATT, JR.

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 22, 1998

Mr. SPRATT. Mr. Speaker, I would like to pay tribute to an outstanding American, an outstanding soldier, and an outstanding officer of the U.S. Army on the occasion of his retirement from active service. Col. Jimmy O. Jacobs retires after more than 28 years of dedicated service to this great Nation. Throughout his service Colonel Jacobs has provided tremendous leadership, guidance and counsel at all levels, from unit to the Office of the Secretary of Defense. He has consistently provided frank, thoughtful and deliberate advice to the high ranking Presidential appointees whom he has served both for the Office of the Secretary of the Army and the Office of the Secretary of Defense. Colonel Jacobs has over the years become recognized inside the Pentagon as the expert when an issue had to be worked quickly and correctly. His first and foremost concerns have always been what is best for soldiers, the U.S. Army, and our Nation. His brand of selfless service will stand for years to come as the standard for others to emulate.

Colonel Jacobs' illustrious career that began in 1970 culminates as the Executive Officer to the Deputy Chief of Staff for Personnel, Headquarters, Department of the Army. It is in this position that he has been able to directly influence the lives of our young soldiers and their families. For it is in the Office of the Deputy Chief of Staff for Personnel (DCSPER) where decisions are made affecting a soldier's wallet,

housing assignment, points for promotion, and next assignment, among many others. Colonel Jacobs has been on hand to ensure that, when others might lose sight of that soldier on the ground, the correct decisions are made. He is the one who has ensured that the DCSPER hears those honest, frank opinions that he needs to hear before making life altering decisions. And on many occasions it was Colonel Jacobs himself providing those opinions.

Colonel Jimmy Jacobs was born in Bennettsville, South Carolina and graduated from Wofford College in Spartanburg, South Carolina. Colonel Jacobs was commissioned a second lieutenant through the Reserve Officers' Training Corps program in 1969. The unfortunate and untimely loss of both parents while attending college prompted his request for a one-year deferment from active duty to ensure his two younger brothers graduated from high school. For that year he taught high school biology and coached football, reporting in 1970 to his first duty station in Cam Rahn Bay, Vietnam. After Vietnam, then Lieutenant Jacobs spent the following 10 years overseas serving selflessly in a wide variety of personnel positions at Headquarters, 6th U.S. Army, Europe, the Berlin Brigade, and the European Military Personnel Center. In 1981, the newly promoted Major Jacobs was assigned to Headquarters, 6th U.S. Army at the Presidio at San Francisco, to serve for three years in his functional area of public affairs. Following his assignment as Chief, Media Operations and Public Information, Major Jacobs was selected to attend Command and General Staff College at Fort Leavenworth, Kansas. Upon graduation he found himself being assigned once again to another overseas tour with the Military Personnel Center, Europe, in Schwetzingen, Germany.

After serving as Chief Officer Assignments and the Assistant Chief of Staff for Operations, the newly promoted Lieutenant Colonel Jacobs was reassigned to the Pentagon, Washington, D.C., in May 1988. For the next ten years, Lieutenant Colonel Jacobs served in alternating assignments between the Office, Secretary of Defense and the Office, Under Secretary of the Army as a Senior Military Assistant, Executive Officer, and Senior Military Deputy. During this period he was deservedly promoted to Colonel and subsequently assigned to his current position as the Executive Officer to the Army's Deputy Chief of Staff for personnel. In all these assignments, Colonel Jacobs has served with distinction and has earned our respect and gratitude for his many years of unselfish service to our Nation's defense.

It is with great pride that I congratulate Colonel Jacobs upon his retirement and wish him and his wife, Deborah, all the best as they move on to face new challenges and rewards in the next exciting chapter of their lives. I ask my colleagues to join me in heartfelt appreciation to a soldier whose selfless service has truly made a difference.

PERSONAL EXPLANATION

HON. SOLOMON P. ORTIZ

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 22, 1998

Mr. ORTIZ. Mr. Speaker, because of official business in my District (27th Congressional

District of Texas) I was absent for rollcall votes 288 to 309. If I had been present for these votes, I would have voted as follows: 288, no; 289, no; 290, no; 291, no; 292, yes; 293, yes; 294, yes; 295, yes; 296, no; 297, yes; 298, yes; 299, yes; 300, yes; 301, yes; 302, yes; 303, yes; 304, yes; 305, yes; 306, no; 307, no; 308, yes; 309, no; 310, no; and 311, no.

NATIONAL RIGHT TO WORK BILL

SPEECH OF

HON. JAY DICKEY

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 15, 1998

Mr. DICKEY. Mr. Speaker, I rise in strong support of H.R. 59, the National Right to Work Act.

No American should be forced to join or pay dues to a labor union just to get or keep a job.

H.R. 59 would free millions of Americans from coercion in the workplace by simply removing the forced union dues provisions of the National Labor Relations Act and Railway Labor Act.

Mr. Speaker, a vote on the National Right to Work Act is long overdue. I urge you to schedule a vote without delay.

PROTECTION ACT

SPEECH OF

HON. NANCY PELOSI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 15, 1998

Ms. PELOSI. Mr. Speaker, I rise today in opposition to the Child Custody Protection Act. This bill is yet another attack in the ongoing attempt by conservative Members of this House to deny reproductive choice to women.

When faced with a difficult choice, teenage girls should be encouraged to seek the advice and counsel from their elders and not be concerned with criminal consequences.

If passed in its current form, this bill would criminalize the conduct of a grandmother who helps her granddaughter in a time of need. This bill will not lead to better family communication where it does not already exist. This bill is invasive and intrusive and denies a young woman the right to face a difficult choice with safety and dignity.

Furthermore, H.R. 3682 raises important federalism issues. Laws from one State do not follow people to another.

Mr. Speaker, more than 75 percent of young women already involve one or both parents in their decision. When a young woman cannot involve a parent, she should be encouraged to involve a trusted adult without the fear that the adult who accompanies her could face incarceration. One study found that half of all young women who did not involve a parent did involve an adult, including 15 percent who involved a step parent or adult relative. If this bill passes, these individuals could be jailed for helping to obtain a legal medical procedure.

H.R. 3682, if enacted, would put a young woman's life at risk should she be unable to involve a parent or guardian. It will increase

the chance that she will seek an illegal or self-induced abortion or delay the procedure, making it more dangerous.

Instead of increasing the risks involved in abortion, let us support measures to make abortion less necessary by reducing teen pregnancy, promoting adolescent reproductive health education, and expanding access to confidential health services (including family planning).

Let us not turn our backs on young people and criminalize the assistance of a parent or trusted adult. Young women must not be isolated from a supportive parent or trusted adult and must be encouraged to make open, honest and safe choices.

We must protect young women from coercion by strangers, but not from the support of a caring adult. Mr. Speaker, this bill will put the reproductive health of young people at risk and infringe upon an individual's constitutional right to privacy and reproductive choice.

This bill is in need of clarification to differentiate between the act of a caring adult and the act of an individual deserving criminal persecution.

I urge my colleagues to oppose this bill.

ADDRESSING THE Y2K CHALLENGE

HON. JERRY LEWIS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 22, 1998

Mr. LEWIS of California. Mr. Speaker, by now we are well aware of the Y2K problem that poses a threat to virtually every aspect of our daily existence. My good friend and colleague, Mr. HORN, has done an outstanding job of raising awareness within Congress and every federal agency on the need to address this complex challenge. Indeed, every American is potentially affected by the Y2K problem and educating the public is critical to avoiding major disruptions in our daily lives.

Raising awareness is the key to proposing solutions. To that end, I would like to share with you and submit for the record a very fine article that recently appeared in the Seattle Post-Intelligencer. The piece, "Crash 2000," was written by Bruce Chapman, president of the Seattle-based Discovery Institute. The Discovery Institute has recently launched a two-year project on the many diverse public-policy issues connected with Y2K.

The Discovery Institute will host a conference on Y2K and related public policy concerns in Washington, DC on September 24. This conference will focus upon specific issues that need to be considered by Congress, the Executive Branch and other levels of government to minimize the effects of the Y2K transition. Well-known technology author George Gilder will moderate the day-long session which will also feature Congressman HORN and some of the best and brightest minds on the Y2K issue.

[From the Seattle Post-Intelligencer, June 14, 1998]

FOCUS CRASH 2000

LIFE WITH COMPUTERS AT RISK SHOULD Y2K DISEASE PROVE DEADLY

(By Bruce Chapman)

From airport traffic control to tax refunds, from "just-in-time" package deliveries to time-sensitive hospital equipment; from fire

and police services to defense commands, products and activities we take for granted could slow or stop.

That's the Year 2000 problem scenario, a disquieting possibility that is nagging increasing numbers of public and private leaders.

In a year and a half, as the new millennium opens, the lives of everyone not residing in some Stone Age redoubt will be affected to an unknown extent by a bizarre glitch in many of the world's computers and software products. Even the minimum likely outcome is worrisome.

Take the disruptions of last year's United Parcel Service strike, when hundreds of businesses failed, combine them with the recent service stoppage on 40 million pagers when the Galaxy 4 satellite broke down, and replicate such effects in other sectors of the U.S. economy and around the world—simultaneously.

Other outcomes could be worse. Nobody knows how bad it could be. They do know that "it" will happen on Jan. 1, 2000. A program to stimulate greater public awareness, understanding and action is needed. Yet a communications gap between the culture of the technology industry and that of the political world is slowing the response to the 2000 problem, or "Y2K," as it is coming to be known.

The individualistic people in the technology industry do not naturally make connections between their world and the realm of everyday public life. They tend to fear the government when they do not scorn it. People in the public sector often have difficulty comprehending the economic and social impacts of technology. To them, tech is just another industry to be taxed, regulated and litigated. But at the start of the new century, a programming foible of years gone by—compounded by repetition—threatens to make obvious the big, unavoidable connections between technology and public policy.

The problem arose from widespread use of a coding technique to save digital space in computers—shortening the designation of years by eliminating the number denoting the century. The date "1998" is merely rendered "98", for example. Even if some people thought of the troubles that might occur when the year 2000 rolled around, in the fast-changing world of high technology, systems were not expected to last long enough to matter.

The unanticipated result as the year 1999 changes into 2000 is that many computers will read "00" to mean "1900." They will have no way to control the resulting calculations appropriately. Whole systems, including personal computers and mainframes, and software products of various kinds, could malfunction, spit out errors erratically, or simply crash. With them would crash the billions of orders and transactions and industrial processes upon which our lives have come to depend.

At potential risk are: critical infrastructure (water, power, telecommunications, transportation); government services at all levels; banking and finance, here and overseas. The very uncertainty about the prospects for these functions could trigger an anticipatory economic contraction well before 2000.

Huge private and public repair efforts already are under way. Some national banks' Y2K bills are running up to \$600 million. A Securities and Exchange Commission study released last week estimated that the top Fortune 250 corporations alone expect to spend some \$37 billion on the problem.

Many companies' systems are fixed already. But that won't necessarily protect them from failures experienced by their suppliers, or their customers. Nor will it protect

them if their computers interact with systems that are not fixed. Analyst Mark R. Anderson, who spots technology trends from his highly wired aerie in the San Juan Islands, sees "networks" as "the greatest Y2K problem. If my computers are fixed, and yours are not, I'm not sure I want to be linked to yours that (Dec. 31, 1999) midnight."

To put the matter in personal terms: Your bank assures you that it is entirely and certifiably compliant. But if that bank starts getting bogus data from malfunctioning computers at other banks—say, from overseas—or finds that it cannot get information at all from federal financial institutions, its own systems could be compromised.

Edward Yardeni, economist with Deutsche Morgan Grenfell in New York, citing the tardiness of private and public entities in confronting the Y2K problem, estimates the chance of a major recession as 60 percent. "The likely recession could be at least as bad as the one during 1973-74, which was caused mostly by a disruption in the supply of oil. Information, stored and manipulated by computers, is as vital as oil for running modern economies."

A Federal Reserve study a few months ago estimated a repair cost to private business in the United States of about \$50 billion and to the economy of only a fractional percent of growth, but those estimates already are probably out of date. A private study by Y2K specialists at the Gartner Group in Palo Alto, Calif., sees a \$115 billion dollar domestic tab and a \$600 billion cost worldwide.

It is instructive that the head of one vitally affected federal agency, the IRS, does not even dispute the extent of potential danger. Commissioner Charles Rossotti told a Congressional committee this spring, if repairs cannot be made in time (and IRS is far behind, "There could be 90 million taxpayers who won't get their refunds, and 95 percent of the revenue stream of the U.S. could be jeopardized."

"Could be." Nobody knows for sure. A lot can happen in a year and a half.

"It's still unclear how much pain there will be," says Microsoft's Bill Gates.

One reason for uncertainty is that many information systems are not, as it were, technologically transparent. Instructions may be embedded in locations where one does not expect them. Old systems may have idiosyncratic, even whimsical, programs written by someone long gone and in an obsolete program language.

The rickety IRS system, for example, dates from the 1960s. Given the workload in bringing critical systems to a point of Y2K compliance, Gates is among those who propose that "From today forward, 'triage' is the order of the day." In the battlefield, a surgeon applying the triage policy divides casualties by categories of those who are in good enough shape to ignore, those past saving and those who can be saved with prompt action. Triage for information services means deciding which systems are of relatively low priority and can be repaired later, those that are past saving and must be replaced or abandoned, and those needing immediate fixes.

That Gates has anything at all to say in Y2K these days is commendable. Many businessmen are afraid to mention the subject. Business Insurance, a trade journal, reports that "Security is tight for many corporate conversion projects because of the concern that their stock prices might fall when the word got out about how much it will cost to bring their systems into compliance." Even the Securities and Exchange Commission is having a hard time getting information from

companies, according to testimony before a Senate hearing last week. But before long, as public awareness grows, enterprises that cannot boast of major efforts to become Y2K compliant could become the ones risking stock owner displeasure. Nothing hurts a stock price like a breakdown in basic corporate functions.

Business leaders also are being warned by their lawyers to keep quiet because of the threat of lawsuits. The Journal of the American Bar Association estimates that there will be a trillion dollars worth of claims as a result of Y2K. Trial lawyers already are holding conferences to examine opportunities for suits against tech companies and others if their systems fail. But again, with time it may become clear that those companies will fare best that are most active in preventing Y2K trouble and trying to help others—including the public.

Actually, the government itself may have contributed to today's punitive legal atmosphere by its aggressive actions on other matters, from monopoly suits against Microsoft and Intel, to efforts to stop telecommunications and cable mergers. The federal government, by keeping such a low profile on Y2K for so long, also has slowed public education on the overall Y2K threat. The government did know about it. Almost two years ago, after receiving a special report from the Congressional Research Service, Sen. Patrick Moynihan, D-N.Y., sent an urgent letter to President Clinton, alerting him to the Year 2000 problem, and warning that it "could have extreme negative economic consequences during your second term." He later publicly termed Y2K a potential "national emergency."

Yet it was only four months ago that the White House appointed John Koskinen, a former Deputy Director of the Office of Management and Budget, to head a new President's Council on Year 2000 Conversion. Koskinen is an experienced crisis manager, but his job is still less that of a policy "czar" than that of a facilitator. He has a small office and three employees.

Of course, by now few large corporations need education from the federal government on the seriousness of Y2K. But the same cannot be said of small businesses. Surveys show that many of these remain blissfully indifferent. The National Federation of Independent Business and Wells Fargo Bank have discovered that only one in six small businesses has even looked into the subject. Richard Bergeon, president of Systemic Solutions, Inc., in Seattle and co-author (with Toronto consultant Peter deJager) of "Managing 00: Surviving the Year 2000 Computing Crisis," predicts that, given present trends, "as many as 50 percent of small businesses may fail."

Meanwhile, White House special adviser Koskinen has tried to lower expectations of what his office can do to help the economy as a whole. "We have to figure out how we can help people organize themselves. There's no way for me or the federal government to manage this problem." Regarding the government's own functions Koskinen has promised a full report on preparations by early 1999.

But Congress is not about to wait that long. After holding several discouraging hearings this winter and spring, Rep. Steven Horn, R-Calif., a former university president who heads the House Government Reform and Oversight subcommittee on technology, last week graded the federal efforts an "F." He demanded that "The president and his administration must set priorities if the conversion is to be successful . . . Now is the

time for the president to designate the Year 2000 problem as a national priority."

It seems likely that pressure will continue to grow on the president, and on Vice President Al Gore, a technology enthusiast, to expand federal readiness efforts. Publisher and possible Republican presidential contender Steve Forbes has been particularly outspoken, terming the situation a "leadership crisis, rather than a technology crisis."

Horn and Forbes have gained credibility from reports issuing lately from the government's independent General Accounting Office and the inspectors general in various departments. The reports cite deficiencies in most departments, indicating that at the present rate of change, a number of major federal functions are unlikely to be Y2K compliant on time.

For example:

Some failures of mission-critical defense systems are "almost certain," reported the GAO, unless the pace of fixes is greatly increased. The Department of Defense has spent \$2.9 billion, but lacks key management and oversight controls, the GAO says. If the Defense Message System fails, "it would be difficult to monitor enemy operations or to conduct military engagements . . . Aircraft and other military equipment would be grounded."

The Labor Department already has spent \$160 million of the \$200 million allocated to it to help states convert computers that handle unemployment insurance. Labor's inspector general told a congressional committee he fears for the department's "benefit payment systems for job corps students and injured coal miners, longshore and harbor workers and federal employees and their families." Only 13 of 61 systems in the Labor Department have been identified as Y2K compliant.

The Education Department is so tardy that it still has no comprehensive Year 2000 plan.

Despite recent improvements, it is uncertain that the Department of Health and Human Services will be able to process some \$200 million in Medicare payments or the \$170 billion awarded annually in research grants for cancer and other diseases. The problems of HHS, like the IRS, are compounded by computer problems beyond the Y2K threat.

Experts told the Horn Committee that the Federal Aviation Administration is so far behind in Y2K readiness that it may have to ground planes in 2000. However, White House adviser Koskinen is more optimistic, believing that the FAA will have completed its repairs by the end of the year and will have another year for testing.

The Social Security Administration, with 92 percent of its project completed, is in better shape than any other federal agency. The Horn Committee graded it an A+. But, as Internet columnist Victor Porlier notes, the agency has been working on the problem for seven years, yet even it is not finished. What does that say about the prospects of agencies that have barely begun?

Also, how will a fully functional agency such as Social Security persevere in sending out checks and meeting its own payroll in 2000 if a dysfunctional IRS and Treasury Department cannot collect and distribute federal money?

Finally, says Porlier, Social Security's experience, wherein systems had to be tested early and repeatedly, underscores the importance of adequate time for testing and debugging before systems can be certified as truly 2000 compliant.

That time is fast disappearing.

SECURITIES LITIGATION UNIFORM
STANDARDS ACT OF 1998

SPEECH OF

HON. ZOE LOFGREN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 21, 1998

Ms. LOFGREN. Mr. Speaker, I am very proud to vigorously support the Securities Litigation Reform Act of 1998. This bill is the culmination of a long, hard effort to enact securities reform.

During the last Congress, we struggled with and finally crafted a law that ensures that those who have genuinely been defrauded have access to courts and to justice, while preventing the misuse of our justice system.

This landmark legislation, the Private Securities Litigation Reform Act, ultimately passed with widespread bipartisan support. I strongly supported this legislation.

We passed this bill in response to the increasingly troubling practice of "strike suits," in which a small group of attorneys frequently took advantage of the legal system to backmail high tech companies for huge settlements, with little or no evidence of wrong doing.

These frivolous strike suits particularly damaged the companies in Silicon Valley. According to one study, 53% of Silicon Valley's top 100 technology companies have been subject to securities fraud claims.

Despite our best efforts last Congress, opponents have sought to sidestep the new federal securities laws. To avoid the new heightened federal standards, a number of securities fraud suits have moved from the Federal to the State courts.

According to a study by Stanford Professors Joseph Grundfest and Michael Perino, 26% of securities litigation activity has shifted to state courts.

Because of this development, executives now advise me they are reluctant to rely on the 1995 Act's safe harbor provisions when making public statements about their companies' prospects. This hurts investors who lose access to valuable information, and it undermines the efficiency of the market.

It is time to close the loopholes. The Securities Litigation Uniform Standards Act of 1998 will finally slam the door on strike suits by establishing Federal court as the exclusive venue for securities class actions.

I urge my colleagues to support this important bill. I would also like to commend my colleagues Anna Eshoo and Rick White for their hard work in pushing this issue forward.

I pledge to work with my colleagues to move this bill speedily through Conference and into law.

TRIBUTE TO MR. WILLIAM K.
TAKAKOSHI**HON. JOHN P. MURTHA**

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 22, 1998

Mr. MURTHA. Mr. Speaker, I rise today to pay tribute to a dedicated public servant as he retires from his position as Special Assistant to the Under Secretary of the Army after more

than 28 years of dedicated service to his country. Mr. William K. Takakoshi is most deserving of our tribute. He has consistently demonstrated the outstanding qualities expected of our finest public servants. I would like to take a moment to highlight Bill's career milestones.

A native of Rockford, Illinois, Bill is a 1970 graduate of the University of Illinois with a B.S. in Industrial Engineering. Upon graduation he was commissioned as a 2nd Lieutenant in the Army Reserve. In 1971, Bill earned a Masters Degree in Industrial Engineering and Business Administration from Purdue University.

Bill entered public service in 1970 as an Industrial Engineer at the Naval Ammunition Depot at Crane, Indiana. He was responsible for the production and industrial engineering for the five main Naval Ammunition Depots.

In 1975, he was assigned as the Resource Branch Head of the Strategic Weapons Facility Pacific. In that capacity he was responsible for planning, acquisition, and management of all the resources required to activate the missile facilities of the first TRIDENT Base.

In 1981, after a tour at the Joint Cruise Missiles Program Office where he was the Deputy Production Manager, he accepted a position with the Army. For the next seven years he served as Deputy for Industrial Resources and Quality and Production for the Assistant Secretary of the Army (Research, Development, and Acquisition). During that time his primary focus was oversight of the Army Ammunition and Industrial Preparedness programs.

Because of his vast experience and knowledge of the acquisition process, he was selected by the House Armed Services Committee as a Legislative Fellow. Bill served on the Acquisition Policy Panel for the Procurement Subcommittee for a complete legislative cycle. Upon his return to the Department of the Army in 1989 he was made Director, Program Review for the Assistant Secretary of the Army (Research, Development, and Acquisition) and was selected for the Senior Executive Service.

In 1990, because of his vast experience he was handpicked by the Under Secretary of the Army to serve as his Special Assistant. Since that time Bill has been the focal point within the Army for finding positive solutions and resolving difficult issues that cross varied interests and organizations. Bill Takakoshi is truly a "team player". He is always on top of the issues of the day and has the respect and confidence of the OSD and congressional staffs. He is the paramount professional, quiet and unassuming but one who always gets the job accomplished.

Mr. Speaker, it gives me great pleasure to present the credentials of Mr. Takakoshi to the Congress today. It is clear that the Department of Defense is losing a great talent. I would like to wish both Bill and his wife Gay continued success in all their future endeavors.

NUANGOLA CHAPEL HONORED

HON. PAUL E. KANJORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 22, 1998

Mr. KANJORSKI. Mr. Speaker, I rise today to commemorate the 100th Anniversary of the

founding of the Nuangola Chapel in Northeastern Pennsylvania. The Chapel will mark its centennial with a service and luncheon on Sunday, July 26. I am proud to have been asked to participate in this event. Late in the nineteenth century, the newly-organized Triangle Lake Association built an uncovered platform in a grove of trees for the purpose of dances and other social activities. On Sundays, the platform was used for services and Sunday School.

In 1890, Nuangola consisted of only about twenty-four cottages, all on the west side of the lake, but it had grown considerably by 1898 when John Reader proposed building a chapel. A meeting was held at the dance platform and a committee was formed to consider the idea.

In the minutes of that meeting the lake was referred to as "Triangular Lake." However, there were three other bodies of water in the country with that name at that time. To avert confusion, the U.S. Postal Service used what was thought to be the original name of the lake—Nuangola—after an Indian maiden thought to have drowned there. The new committee decided to call itself "the Nuangola Chapel Association."

On September 10, 1898, the committee petitioned the court to grant it a charter. The petition was granted and recorded for the purpose of maintaining "a chapel for public worship of Almighty God, evangelistic but non-sectarian." The chapel was built and dedicated in 1904 and it has been used every Sunday during the summertime since 1900.

Mr. Speaker, I am proud to congratulate the fine congregation of the Nuangola Chapel on its Centennial Celebration. I send my very best wishes on this milestone event for continued prosperity in the years to come. I am pleased to have had the opportunity to bring the Nuangola Chapel's proud history to the attention of my colleagues.

THANK YOU, EVIE FOSTER

HON. JAMES A. BARCIA

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 22, 1998

Mr. BARCIA. Mr. Speaker, we all have concerns about how to best deal with crime, and are likely to agree that the best solution is one in which the impetus for criminal action has been removed. At no time is this more important than when we are dealing with young offenders. Those skilled individuals who help juveniles turn away from the path of crime are special people, and deserve to be celebrated.

The people of Bay County, my home county, have had the good fortune to have had Evie Foster as the Community Services Coordinator for youthful offenders for the past eight years. She is retiring from the Office of the Bay County Prosecutor after a term of great accomplishment. In that time, she has placed over 1,000 young people in various work sites around the County, helping them learn the value of productive effort. Judge Paul Doner hired Evie to work in the Probate Court as the Coordinator in 1990, and we all thank him for that excellent decision.

It is no surprise to anyone who has had the privilege of knowing Evie Foster that she has been so successful. She started working at

the Bay County Juvenile Home nearly twenty-four years ago as a youth development worker. She became Team Leader after five years, supervising other child care workers, and served as Interim Director of the Juvenile Facility until a new Director was hired. She most deservedly was named in 1982 as the Child Care Worker of the Year for the State of Michigan by the Michigan Juvenile Association.

Her care for children extends beyond her professional tasks. She has served a two-year term on the Youth Board Ministry for Immanuel Lutheran Church, two terms on the Compensation Board for the City, and as volunteer coordinator for the annual Christmas Dinner for the residents of the Bay Medical Care Facility and their families.

Evie has three children, Larry, Bob, and Brenda, a daughter-in-law Julia, and several grandchildren, Adam, LaSelle, Robbie, Julia, Vanessa, and Jared. They have learned valuable lessons about the need to support young people from Evie, and we are all better for it.

As Evie Foster leaves the Office of the Bay County Prosecutor to have more free time for golf, fishing, and other matters of significance to her, I ask you, Mr. Speaker, and all of our colleagues to join me in thanking her for the important and vital work she has done, and the example she has set. May her retirement be as satisfying as her years of devotion to her community.

PERSONAL EXPLANATION

HON. CHARLIE NORWOOD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 22, 1998

Mr. NORWOOD. Mr. Speaker, on July 21, 1998, I was unavoidably detained during the vote on the Johnson amendment (Roll No. 312) to H.R. 4193—FY 1999 Interior Appropriations Act to restore the National Endowment for the Arts (NEA) funding to its previous level of \$98 million. Had I been in attendance, I would have voted "No."

LEGISLATION TO OPEN PARTICIPATION IN PRESIDENTIAL DEBATES

HON. JAMES A. TRAFICANT

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 22, 1998

Mr. TRAFICANT. Mr. Speaker, today I am introducing legislation to open participation in presidential debates to all qualified candidates. I urge my colleagues to support this legislation.

My bill amends the Federal Election Campaign Act of 1971 to organizations staging a presidential debate to invite all candidates that meet the following criteria: the candidate must meet all Constitutional requirements for being President (e.g., at least 35 years of age, born in the United States), the candidate must have qualified for the ballot in enough states such that the candidate has a mathematical chance of receiving the minimum number of electoral votes necessary for election, and the candidate must qualify to be eligible for matching

payments from the Presidential Election Campaign Fund.

This legislation will ensure that in a presidential election campaign the American people get an opportunity to see and hear from all of the qualified candidates for president. Staging organizations should not be given the subjective authority to bar a qualified candidate from participation in a presidential debate simply because a subjective judgment has been made that the candidate does not have a reasonable chance of winning the election.

The American people should be given the opportunity to decide for themselves whether or not a candidate has a chance to be elected president. So much is at stake in a presidential election. A presidential election isn't just a contest between individual candidates. It is a contest between different ideas, policies and ideologies. At a time when our country is facing many complex problems, the American people should have the opportunity to be exposed to as many ideas, policies and proposals as possible in a presidential election campaign.

My bill will ensure that this happens. It will give the American people an opportunity to hear new and different ideas and proposals on how to address the problems facing our nation. I have confidence that the American people are wise enough to make a sound decision.

Some of the basic principles America was founded on was freedom of speech and freedom of ideas. I was deeply disappointed that in the 1996 presidential campaign, the ideas of qualified candidates for president were not allowed to be heard by the American people during the presidential debates. It is my hope that Congress will pass my legislation and ensure that the un-American practice of silencing qualified for candidates for president is permanently put to a stop.

Once again, I urge my colleagues to support this legislation.

TRIBUTE TO THE LATE ADMIRAL ALAN SHEPARD

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 22, 1998

Mr. BROWN of California. Mr. Speaker, it is with a sense of sadness that I note the passing today of Alan Shepard, an authentic American hero. Admiral Shepard will always be remembered for having the "right stuff". He was one of the original seven Mercury astronauts, and he won an enduring place in history by being the first American in space. His 15-minute suborbital flight in the Freedom-7 capsule on top of a Redstone rocket on May 5, 1961 provided a badly needed boost to the American psyche, coming less than a month after the Soviets had launched Yuri Gagarin into orbit. Admiral Shepard's successful mission cleared the way for President Kennedy to announce the goal of landing a man on the moon by the end of the 1960s.

Alan Shepard was the consummate professional as an astronaut. Even after being sidelined for several years by a medical condition, he kept himself trained and fit in case it proved possible to return to flight status. His perseverance was rewarded when he eventu-

ally was returned to flight status as the Commander of the Apollo 14 mission to the moon. The Apollo 14 crew made the third successful manned landing on the moon on February 5, 1971, and they restored our confidence in America's lunar exploration program—confidence that had been shaken in the wake of the ill-fated Apollo 13 mission.

Mr. Speaker, the nation's space program has made great progress since those early days in 1961. We have landed 12 human beings on the moon. We have sent probes to every planet in the solar system save one. We have satellites that probe the mysteries of the universe and that help us to better understand our own planet Earth. We also have spacecraft that help us better forecast the weather and communicate around the world. We now send both men and women into space in an almost routine manner, and we are engaged in a cooperative project with 15 other nations to build a space station in Earth orbit. We have indeed come far in space since 1961. However, we should never forget the individuals who have helped bring us to this point. Alan Shepard was one of the most distinguished of those individuals.

I know that I speak for all Members when I say that we send our deepest condolences to his family.

DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS ACT, 1999

SPEECH OF

HON. NANCY PELOSI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 21, 1998

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 4193) making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1999, and for other purposes:

Ms. PELOSI. Mr. Chairman, I rise in support of the Furse amendment to reduce funding for the federal timber sales program and to reallocate the funds for better use within the U.S. Forest Service.

There is a very basic fact associated with our federal timber sales program: It is intended to produce revenue and it does not. It not only fails to fulfill this promise to the taxpayer, timber sales actually result in added costs to the taxpayer. Why would we engage in such a financial relationship when we know that it is a big loser?

Who pays? Not the private corporations doing the logging. The taxpayer pays. It simply does not make good management sense to conduct a federal program in such a financially inefficient manner. Look at the numbers: According to the General Accounting Office, the Forest Service's federal timber program cost taxpayers almost \$1 billion from 1992-94—more than \$330 million on average for each year. Last year, the loss was \$88.6 million, by Forest Service reports.

The cry for government reform should include reforming the way the U.S. Forest Service loses hundreds of millions of tax dollars in logging and unnecessary logging road construction in our national forests. The proposed

elimination of the Purchaser Road Credit Program is a good first step toward bringing an end to subsidies for the timber companies at the trough of the federal timber program.

The Furse amendment transfers funds from the timber sales program and puts them where all Americans can reap the benefits—in environmental restoration and improved recreational management. In the words of the Chief of the U.S. Forest Service: If we are to redeem our claim to be the world's foremost conservation leader, our job is to maintain and restore ecological and socially important environmental values . . . Values such as wilderness and roadless areas, clean water, protection of rare species, old growth forest, naturalness—these are the reasons most Americans cherish their public lands.

Now is the time to build on that concept and the momentum of eliminating the Purchaser Road Credit Program by eliminating all subsidies for the federal timber program. Let's put an end to this corporate handout. I urge my colleagues to vote in favor of the Furse amendment.

STARR NOW OBJECTS TO AN
INVESTIGATION OF HIMSELF

HON. JOHN CONYERS

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 22, 1998

Mr. CONYERS. Mr. Speaker, I rise today to discuss the reported resistance by Independent Counsel Starr to Chief District Court Judge Johnson's decision to begin an investigation of whether Mr. Starr leaked grand jury materials to the press in violation of federal law. Rather than obey that judge's order, Mr. Starr apparently has filed an unusual motion to prevent her order from going into effect until such time as he can be heard before the D.C. Court of Appeals.

The central issue appears to be whether Mr. Starr will be forced to comply with Judge Johnson's order that President Clinton's lawyers be allowed to participate in the questioning of members of the Independent Counsel's office concerning the alleged leaks. We have not yet been informed of exactly why Mr. Starr is so concerned about direct questioning of his staff by the President's lawyers concerning alleged violations of federal law.

Judge Johnson's decision to permit such questioning is, however, fully justified by Mr. Starr's prior misleading statements on the issue of whether his office was the source of leaks. Mr. Starr has previously stated that leaks were "prohibited" in his office and that he had "no reason to suspect" that anyone in his office may have been the source of reports about his investigation. Later, of course, as we all now know, Mr. Starr admitted that his office speaks frequently with reporters, but that these contacts do not fall within his narrow definition of a "leak."

Mr. Starr's resistance to standard truth-seeking measures such as adversarial questioning is blatantly hypocritical in light of his numerous public statements suggesting that the White House and others are improperly obstructing his investigation simply because they ask courts to balance important private and governmental interests against Mr. Starr's apparently boundless interest in new inves-

tigative leads. Now that Mr. Starr has apparently found some interests of his own that he believes justify limiting an important part of a proposed criminal investigation, will Mr. Starr now concede that asking a court to evaluate a privilege is an appropriate response to a criminal investigation?

Assuming that Mr. Starr is unwilling to make this concession, will he then ask himself the same question he asked during his recent speech to the bar association in North Carolina? In that memorably inappropriate attack on the President by the Independent Counsel, Mr. Starr self-righteously posed the following question:

At what point does a lawyer's manipulation of the legal system become an obstruction of the truth?

Witnessing Mr. Starr's own legal manipulations this week, I am forced to ask my own question: What does Mr. Starr have to hide? Mr. Starr should live up to his own rhetoric, stop resisting Judge Johnson's order and allow a credible investigation to proceed into these significant allegations of serious wrongdoing.

TRIBUTE TO DALE VANDER BOEGH

HON. JERRY WELLER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 22, 1998

Mr. WELLER. Mr. Speaker, I rise today to recognize and honor Mr. Dale Vander Boegh as he retires from his post as chief of the Manhattan Volunteer Fire Department in Manhattan, Illinois. Mr. Vander Boegh's outstanding service to his community exceeds 50 years on the volunteer fire department, including 30 years as the chief.

Dale, known as Chubb to his family and friends, has set an example through his dedication to his community and neighbors that few of us can comprehend. For nearly fifty-two years, Dale made himself available at all hours of the day and night to fight a dangerous fire or offer help to anyone in need. Remarkably, Dale even kept the fire department's emergency telephone in his family's home for many years.

By all means, there are many families in Manhattan and throughout Will County who are eternally thankful for Dale's leadership and heroic efforts. One can only imagine the number of lives and properties Dale has saved throughout his service.

Mr. Speaker, it is only right and proper to honor Chief Dale Vander Boegh and his family for the remarkable lifetime commitment they have made to their community and neighbors. Chief Vander Boegh is a fine American and a true hero. I wish he and his wife, Beverly, the best life can offer in their retirement.

SECURITIES LITIGATION UNIFORM
STANDARDS ACT OF 1998

SPEECH OF

HON. VIC FAZIO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 21, 1998

Mr. FAZIO of California. Mr. Speaker, during the 104th Congress I voted, with a large bipar-

tisan majority of my colleagues, for the Private Securities Litigation Reform Act of 1995 (PSLRA) because I believed it was an important step toward protecting companies against "frivolous" law suits. The extremely litigious environment that existed prior to this legislation had a chilling effect on growth in technologies and did little to curb fraud and abuse.

A new concern has developed, however, which threatens to unravel the changes that we have made. In effect, the standards in the Federal securities laws, as amended by the PSLRA, are being bypassed.

According to a study done last year, Stanford University found that 26 percent of securities class action cases have shifted from Federal to State courts. Trial lawyers have discovered a loophole around the Federal statute through State litigation, where it is much easier to file complaints without substantial cause. This practice is an unprecedented and unanticipated move that stands to harm America's companies, especially the high tech community.

These high technology companies account for 34 percent of all the issuers sued last year. It is ironic that the very companies that have contributed disproportionately to the economic growth of our Nation and have been a great source of wealth for investors are the ones being harassed. They are, in effect, being penalized for success.

The Securities Litigation Uniform Standards Act, H.R. 1689, would amend the Securities Act of 1933 and the Securities Exchange Act of 1934 so that any class action law suit brought in any State court involving a covered security would be heard in a Federal court. Only those suits traditionally filed in Federal courts would be affected by H.R. 1689, while those claims that historically have been pursued in State courts would be left undisturbed. H.R. 1689 is limited to covering nationally traded securities on the New York Stock Exchange, NASDAQ, or the American Stock Exchange. At the same time, the legislation expressly preserves the authority of public State officials to police State securities markets.

It is clear that what is needed are uniform standards for private securities class action litigation to cover nationally marketed securities. I hope that my colleagues will join me once again in support of securities litigation reform. We need to take action to close this loophole and protect our innovative entrepreneurs and companies that have done so much toward this country's economic health.

SECURITIES LITIGATION UNIFORM
STANDARDS ACT OF 1998

SPEECH OF

HON. JOHN A. BOEHNER

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 21, 1998

Mr. BOEHNER. Mr. Speaker, I want to congratulate Chairman BLILEY, Chairman OXLEY, my friend Mr. WHITE and Ms. ESHOO for their work on this fine piece of legislation, the Securities Litigation Uniform Standards Act.

Nearly 3 years ago we passed the precursor to this bill. Before that, dozens of sue-first, ask-questions-later lawyers had made fortunes by organizing groups of shareholders to sue companies when their stock didn't live up to

the shareholders' expectations. If the stock went down, even briefly, the trial lawyers sued the companies and harassed them into settlements. The real winners in these cases were the lawyers, who recovered fees that dwarfed the settlements their individual clients received.

This especially hurt high-tech businesses which were easy targets because their stocks tended to fluctuate more than average. Because we wanted to keep America competitive in this vital market, in 1995 we passed the Securities Litigation Reform Act, overriding President Clinton's veto. That bill protected shareholders' legitimate interests but made it harder for the strike suit lawyers to coerce companies into unfair settlements.

The problem was that in inventing a new mousetrap we had forgotten how smart the mice were. The strike suit lawyers began filing their suits in state courts, where our bill had little effect.

This bill realizes the intent of the 1995 bill by closing this loophole. Securities law is predominantly federal. This bill would prevent strike suit lawyers from abusing convenient state law by giving company defendants the opportunity to move strike suits filed in state courts to federal courts, where they would have the protection of the 1995 bill.

Mr. Speaker, this superb piece of legislation will protect shareholders, it will protect our growing high-tech sector from needless harassment, and it will protect the high-paying, stable jobs that these industries will create now and in the future. I urge my colleagues to support it.

DEPARTMENT OF THE INTERIOR
AND RELATED AGENCIES APPROPRIATIONS ACT, 1999

SPEECH OF

HON. J.D. HAYWORTH

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 21, 1998

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 4193) making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1999, and for other purposes:

Mr. HAYWORTH. Mr. Chairman, today we had an important vote regarding federal lands in our country. I believe Chairman REGULA did an excellent job of handling this difficult and controversial appropriations bill. However, one project that was left out of the bill was funding of the new Seba Dalkai school in my congressional district that has been on the Bureau of Indian Affairs (BIA) priority list for several years.

As you may know, Mr. Chairman, Seba Dalkai is located on the Navajo Nation, the largest and most economically-challenged sovereign Indian nation. Education is vitally important for children to achieve their full intellectual and economic potential. A healthy learning environment is central to this goal.

Seba Dalkai has been patiently waiting for new school facilities, while educating their children in substandard conditions. They are presently the highest ranked school on the BIA priority list that has yet to receive funding. Unfor-

tunately, this has been the situation for several years. Seba Dalkai needs and deserves funding. It is my hope that since the new Sac and Fox and Pyramid Lake schools will be completed this year, the House Interior Appropriations Subcommittee will begin funding the new Seba Dalkai school in fiscal year 2000. I will continue to fight for funding for Seba Dalkai, although I am disappointed that the Subcommittee could not begin funding this important project in fiscal year 1999.

COMMUNICATIONS MANAGER JOHN
H. BLANK, RETIRING AFTER 33
YEARS OF SERVICE

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 22, 1998

Mr. STARK. Mr. Speaker, I would like to take this opportunity to pay tribute to Communications Manager John H. Blank. On July 31, 1998, after 33 years of distinguished service, he will be retiring from the police force in Milpitas, California, in California's 13th Congressional District.

Communications Manager Blank began his career serving the Milpitas community in October, 1965. He was sworn in as a police officer on October 1, 1965. He served in the patrol unit until January, 1970 at which time he was appointed as Supervisor of the Traffic Investigation Unit. In 1967, he cofounded the Milpitas Police Officer's Association. His concern for the welfare and development of employees of the Department as well as his knowledge and skills in the field of organizational development provided a solid foundation for the Association which continues to serve as an important resource for law enforcement officers today.

While serving in the Milpitas Police Department, John continued his education. He was awarded a B.S. degree from San José University in 1973 after completing the requirements for a double major in Public Administration and Political Science. Concurrent to his service in the Milpitas Police Department, he also served in the California National Guard. He completed his service in 1971, after attaining the rank of Staff Sergeant.

On July 1, 1973, John was promoted to Police Inspector with the responsibility of supervising the Records, Communications and Property functions of the Police Department. Under his supervision, the Department acquired its own dispatching capability and was able to upgrade its services substantially. In April of 1979, as a result of departmental restructuring, John became a Detective Sergeant. His responsibilities included investigating crimes against persons, property crimes, fraud and missing persons.

In 1980, John embarked upon a significant career change—he left service as a sworn employee to become a communications dispatcher. In 1985, he became an acting communications supervisor. In 1986, he became permanent supervisor, and, in 1992, he became Communications Manager. As Communications Manager, he managed the growth of this service by improving the size, staff training, and complexity of the Communications Center.

He oversaw many improvements during his tenure as Manager, including the change from

“status tags” to Computer Aided Dispatch, public safety tactical dispatching, and the development of a state of the art Communications Center.

He was a co-founder of an organization called C.O.M.A.—the Communications Operations Managers Association of Santa Clara County. C.O.M.A.'s goals are interagency cooperation, support training, and the furtherance of the public safety communications profession.

John has always been an active member of the community. He has lived in Milpitas for the last 15 years—in a home that he built himself. He has been a long time member of the Walnut Green Homeowners Association, he founded the Milpitas Tennis Association, has been very active in the Y.M.C.A., and has been a member and president of the Milpitas Kiwanis Club. He is also an active member of his church, serving as both a deacon and usher.

John has received numerous awards and commendations throughout his career. He has amassed over forty letter of commendation from citizens, his supervisors, and from a wide variety of governmental agencies. In 1987, he was recognized by the San José-Evergreen Community College District for his assistance in the development and presentation of the Basic Public Safety Dispatcher Development Academy.

Mr. Speaker, Communications Manager John H. Blank will be honored at a celebration dinner on the occasion of his retirement on August 7, 1998. I would like to thank John for his 33 years of dedicated service on behalf of the residents of Milpitas, CA. His professionalism and dedication will be sorely missed. I wish him luck in all of his future endeavors.

CONGRATULATING SCRUGGS, INC.

HON. JOHN J. DUNCAN, JR.

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 22, 1998

Mr. DUNCAN. Mr. Speaker, Scruggs, Inc., a leading Knoxville business, has recently received national recognition as the “1998 Dealer of the Year” by “Foodservice Equipment and Supplies Magazine.” Scruggs, Inc. is a 66-year-old, third generation restaurant equipment and design company in Knoxville, TN.

Scruggs, Inc., founded in 1932, by Mr. Carlton Scruggs, now has over 55 employees and sales of over \$15 million a year. In a time where many family businesses may be experiencing difficulties, it is wonderful to see this family business doing so well.

The Scruggs family is one of east Tennessee's most respected families. I have known Mr. Jim Scruggs, who recently retired from the company, for many years. Now, the day-to-day operations are managed by his sons, Lee and Andrew.

I congratulate the Scruggs family on this well-deserved honor, and I wish them continued success. I would like to call to the attention of all of my Colleagues and other readers of the CONGRESSIONAL RECORD the article from the “Knoxville News Sentinel” concerning this outstanding award.

[From the Knoxville News Sentinel]

"DEALER OF THE YEAR"; MAGAZINE AWARDS
KNOX FAMILY FIRM SCRUGGS INC.

(By Jerry Dean)

Scruggs Inc., a 66-year-old Knoxville company which sells and services food service equipment, has come far since Earnest Carleton Scruggs of Sweetwater first bought such equipment on New York's Bowery for resale in Knoxville in 1932.

Named Foodservice Equipment & Supplies magazine's 1998 "Dealer of the Year" in May, Scruggs was featured in the magazine's 50th anniversary issue, which noted its "record of integrity, innovation and leadership."

"Exemplary customer service expresses the ruling philosophy of this company," said Publisher Sandra A. Smith.

Scruggs Inc., now with 55 employees, operates a 60,000-square-foot warehouse and an 18,000-square-foot showroom at 3011 Industrial Parkway East, northwest of Western and Texas Avenues, east of Interstate 75 in Knoxville.

Lee E. and Andrew D. Scruggs, brothers and latest of three generations to run the business, said 50 years by coincidence is how long their father, James Scruggs, has been associated with Scruggs Inc. Though retired, he remains a design consultant for its customers, including restaurants, soda fountains and grocers in East Tennessee.

"There's nothing magical about the firm's success," Lee Scruggs said. "We merely try to do what we say we'll do. And to look after our customers well."

James Scruggs began the business in 1948 and was joined in 1950 by elder brother E.C. Jr. and younger brother, Pat. James began by drawing floor plans, but after his elder brother's death, James learned sales and administration to assume leadership. In 1961, he helped found Equipment Distributors Inc., a buyers' group that helps all 22 of its area dealer-members prosper.

Scruggs Inc., with \$15 million in 1997 sales, maintains a tidy division of labors between brothers Lee, who administers the company, and Andrew, who directs sales. Lee, a UT graduate and former youth minister, joined Scruggs in 1980 as warehouse manager. Andrew, a Texas Christian University graduate, joined the firm in 1979 after working for a restaurant chain. Also working closely with the Scruggses are key employees like Ed Poore, the comptroller.

The firm opened a Tri-Cities sales office-showroom in April and expects it to help boost sales to \$25 million. Scruggs also operates a Nashville cash-and carry outlet.

Scruggs Inc. sells and installs such equipment as cook tops, 10-burner ranges, freezers and such "smallware" as glassware and serving utensils. Its 5,000 customers include restaurants, hospitals, nursing homes and schools.

SAVING MEDICARE FOR BABY-BOOMERS IS NOT HOPELESS—DEDICATING THE NEXT DECADE OF FEDERAL SURPLUSES FOR MEDICARE WOULD KEEP HOSPITAL TRUST FUND SOLVENT PAST 2030 WITH NO OTHER CHANGES

HON. JIM McDERMOTT

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 22, 1998

Mr. McDERMOTT. Mr. Speaker, in January, when the Congressional Budget Office (CBO)

first estimated that the budget surpluses for the next decade might total \$650 billion, many of us asked the Medicare Actuary how long that amount of money—if dedicated to the Medicare Hospital Trust Fund—would keep the Trust Fund solvent. The answer was 2020.

CBO is now estimating that the next decade's surplus will be almost \$1 trillion higher. I again asked the Office of the Chief Actuary how long that amount—if saved for Medicare and not given away on tax cuts—would fund the Hospital Trust Fund. The answer is past 2030.¹

The year 2030 is as far as the National Bipartisan Commission on the Future of Medicare seeks or dares to plan for the future of Medicare. The year 2030 is well into the retirement of the Baby Boom generation and is a point at which the percentage of retirees in our society stabilizes.

Without making any other changes, without any restructuring of the program, without any more provider cuts, without shifting costs to beneficiaries, without raising taxes, we can keep Medicare Part A solvent just by not giving away today's temporary surpluses.

This does not mean to suggest that the Commission should not recommend any changes to the Medicare program that makes the program work better for beneficiaries or that ensures greater cost predictability and containment. By making prudent savings on the provider side and saving the surpluses, we could actually improve Medicare and its package of benefits, or we could use some of these resources to also extend the life of the Social Security. The important point is that by just not dribbling away our present surpluses, we can make our future Social Security and Medicare problems much more solvable.

As Congress debates possible ways in which to spend today's budget surpluses, it is important that the Commission recognize and publicizes this very important message: Saving today's budget surpluses will make it infinitely easier to solve the coming Medicare crisis caused by the retirement of baby-boomers. There is, in fact, no crisis if we saved today's temporary surpluses to solve the future's certain Medicare deficits.

ISSUES FACING YOUNG PEOPLE TODAY

HON. BERNARD SANDERS

OF VERMONT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 22, 1998

Mr. SANDERS. Mr. Speaker, I submit for the RECORD statements by high school students from my home state of Vermont, who were speaking at my recent town meeting on issues facing young people today:

STATEMENT BY NAT WHITE-JOYAL REGARDING MEDICINAL MARIJUANA

Hi. My name is Nat White-Joyal. I want to talk about the legalization of marijuana for medical and homeopathic uses.

¹I asked the Office of the Chief Actuary what an additional trillion dollars in budget surpluses would save. They replied that \$1.65 trillion dedicated for Part A would save the Trust Fund to 2033. The CBO's latest estimate of surplus between 1998 and 2008 is \$1.548 trillion. Surpluses are expected for another year or two after 2008 before the Baby Boomers start retiring.

I think that it is necessary, for people who suffer from certain diseases where marijuana can be helpful to them, that it be legal. For someone to always be knocking on your door and wondering what that smell is and needing to have that to be comfortable and to sort of have—I don't want to say survival, but to have a more comfortable life.

I know that in several states, California and Arizona, that laws are either to be introduced or have been passed about legalizing medical marijuana. I am also aware of the pressure that these people who grow it and use it receive from the authorities. And I think that it is very important for these people not to have that pressure. I know from people that I know with certain diseases, hepatitis C and AIDS, that they need marijuana to improve their appetite so that they don't starve, so they can actually have some sort of energy. And I think that it needs to be passed, not only in certain states, but in the entire country.

I think it's something that is very important, and if you were to look at actual numbers, it does actually help people more than it hurts people. It is documented that marijuana does kill brain cells, but so does alcohol and cigarettes, and they are both legal, and they really don't provide any use for any other purpose except for taste and addiction.

Now, people would argue that marijuana is only used to—you know, people would only use marijuana to get stoned, but that is really not true. The people who I know who use it use it so that they can go on with their daily lives and, you know, hold down a job, not have to call in sick every other day. I feel it would be very important to have it legalized in Vermont as well, because, I mean, it is a very important crop for Vermont, whether it is legal or not.

STATEMENT BY EWING FOX AND DAMIEN WYZGA REGARDING YOUTH GROUP CENTERS

EWING FOX: This room looks a lot bigger from up here.

Many students have already mentioned the need for a safe teen environment. We think that we have a healthy alternative to some of the ideas that people have come up with so far. I think people have some good ideas, but I know a lot of kids feel that there is a stigmatism around community youth centers, and they're boring. There are too many adults, all you can do is sit on a couch and, you know, watch TV or something, and I think that Burlington's youth needs more than that to stay occupied.

We are modeling a center, a youth group center, that is called Main Street Park after a youth program that I visited in Massachusetts several years ago. It was completely run by students and volunteer parents. They had a snack bar, concessions and vending, which paid for a lot of the cost. It was housed in a public building. There were vending machines that were donated, there was pool playing, and the parents that would stay in an outer room that do the vending and admissions, there was a small admissions fee, and the majority of the center was run by the students. I think that a program similar to that could work in Burlington.

I think we can also address the issue around skateboarders in Burlington. I know I was eating lunch in City Hall park, and I was appalled by watching these skateboarders like, you know, walk up, take a jump, and get off their skate board, tiptoe down the street and walk back. I think that is so ridiculous, that some people have to be reduced to breaking a law to do something that is as simple as riding a skateboard.

I think also, for a center like this to work, we need to have a location. I know there is an empty building on lower Main Street where the old flea market was. It has been like that since I have been here, which isn't very long. And it is useless property right

now, it's been sitting there and is pretty ugly, and nobody does anything with it. It is close enough to downtown where it would be, people who are downtown, hanging out, it is a safe option for people, yet it is not so far from the residential areas that it would be impossible to get to.

Our facility would have a movie room, pool tables, a skate park, and vending machines to help pay for these things. The reason for the skate park that I think is a really good idea is we have a lot of skaters in Burlington, and there is no skate parks in Vermont. I have a friend, Josh, who was supposed to be here, but could not. He traveled to Montreal, travels like two and a half hours and pays \$15 to \$20 to go skating to ride a skateboard. And I think that, the town could charge \$5, which would help cover maintenance costs and things like that. And we can cut costs also by being indoors. You might think that indoors is more expensive, but with an outdoor facility you have to store all the ramps. You can't just leave them out.

CONGRESSMAN SANDERS: Let me just jump in there. Damien, do you have something you wanted to add to that?

DAMIEN WYZGA: No.

CONGRESSMAN SANDERS: Okay. You are here for company.

EWING FOX: I think this would allow kids to have a safe place to be after school, even in the winter, because it goes all the way through. We also have some safety requirements like helmets and safety gear, and legal waivers.

It will be expensive though, it won't be cheap, and will require the town's support, and Damien has some ideas on how to finance it.

DAMIEN WYZGA: To finance this endeavor, we are going to draw upon the city skate park fund. As far as I know, I think there is about \$60,000 in it. Once the center is open, we are going to maintain it with revenue from vending machines, video games, dollar movies, and a small entrance fee. We will also promote local skate shops in Burton. Burton has excelled in community outreach programs, including its CHILL program, which I was in. This is a program designed to give youth the chance to snowboard.

We believe that, to begin this program, we will require about \$100,000 to build the ramps, jumps and half pipes. This would also include the upkeep. We believe we will receive the support from the community at large, and companies like Burton, Original Sin, Cherry Bone, B Side, Snow School, Snow Board Attic, and the American Ski Corporation.

STATEMENT BY ABBY KRASNER REGARDING STUDENT ACTIVISM

ABBY KRASNER: I am presenting the need for government support for student activism and involvement in politics. This issue is of great importance, because we have the lowest voter turnout in any industrialized nation. Since the voting age is 18, the best time to start to engage people in our political system is in high school. Now, few 18-year-olds know enough about policy issues beyond the sex lives of their politicians.

Our involvement ensures a reversal in the trend of low voter turnout. If this generation started to be involved, our voter registration rates would increase as we got older. Soon almost everyone would have a sense of responsibility for the political and social state of our nation. Also, perhaps our idealism can counteract the cynicism of the older people, to put a positive slant on politics. If we become involved, the word "politics" might not just mean a spectator sport in which people are expected only to care about the winning and losing sides; it might become a word that connotes caring about other people and the condition of our society.

My experience shows that getting young people involved is much less difficult than is ordinarily supposed. I am the co-chair in Vermont for an organization called the International Student Activism Alliance, a nationwide group dedicated to helping students find a voice and express their concerns. In this role, I have discovered many students in the state and county who deeply care about the world around them. They simply lack the resources to connect with each other, and therefore often find it difficult to make a difference.

Since the student activism groups that exist have limited funding, they are unable to reach the number of students they would like to. I propose that state and/or national governments support activism through several methods, including funding. This student/congressional town meeting is a good first step. If every state could have a comparable meeting or conference put together by their Congressperson or other elected official, students around the country would have a forum to exchange their ideas.

The goal would be to involve as many students as possible. Local groups of students would meet more frequently to focus on what their involvement means to their community, state and country. The statewide coalition of groups created by the conference or meeting would communicate regularly. Delegates from the state group would come together in a national conference, where they would be able to share their opinions with people from around the country. Their lawmakers would be requested to meet with the group or with delegates privately, to advise them. This would provide a link to the political system, that would encourage the students to attempt to solve their problems through the system. Another way to connect students around the country is through electronic media. Funding from the state could allow for a central web site to be set up, an E-mail mailing list, or a national database that listed the names and issues of socially active youth around the country.

In all these efforts, we need the advice and support of our lawmakers. We are fledgling activists, and are often so unsure we can change anything that we don't attempt to. If every politician were like Bernie and supported youth involvement through involvements like this, the country would be invigorated by young activists. We need financial support to extend the research of organizations; but we also need moral support to disprove the myth of teen apathy to the world.

DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS ACT, 1999

SPEECH OF

HON. NANCY PELOSI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 21, 1998

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 4193) making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1999, and for other purposes:

Ms. PELOSI. Mr. Chairman, I rise in support of full funding for the National Endowment for the Arts. Federal support is necessary to ensure that broad access to the arts is possible for citizens of all economic backgrounds and all regions of the country. Today, arts agen-

cies in all 50 states and 6 territories receive federal funding through the NEA to support the arts. Prior to the creation of the NEA, few state arts councils awarded grants.

Arts funding in this country rests on the combined support of federal, state, and local public dollars, as well as private donations. Federal dollars are essential in leveraging other support. For example, in FY 1997, \$99.5 million in federal dollars was matched with \$280 million in state support and \$675 million in local funding.

Last week, the House Committee on Appropriations voted 31–27 to provide funding for the NEA. Now, the Republican majority is seeking to undermine the work of the Committee, and set back arts in this country by passing a rule that will allow NEA funding to be zeroed out.

Opponents of the NEA suggest there is little accountability at the agency. However, over the last several years, the NEA has made substantial changes to address Congressional concerns and also make it more responsive to the public.

Recently, six Members of Congress were added to the NEA advisory body, a new NEA Chairman was unanimously approved by the Senate, and a new grant award program was established to provide for a more equal distribution of arts funds to underserved states. In addition, the NEA also implemented changes in its grant award program to improve accountability by prohibiting the shifting of funds from one project to another.

The NEA has been responsive to concerns raised by Congress and the public. New attempts to cut funding to this agency are without merit. Given that last month the Supreme Court upheld the use by the NEA of "general standards of decency" in awarding grants, the current attacks on the NEA for funding controversial projects are unwarranted.

Over the last three decades, the NEA has substantially increased arts activity in every state in this country. Federal support is needed to ensure that all Americans have an opportunity to discover and enrich their lives by experiencing the arts. I urge my colleagues to support full funding for the NEA.

SECRET SERVICE PRIVILEGE

HON. SHEILA JACKSON-LEE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 22, 1998

Ms. JACKSON-LEE of Texas. Mr. Speaker, I rise today to make a few observations about the Secret Service's position on a "Protective Function Privilege" that should exist between the President of the United States and his security detail.

In his ruling denying the Secret Service's request for a stay last week, Supreme Court Chief Justice William Rehnquist stated "in my view, the [Administration] * * * has not demonstrated that * * * enforcing subpoenas [in this case] * * * would cause irreparable harm". I beg to differ. Not only do I believe that there is irreparable harm here, but I also believe that the Secret Service's legal theory stands on firm footing. Furthermore, this decision may cause the President of the United States to push away his "protective envelope", and as a result, make him more vulnerable to assassination.

In this country, we have a profound respect for certain types of relationships. These important relationships are often protected by the law for several reasons. First, because of their value. Many of these relationships, like the doctor-patient, the attorney-client, the priest-penitent and the spousal privilege, are important not only because they are woven from the very fabric of our society, but also because they represent relationships which are necessary for our social institutions to function effectively. It is a rationale well accepted by our courts, for instance, in the case of *United States v. United Shoe Machine Corporation*, where the court shared its thoughts on the worth of the attorney-client privilege when it said "the social good derived from the proper performance of the functions of lawyers acting on [behalf of] their clients is believed to outweigh the harm that may come from the suppression of the evidence in specific cases." 89 F. Supp. 347 (D. Mass. 1950).

As another example, we rely on the doctor-patient privilege to protect the privacy of medical patients. Without assurances that a Doctor will discuss the medical condition of his clients with others, a patient would be hesitant to seek necessary medical attention. Our institution of medicine would be shaken to its very foundation as a result, and for that reason, we legally protect communications between a patient and their health care professional.

I do not believe that anyone doubts the importance of the relationship between the President and his protectors. I this day and age, we must remember that these people are responsible for protecting the most powerful person on the face of the planet. I do not think any Member of this Congress can, in good faith, state that this is not as important a relationship as that between an attorney and their client, or a doctor and their patient. We have already mourned the death of enough Presidents and civil rights leaders. Assassinations are cataclysmic events. We must do our best to spare the people of this great country, from tragic events reminiscent of the deaths of Presidents Kennedy and Lincoln.

The second reason that we protect these "special relationships" under the law, is because of their nature. We protect them because of their fragility when exposed to the eye of the unyielding public. We fear the susceptibility of these relationships to the harsh conditions of the public courtroom. For instance, one of the reasons that we so vehemently protect the attorney-client privilege is because we must protect a client from having their attorney testify against them at trial. That is not only commonsensical, but necessary to promote candor between a lawyer and the client seeking protection. The Supreme Court, in the case of *Upjohn v. United States*, 449 U.S. 383 (1981) emphasized that point when it declared that the purpose of the attorney-client privilege is "to encourage full and frank communications between attorneys and their clients." This is a long-established cornerstone of the common law, developed as far back as the reign of Elizabeth I, and is inscribed in one of the most authoritative treatises of law currently published in the United States, Wigmore's "Evidence."

The relationship between the President and the Secret Service is equally delicate. The "cover and evacuate" strategy developed by the Secret Service over the last few decades specifically requires that agents remain in ex-

tremely close proximity to the President. Lewis Merletti, Director of the Secret Service, in his declaration on behalf of his agency's position on this matter, has concluded, that both the McKinley and the Kennedy assassination attempts could have been averted had the agents stayed within their proscribed proximity of the President.

It is also important to understand the complete level of trust that must exist between the President and his guard. Even Former-President Bush has recently stated "I can assure you that had I felt [the Secret Service] would be compelled to testify as to what they had seen or heard, no matter what the subject, I would not have felt comfortable having them close in." That statement singularly spells out the problem in this case, the President of the United States cannot function effectively, and cannot be safe in his person, if he believes that his actions could later be used against him by someone outside of his close circle of advisors.

Even beyond the issues of trust and confidence, the fact that the President must be accompanied by his escort at all times destroys other privileges he may have, such as the one that should exist between himself and his attorneys. That is because, under our law, a communication is not privileged unless it is confidential in other words, made without other people in attendance. The result is that the President is barred from asserting his attorney-client privilege if the people charged with protecting his life are present when he discusses his legal matters. Therefore, not only must we recognize the "Protective Function Privilege" on its own merits, but also to preserve other privileges already recognized by our legal system.

From my perspective, the "Protective Function Privilege" that has been asserted by the Secret Service in recent times has both qualities necessary for the application of a limited privilege. First, the Secret Service performs a function that is necessary in this day and age. It was not long ago that an agent named Timothy J. McCarthy took a bullet for then-President Ronald Reagan. Was it not for his willingness to perform this important duty, history may very well have turned out differently.

The special relationship that the President must have with the members of his detail also supports the position that the "Protective Function Privilege" exists. The motto of the Secret Service is "Worthy of Trust and Confidence". We cannot undermine that essential message by taking away the President's trust and confidence in his faithful protectors. We cannot tolerate any situation where the President will no longer be able to make confidential negotiations in the presence of the people charged with protecting his life. We cannot afford to create the circumstances where our Commander-in-Chief must ask a member of his own security detail to leave the room while he conducts his business. We cannot give any malcontent the slightest opportunity to kill the President of the United States.

We must protect this relationship as we have others. We must protect it, not only for the good of our politicians, but also for the good of the American people.

TOWARD A RENEWED FRIENDSHIP WITH INDIA

HON. ROD R. BLAGOJEVICH

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 22, 1998

Mr. BLAGOJEVICH. Mr. Speaker, I rise today to speak about India, particularly the relationship of the United States with that country. Over the course of 3 days this May, India conducted five nuclear weapons tests. In response, United States law brought about the imposition of punitive sanctions on India. Those tests changed the world's political landscape in ways we cannot yet hope to understand. Naturally, the relationship between India and the United States has also been changed, and, like most change, this change has raised many fears. Some fear that the tests and the resulting sanctions have caused hard feelings that will be difficult to erase. Others fear that India's emergence as a nuclear power makes it difficult for the United States to have anything but an adversarial relationship with India.

These fears are to be expected, but we cannot permit our fears to prevent us from taking the steps we need to take to build a more solid relationship with India. The challenge for America will be whether we can use this opportunity to redefine the relationship between the United States and India for the 21st Century. Even before these tests, Indo-American relations were in need of a reassessment. A decade ago, the end of the Cold War called for unprecedented change in U.S. foreign policy. Elsewhere, American policy planners responded with new ideas of how to work with other nations, even former adversaries, to build a better world. Yet our relationship with India remained locked in a Cold War mind set, too rigid to respond to new geopolitical realities. This must change.

India is the world's largest democracy. Within our lifetimes, it is expected to become the world's largest country. A strong relationship with India is a benefit to the United States not only geopolitically, but commercially as well. The vastness of its potential wealth is only now being discovered by the world. The people of India have known of that wealth for centuries. That wealth is woven into India's history, land, and culture. But the true source of India's wealth is its people. The people of India share the values of freedom and democracy with the people of our own country. As proud, established democracies, the United States and India have more that unites us than divides us. The United States should make clear that we oppose the proliferation of weapons of mass destruction as the number one threat to global peace and security. But we must also concentrate our efforts on reducing the threats that cause governments to turn to these weapons as a deterrent.

Like many of my colleagues, I am optimistic about the planned meeting between the Prime Ministers of India and Pakistan in Sri Lanka later this month. I am hopeful that this meeting will further reduce tensions in the region by contributing to an atmosphere of dialogue and open minds.

Clearly, tensions in the region have to be solved through bilateral negotiations. Difficult issues like the Kashmir question must not be allowed to lead to further armed conflict.

Agreements that call for continued dialogue and peace like the Shimla agreement could provide an ideal framework for this purpose.

With or without nuclear weapons, India is and will be a world power. The question for America is whether we can build a relationship that permits the United States and India to begin the next century as partners. America must acknowledge the reality of a strong, modern India. We must voice our disagreements, but in the context of celebrating our shared values and vision. Close to 1 million Americans of Indian origin live in the United States and contribute greatly to the economic, cultural and technical development of our country. I have full confidence that America can and will embrace this challenge.

TO COMMEMORATE THE CONTRIBUTIONS OF HORACE C. DOWNING

HON. ROBERT C. SCOTT

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 22, 1998

Mr. SCOTT. Mr. Speaker, I rise today to pay tribute to Horace C. Downing, my good friend and long-term community leader in the Third Congressional District of Virginia.

Mr. Downing was born on February 26, 1917. He has amassed a commendable record of community leadership based on a tradition of leading by example. It began with the example he set as a dedicated family man, who, along with his wife Beryl, raised four children who have given them eight grandchildren.

At the age of 81, Mr. Downing remains active in his community as he has been for all of his adult life, including the period of his service to the greater community while in the US Army from 1949 to 1952. He served during the Korean War with the Quartermaster Battalion and the 24th Infantry Combat Team as a non-commissioned officer.

After leaving active duty in the military Mr. Downing threw himself into the community serving first as a supervisor for the Housing Improvement Program of Norfolk, Virginia where he was quickly promoted to Community Relations Officer as a result of his diligent and effective leadership. While in his position with these Housing programs, he became involved in the most important community service endeavor of his career—his work on behalf of the children of his community. As a founder and past president of a number of youth and civic organizations in the Berkley community, Mr. Downing has more than earned the honor of being known affectionately as the "Mayor of Berkley".

Mr. Downing went on to found or hold membership in thirty-five different organizations. These memberships range from community parent/teacher associations, human resource and business groups, the NAACP and youth groups to city-wide and state-wide organizations.

Mr. Downing demonstrated to the students that surrounded him the value of the concept of life-long learning by continuing his education into his sixties. At a time when students and young people are inundated with negative images and lack role models who show true care for them and the problems they face, he

has been a beacon of light for them. While many in our community have written young people off as apathetic and uninvolved, Mr. Downing has founded organizations that promote political and civic responsibility in young people.

Mr. Downing has been honored by the VA Extension Service, Norfolk Public Schools, Norfolk Model City Commission, Virginia Federation of Parent Teachers Associations and other organizations in his community and across the state. So, it is with honor that I call attention to his contributions before the Congress and the nation and I ask that these remarks be made a part of the permanent records of this body. Thank you, Mr. Speaker.

SECURITIES LITIGATION UNIFORM STANDARDS ACT OF 1998

SPEECH OF

HON. ANNA G. ESHOO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 21, 1998

Ms. ESHOO. Mr. Speaker, it is with great pride that I rise in support of H.R. 1689, the Securities Litigation Uniform Standards Act of 1998. Over a year ago Representative WHITE and I introduced this legislation. Since then there has been a groundswell of support for this legislation. The Senate approved the companion bill, S. 1260, by a vote of 79–21. The Securities and Exchange Commission and the Clinton Administration have endorsed the legislation. The House bill we are considering today has 232 cosponsors. Today, under Suspension of the Rules, the House will pass this important piece of legislation.

I want to thank you Chairman BLILEY for the open way you have worked to bring this bill to the floor. In the past few months both the majority and minority side have worked to tighten and clean up the bill language before us today. I believe it is a much improved product.

As the primary Democratic sponsor, let me briefly discuss the need for this bill.

In 1995, Congress passed the Private Securities Litigation Reform Act. This law represented a bipartisan attempt to deal with the problem of meritless "strike suits" filed against high-growth companies. In most instances, these cases were settled out of court because companies made the calculation that it was cheaper to pay off the strike suit lawyer than become engaged in a protracted legal fight.

These class actions have had a considerable impact on the high technology industry, especially those in Silicon Valley which I have the privilege to represent. High technology companies account for 34% of all the securities issuers sued last year, and 62% of all cases are filed in California. It's ironic that the very companies that have contributed disproportionately to the economic health of our nation and have been a great source of wealth for investors are the ones being harassed. They are being penalized for success.

The 1995 reforms are now being undermined by a shift to state courts of cases involving nationally traded securities, which prior to 1995 were heard in federal courts. Analysis shows a clear motivation for this shift to state courts. The SEC staff report found that 53% of the cases filed cited claims based on forward-looking statements. Also, as Chairman Levitt

pointed out in testimony last year before the House Commerce Committee, 55% of the cases filed at the state level are essentially identical to those brought by the same law firm in federal court.

Migration to state courts is not a minor problem. It represents an undermining of core reforms implemented in the 1995 Reform Act, because the Reform Act relies on uniform application and enforcement of the law to be effective. Without this uniform standard, the law is undermined, the strike suits continue, and companies and investors are held hostage. This is particularly true for two key elements of the 1995 Reform Act: Safe Harbor and Stay of Discovery.

When companies refrain from disclosing information about their projected performance, investors are unable to make informed decisions. Most companies are eager to talk about what they are doing. But the threat of meritless suits places a chill on disclosure. This is because any Wall Street analyst's expectation can cause a company's stock to fluctuate, even if the company is growing at a rate of 20% or 30%. Those filing the strike suit then claim that any forward-looking statement, even if it was clearly an estimate and not a promise of stock performance, is grounds for a civil action.

Companies responded by ceasing to make forward-looking statements. The 1995 Reform Act instituted a safe harbor for companies making forward-looking statements as long as those statements were not false or misleading. However, because of the threat of actions in state courts where there is no safe harbor, this provision still has yet to be implemented. I've received letters from hundreds of business leaders who say they will continue to refrain from making forward looking statements as long as the threat of litigation not covered by safe harbor remains. As a result the most investor and consumer-friendly portion of the 1995 Reform Act is not being used.

The second key element of reform is the stay of discovery pending motions to dismiss. Discovery is often the most costly part of the litigation process. It's especially burdensome when plaintiff lawyers tie up executives' time and request, literally, millions of pages of documents. As long as this threat is present, companies will have a greater incentive to settle early and avoid the cost of discovery than fight—even if the case has no merit. To counter this problem we enacted a stay of discovery in the 1995 Act. This does not prohibit plaintiffs from filing their cases, nor does it prohibit cases that have merit from moving forward. It merely delays the discovery process until a judge can rule on a motion to dismiss.

Because of the shift to state courts, the stay of discovery is not in place. The threat of huge legal costs remains and the incentive to settle meritless cases continues. Even worse, plaintiff lawyers are able to file a case in state courts, go through a process of discovery—basically a fishing expedition—and then take those documents into federal court.

It is this undermining of the federal law that prompted Representative WHITE and I to introduce our bill. I would like to make clear that the bill is not a federal power grab. We are returning to federal courts cases which until the 1995 Reform Act had always been heard in federal courts. It is limited in scope, and only extends to private class action lawsuits involving nationally-traded securities. State regulators and law enforcement officials maintain

their full range of options to take both criminal and civil action in state or federal court. It's a targeted approach to a specific problem.

I want to emphasize that this legislation is not premature. In some instances, the impact of certain provisions of the Reform Act is not clear because the courts are just beginning to consider these cases. This may be true for cases involving the pleading standard or lead plaintiff reforms, but in the case of the stay of discovery and safe harbor provisions this concern does not apply. As long as the threat of state court actions remains, the safe harbor reform will never be implemented. Companies will refrain from making forward-looking statements and investors will be denied access to information. In short, there are no cases whose outcomes we can wait for, because there are no cases.

The same is true for the stay of discovery provision. It is the threat of costly discovery that motivates companies to settle. As long as that threat remains at the state court level, we will never know if the stay of discovery will succeed in weeding out meritless cases.

To build a strong base of support and increase the chances for approval, I have worked with supporters of the Uniform Standards legislation and SEC Chairman Levitt to address three specific concerns that he raised. First, the so-called "Delaware Problem." The SEC was concerned that language in our bill would pre-empt, not only cases traditionally filed in federal courts prior to 1995, but also could pre-empt state laws regarding informing stockholders of mergers or other sell orders. These corporate actions are traditionally monitored by state regulators, and in the case of Delaware there is a long standing common law tradition. It was not our intention to undermine this state law, and working with the SEC, the American Bar Association and the Delaware Bar, I believe we have developed effective language to carve-out these cases from our bill.

Second, the definition of Class Action is clarified. We attempted to close a loophole, and the language of H.R. 1689 encompassed a large category of private actions. The SEC asked that the bill be modified to define class action as something closer to the current federal understanding. This language, along with the Delaware language, was added during the Senate consideration and House Commerce Committee mark-up of the Uniform Standards bill.

The third issue is that of recklessness. During the Senate consideration of the S. 1260 the companion bill to H.R. 1689, language was included during the debate and the committee report. This language was inserted to clarify what was intended by the Congress in its passage of the 1995 Reform Act. As part of the House debate Representative COX and I engaged in a colloquy that "Congress, did not in adopting the Reform Act, intend to alter standards of liability under the Exchange Act."

Congress heard testimony from the Securities and Exchange Commission and others regarding the scienter requirement under a possible national standard of litigation for nationally-traded securities. I understand this concern arises out of certain Federal district courts' interpretation of the Private Securities Litigation Reform Act of 1995 (PL 104-67). In that regard I want to emphasize that the clear intent in 1995 and our continuing intent in this legislation is that neither the PSLRA nor H.R.

1689 in any way alters the scienter standard in federal securities fraud suits. It was the intent of Congress, as we expressly stated during the debate on overriding the President's veto, that the PSLRA establish a national uniform standard on pleading requirements by adopting the pleading standard applied by the Second Circuit Court of Appeals. Indeed the express language of the PSLRA itself carefully provides that plaintiffs must "state with particularity facts given rise to a strong inference that the defendant acted with the required state of mind." Neither the PSLRA nor H.R. 1689 makes any attempt to define that state of mind.

As Senator DODD, the primary Democratic sponsor of this bill and the Reform Act, has said, "the recklessness standard has been a good standard over the years and ought not to be tampered with, in my opinion." I couldn't agree more.

Before I conclude I would also like to pay special tribute to subcommittee ranking member THOMAS MANTON. The grace and dignity with which he has conducted himself as a Member of this body is a model for those of us who remain, and he will be sorely missed. During Commerce Committee consideration of H.R. 1689, he included language related to extending SEC's ability to enforce. I support his amendment and pledge to work with him as this bill goes forward to restore his amendment.

Lastly, I would like to thank all those involved in bringing this bill to the floor for a vote today, including Chairman BLILEY, Ranking Member OXLEY, Representative TAUZIN, and Ranking Member MANTON, I would especially like to thank Ranking Member DINGELL and Representative MARKEY, even though they oppose the legislation; the constructive and helpful contributions they made have improved this bill. I would also like to commend my partner, Representative WHITE, for all of his work and attention to this bill.

I thank my colleagues for their support and look forward to this bill becoming law.

THE INTRODUCTION OF THE "WESTERN HEMISPHERE DRUG ELIMINATION ACT"

HON. BILL McCOLLUM

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 22, 1998

Mr. McCOLLUM. Mr. Speaker, today I am pleased to introduce the "Western Hemisphere Drug Elimination Act."

Everyone involved in fighting to control drug use in America agrees that the demand side is very important. Prevention, education, treatment and law enforcement are all critical elements of a successful anti-narcotics program. But with the streets of our nation flooded with more cocaine and heroin at cheaper prices than at any time in our history no one should expect demand-side efforts to succeed until the supply of drugs coming into our nation from abroad is dramatically reduced.

The \$2.3 billion authorization bill being introduced today is designed to provide the resources and the direction to wage a real war on drugs before they get to the borders of the United States. The Administration plan promulgated earlier this year calls for a reduction of

illegal narcotics flowing from overseas by 50% in ten years. This is totally inadequate. The plan put forth in our legislation is designed to cut the flow of drugs into our country by 80% within three years. It is the most dramatic, exhaustive, targeted effort ever conceived to stop the drug flow from Latin America.

Where did the plan come from and what does it do? All of the cocaine entering the United States comes from Colombia, Peru, and Bolivia. More than half the heroin entering the United States and virtually all of it in the eastern half comes from Colombia. While some heroin is produced in Mexico, Mexico is principally a transit country with drug lords who have negotiated wholesale purchases from Colombian drug lords and who smuggle the products across the Mexican/U.S. border and operate drug trafficking syndicates throughout much of the country. The key to our plan is to cut the flow of cocaine and heroin not only before it reaches the United States, but before it reaches Mexico. The plan and the specific resources authorized in this bill were developed from a "bottom-up" review involving extensive input from the Department of Defense, State Department, Drug Enforcement Administration and U.S. Intelligence personnel on the ground working in Columbia, Peru, Bolivia, and the transit zone north of there. All the key personnel who work this issue every day in the region believe that with the resources authorized in this bill and the proper leadership and direction from drug-fighting authorities within the Executive Branch, the flow of drugs out of each of the three source countries of Colombia, Peru and Bolivia can be cut by 80% within as little as two years, let alone the three contemplated in this bill. This requires the cooperation of the governments of the three countries, which involved officials are convinced is there for the asking. It requires U.S. cooperation, coordination and support. It does not involve U.S. military intervention, but it does require the Department of Defense to place a higher priority on anti-narcotics efforts so that key equipment, training, and operation and maintenance support that our military alone can provide are made available.

A little over two years ago, President Fujimori of Peru instituted a shoot-down policy for small aircraft leaving Peru with raw coca product to be refined by Colombian drug lords. This was made possible by U.S. manned radar surveillance and intelligence information. The program has been remarkably successful and has resulted in a more than 40% reduction in coca production in Peru in that two year period. Those involved with the Peruvian program are convinced that with greater resources, especially flying time of U.S. radar equipped planes, the flow of coca product from Peru can be virtually eliminated and crop eradication and substitution programs can cut production to a trickle. Cocaine is refined in Bolivia as well as produced. Currently most of the raw product and the refined product are transported over two or three key highways going to and leaving Santa Cruz, Bolivia. With resources in this legislation, the government of Bolivia can choke off this trafficking and extinguish in infancy the air trafficking efforts which are sure to result when the ground transportation has been choked.

In Colombia, the air bridge is critical, too. The refined product from the southern one-third of the country where it is grown and produced must be flown over the mountains to

get to the coasts to leave by boat or air or highway transportation on to Mexico or the United States. With the resources in this bill, the Colombian government can halt these air flights just as the Peruvian government has done. Furthermore, with the helicopters provided and other crop eradication enhancements, poppy crops can be totally eradicated and heroin production stopped almost immediately. Resources provided in the bill also cover what it takes to completely eradicate coca production in Colombia and destroy all the cocaine laboratories within the three year timetable envisioned.

To accomplish these objectives requires the acquisition of numerous P-3 aircraft equipped with special radar and the deployment of crews and operational and maintenance supply lines to provide virtually 24 hour around the clock radar coverage of the three countries in question. It also envisages this coverage of the Caribbean, Gulf of Mexico and Eastern Pacific which together with the over-the-horizon-radar (ROTHR) coming online from Puerto Rico will enable the mapping, tracking and identification of all small aircraft in the region. The authorized new Coast Guard vessels and Customs aircraft and vessels will allow chase and interdiction of virtually all vessels and private planes identified as likely drug carrying suspects in the transit zone. This will fill the huge interdiction gap that has existed since interdiction resources in the region were cut by more than 2/3 in 1993. And it will allow for interdiction which does not exist at all today in the eastern Pacific from Colombia to Mexico and the U.S. west coast.

Based on the concept that "strong fences make good neighbors," this strategy is designed to strengthen the counter-narcotics infrastructure in source countries and transit zones from 1999 through 2001. Such infrastructure will require a mix of improved intelligence, personnel, technology and training. The strategy envisions a series of counter-narcotics "fences" drawing on human and technical intelligence capabilities to support drug eradication and interdiction efforts in Bolivia, Peru, Columbia, Central America, the Caribbean, Mexico and the Southwest Border region of the United States.

The breakdown of regional initiatives is as follows:

\$430 million—Enhance overhead coverage of source zone countries through dedicated procurement of 10 P-3B airborne early warning aircraft by the U.S. Customs Air Wing (Section 101)

\$47 million—Provide operations and maintenance support for 10 P-3B early warning aircraft for fiscal years 2000 and 2001 (Section 101)

\$25 million—Provide personnel support for 10 P-3B early warning aircraft for fiscal years 2000 and 2001 (Section 101)

\$150 million—Enhance overhead coverage of source zone countries through dedicated procurement of 10 P-3B Slick aircraft by the U.S. Customs Air Wing (Section 101)

\$47 million—Provide operations and maintenance support for 10 P-3B Slick aircraft for fiscal years 2000 and 2001 (Section 101)

\$25 million—Provide personnel support for 10 P-3B Slick aircraft for fiscal years 2000 and 2001 (Section 101)

\$300 million—Establishment of an airbase to support U.S. counter narcotics operations in the southern Caribbean, northern South Amer-

ica and the eastern Pacific; this proposed facility would take over operations currently coordinated by the Howard Air Force Base in Panama (Section 101)

\$289 million—Construction of 6 U.S. Coast Guard Medium Endurance Cutters for enhanced maritime coverage of Atlantic/Caribbean and Eastern Pacific transit zones (Section 102)

\$40.213 million—Funds to hire DEA special agents and investigative support personnel for overseas assignments (Section 501)

\$15 million—Establishment of a Relocatable Over-The Horizon Radar (ROTHR) to provide in-depth radar coverage of eastern Pacific, southern Caribbean and much of South America (Section 103)

\$13.4 million—Allocate \$2 million for International Law Enforcement Academies in Asia (+\$2.4 million for operations and maintenance for fiscal years 2000 and 2001); \$3 million for Latin America and the Caribbean (+\$2.4 million for operations and maintenance for fiscal years 2000 and 2001); and \$1.2 million for Africa (+\$2.4 million for operations and maintenance for fiscal years 2000 and 2001) (Section 401)

\$9 million—Establishment of Latin/Caribbean regional training center in maritime law enforcement and ports management in San Juan, Puerto Rico with operations and maintenance funding provided through fiscal year 2001. Lead agencies should be the USCG and the Customs Service (Section 401)

\$15 million—Establishment of an USCG International Maritime Training and Repair Ship to visit participating Latin and Caribbean nations on a rotating schedule, providing maintenance and law enforcement training, and to perform maintenance on participating nation assets. Will require refitting of a USCG buoy tender (Section 401)

\$8.67 million—Funds to support operations and maintenance for 1 USCG PC-170 vessel for counter-drug operations (Section 102)

\$18.6 million—Funds for operations and maintenance of 2 reactivated USCG T-AGOS with C41 suite for detection and monitoring (Section 102)

\$9.74 million—Funds for acquisition and construction of 2 additional USCG T-AGOS vessels (Section 102)

\$30.39 million—Funds for acquisition and construction of 7 USCG 87-foot Maritime Interdiction Patrol Boats (Section 102)

\$13.53 million—Funds to support operations and maintenance for 7 USCG 87-foot Maritime Interdiction Patrol Boats (Section 102)

\$2.1 million—Funds to purchase FLIR and GPS capability for USCG Blackhawk helicopters (Section 501)

\$6.3 million—Funds to support increased HH-65A patrol hours for the USCG through fiscal year 2001 (Section 501)

\$2.49 million—Funds to support increased HC-130 patrol hours for the USCG through fiscal year 2001 (Section 501)

\$22.44 million—Funds to support increased USCG patrol boat hours and support in the Caribbean and the eastern Pacific through fiscal year 2001 (Section 501)

\$12.78 million—Funds to support installation of satellite communications systems on 110-foot USCG patrol boats (Section 501)

\$9 million—Funds to support installation of FLIR capability on USCG HU-25 maritime patrol aircraft (Section 501)

\$30 million—Funds to support USCG operations and maintenance in the transit zone through fiscal year 2001 (Section 501)

\$1.5 million—Funds to support increased USCG law enforcement training in the Caribbean and Central America (Section 501)

\$7.61 million—Funds to reactivate 3 USCG HU-25 maritime patrol aircraft and to support operations and maintenance through fiscal year 2001 (Section 501)

\$8.272 million—Funds to support DEA's Merlin program (Section 501)

\$4.5 million—Funds to support DEA's intercept program (Section 501)

\$2.4 million—Funds to support DEA's Narcotics Enforcement Data Retrieval System (Section 501)

\$3.515 million—Support for DEA's Caribbean Initiative to purchase aviation and technical equipment (Section 501)

\$3 million—To purchase 1 Schweizer observation aircraft and to provide operations and maintenance costs through fiscal year 2001 (Section 101)

\$6 million—To purchase 2 Schweizer observation/spray aircraft and to provide operations and maintenance costs through fiscal year 2001 (Section 101)

\$12 million—To purchase 1 J-31 observation aircraft and to provide operations and maintenance costs through fiscal year 2001 (Section 101)

\$20 million—To fund the provision of commercial unclassified intelligence and imaging data using the passive coherent location system to regional counter-drug police forces through fiscal year 2001 (Section 501)

\$30 million—O&M support for 10 US Customs Service Citations to be dedicated to the source and transit zones through fiscal year 2001 (Section 501)

\$6 million—Funds to support the consolidation of the Defense Department's Joint Inter-Agency Task Forces at a site in Key West, Florida and to support the consolidated JIATF from fiscal year 1999 through fiscal year 2001 (Section 501)

\$0.5 million—Funds to support ONDCP study to evaluate transfer of overseas interdiction and eradication activities from State/INL to the Drug Enforcement Administration (Section 207)

Regional Initiatives Subtotal: \$1676.95 million.

In addition, the following are specific country initiatives: ***HD***Colombia

FOCUSED OPIUM ERADICATION STRATEGY

\$72 million—To fund the purchase of 6 UH-60L Black Hawk helicopters for the Colombian National Police (Section 201)

ENHANCED COCA ERADICATION STRATEGY

\$70 million—To fund conversion kits for 50 UH-1H helos (at \$1.4 million per kit) for conversion into Superhueys (Section 201)

\$18 million—To sustain support of Colombian National Police (CNP) helicopters and fixed wing fleet for eradication purposes through fiscal year 2001 (Section 201)

\$6 million—For minigun systems for CNP aircraft through fiscal year 2001 (Section 201)

\$2 million—For the purchase of CNP DC-3 transport aircraft (Section 201)

OTHER NEEDS

\$15 million—For start-up and operations costs associated with USAID alternative development programs in Guaviare, Putumayo, and Caqueta Departments (Section 301)

\$6 million—To fund 5 riverine operations maintenance platforms for the Colombian Army through fiscal year 2001 (Section 201)

\$18 million—To fund operations and maintenance for overhead coverage in Colombia through fiscal year 2001 (Section 101)

\$1.25 million—For concertina wire and tunneling detection systems at CNP's La Picota prison (Section 201)

Colombia Subtotal: \$208.25 million.
HDBolivia

\$7 million—Procurement of 2 mobile X-ray machines with maintenance support along Chapare highway (Section 203)

\$15 million—Enhance USAID alternative development programs in Chapare and Yungas Regions (Section 301)

\$6 million—To fund operations and maintenance for overhead coverage in Bolivia through fiscal year 2001 (Section 101)

\$3 million—Air operations support for Bolivian Red Devils through fiscal year 2001 (Section 203)

\$3 million—Riverine operations support for Bolivian Blue Devils through fiscal year 2001 (Section 203)

\$3 million—Coca eradication programs through fiscal year 2001 (Section 203)

Bolivia Subtotal: \$37 million.

\$150 million—To enhance USAID alternative development program in Ucayali, Apurimac and Huallaga Valley Regions through fiscal year 2001 (Section 301)

\$18 million—To fund operations and maintenance for overhead coverage in Peru through fiscal year 2001 (Section 101)

\$1.5 million—To support multinational riverine and small boat maintenance training program for Peru, Venezuela, Brazil and Colombia in Iquitos, Peru (Section 202)

\$5 million—To establish a third site at Puerto Maldonado to support counter-narcotics airbridge and riverine missions through fiscal year 2001 (Section 202)

Peru Subtotal: \$174.5 million.
HDEcuador

\$3.0 million—To fund build-up in local Coast Guard and port control in Guayaquil and

Esmeraldas with assistance from the Customs Service and the US Coast Guard (Section 402)

\$1.5 million—To provide assistance for enhanced precursor chemical control projects (Section 205)

Ecuador Subtotal: \$4.5 million.
HDBrazil
\$3 million—to enhance support to Brazilian Federal Police Training Center through fiscal year 2001 (Section 402)

Brazil Subtotal: \$3.0 million.
HDVenezuela

\$3.0 million—To support funding for joint National Guard (GN)/Judicial Technical Police (PTJ) Counterdrug Intelligence Center through fiscal year 2001 (Section 402)

Venezuela Subtotal: \$3.0 million.
HDPanama

\$3.0 million—Locate surplus USCG/USN assets to strengthen Panamanian Coast Guard (SMN) to adequately patrol Atlantic and Pacific Coasts through fiscal year 2001 (Section 402)

Panama Subtotal: \$3.0 million.
HDHaiti & Dominican Republic

\$3.0 million—Enhance "Frontier Lance" operations and maintenance (now just 2 USCG cutters, 4 Patrol boats, 1 C-130, 2 helos) by positioning additional USCG and USN assets at Barahona, Dominican Republic and Cayes, Haiti (Section 501)

\$1.5 million—Fund build-up in local Coast Guard and port control in Haiti and Dominican Republic through fiscal year 2001 (Section 402)

Haiti/Dominican Republic Subtotal: \$4.5 million.
HDCentral America

\$36 million—Fund build-up in local Coast Guard and port control in Belize, Costa Rica, El Salvador, Guatemala, Honduras, and Nicaragua through fiscal year 2001 (Section 402)

Central America Subtotal: \$36.0 million.
HDMexico

FOCUSED OPIUM ERADICATION STRATEGY

\$18 million—To purchase 6 Bell 212 (high-altitude capable helos) under Mexican Attor-

ney General to be specifically dedicated for Mexico's opium eradication program in Guerrero, Jalisco and Sinaloa through fiscal year 2001 (Section 204)

ENHANCED RULE OF LAW INITIATIVES

\$6 million—To fund exchanges for Mexican judges, prosecutors and police through the US Department of Justice (Section 402)

Mexico Subtotal: \$24.0 million.
HDBahamas and Cuba

ENHANCED MARITIME END-GAME/GO FAST INITIATIVE

\$3.2 million—FLIR + GPS capability for 3 USCG and DEA Blackhawk helicopters (Section 501)

\$13.5 million (including \$9 million for O&M)—Restoration of aerostat coverage at Georgetown, Exuma, Bahamas (Section 103)

\$0.9 million—Establishment of ground-based radar coverage at Guantanamo Bay, Cuba for fiscal years 1999 through 2001 (Section 103)

\$3.0 million—Procurement of intelligent acoustic detection buoys in Florida Straits and Bahama Banks and operations and maintenance costs through fiscal year 2001 (Section 501)

\$2.1 million—Procurement of nonlethal technology program against GoFast Boat Threat (Section 501)

\$0.5 million—Funds to support operations and maintenance costs for 10 10-meter RHIB Interceptor Fastboats (Section 102)

Bahamas and Cuba Subtotal: \$23.20 million.
HDCaribbean and Eastern Pacific Regional Coverage

\$100 million—To fund operations and maintenance for overhead coverage in the Caribbean and Eastern Pacific regions through fiscal year 2001 (Section 101)

Caribbean and Eastern Pacific Subtotal: \$100 million.

STRATEGY TOTAL: \$2297.9 million.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

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

Meetings scheduled for Thursday, July 23, 1998, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

JULY 27

1:00 p.m.

Special on Aging

To hold hearings to examine allegations of neglect in certain California nursing homes and the overall infrastructure that regulates these homes.

SH-216

JULY 28

9:30 a.m.

Commerce, Science, and Transportation

To hold hearings on the nominations of Ritajeon Hartung Butterworth, of Washington, and Diane D. Blair, of Arkansas, each to be a Member of the Board of Directors of the Corporation for Public Broadcasting; to be followed by hearings to examine why cable rates continue to increase.

SR-253

Energy and Natural Resources

To hold hearings to examine the March 31, 1998 Government Accounting Office report on the Forest Service, focusing on Alaska region operating costs.

SD-366

10:00 a.m.

Labor and Human Resources

To hold hearings to examine the science of addiction and options for substance abuse treatment.

SD-430

Special on Aging

To continue hearings to examine allegations of neglect in certain California nursing homes and the overall infrastructure that regulates these homes.

SH-216

JULY 29

9:00 a.m.

Agriculture, Nutrition, and Forestry

To hold oversight hearings on the Department of Agriculture's progress in consolidating and downsizing its operations.

SR-332

9:30 a.m.

Commerce, Science, and Transportation

Business meeting, to consider pending calendar business.

SR-253

Energy and Natural Resources

Business meeting, to consider pending calendar business.

SD-366

Judiciary

To hold hearings on S. 1554, to provide for relief from excessive punitive damage awards in cases involving primarily financial loss by establishing rules for proportionality between the amount of punitive damages and the amount of economic loss.

SD-226

Labor and Human Resources

Business meeting, to mark up S. 1380, Charter Schools Expansion Act, and S. 2213, Education Flexibility Amendments of 1998.

SD-430

10:00 a.m.

Banking, Housing, and Urban Affairs

Business meeting, to mark up S. 1405, to provide for improved monetary policy and regulatory reform in financial institution management and activities, to streamline financial regulatory agency actions, and to provide for improved consumer credit disclosure.

SD-538

Governmental Affairs

To hold hearings on S. 2161, to provide Government-wide accounting of regulatory costs and benefits, and S. 1675, to establish a Congressional Office of Regulatory Analysis.

SD-342

2:00 p.m.

Governmental Affairs

International Security, Proliferation and Federal Services Subcommittee

To hold hearings to examine the satellite export licensing process.

SD-342

Judiciary

Immigration Subcommittee

To hold oversight hearings on enforcement activities of the Immigration and Naturalization Service, Department of Justice.

SD-226

JULY 30

9:00 a.m.

Agriculture, Nutrition, and Forestry

To hold hearings to review a recent concept release by the Commodity Futures Trading Commission on over-the-counter derivatives, and on related proposals by the Treasury Department, the Board of Governors of the Federal Reserve System, and the Securities and Exchange Commission.

SD-106

9:30 a.m.

Commerce, Science, and Transportation

Communications Subcommittee

To hold hearings to examine international satellite reform.

SR-253

Judiciary

Business meeting, to consider pending calendar business.

SD-226

SEPTEMBER 2

9:30 a.m.

Commerce, Science, and Transportation

To hold hearings to examine the impact of United States satellite technology transfer to China.

SR-253

SEPTEMBER 10

9:30 a.m.

Commerce, Science, and Transportation

Communications Subcommittee

To resume hearings to examine international satellite reform.

SR-253

OCTOBER 6

9:30 a.m.

Veterans' Affairs

To hold joint hearings with the House Committee on Veterans Affairs on the legislative recommendations of the American Legion.

345 Cannon Building