THE MASSACRE OF THE E-RATE CONTINUES

HON. MAJOR R. OWENS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, July 17, 1998

Mr. OWENS. Mr. Speaker, the massacre of the infant E-Rate continues. Certain greedy corporations have chose to persecute and betray the children of America by denying them vital access to education technology in their schools and libraries. After the Telecommunications Act of 1996 enriched these giant corporations by removing certain regulations and allowing an unprecedented increase in their profits, MCI and others have chose to renege on the deal. The telecommunications corporations gave their word that they would support an earmarking of a portion of the Universal Access Fund just for Schools and Libraries. Now corporations and misguided political leaders have forced the Federal Communications Commission to cut the original funding goal by fifty per cent. On behalf of the 30,000 schools and libraries that applied for funding, and all of the children of America we demand that full funding for the E-Rate be restored immediately. The children of America have a message for corporations like MCI:

THE E-RATE KILLER

MCI
Wants E-Rate to die
Children cry
Big shots lie
Pigs kidnap the sky
MCI
Wants E-Rate to die
Deadbeat dinosaur
Monster Corporate Idiots
MCI
Never shy
Greedy grinch
Stealing all the pie
MCI
With justice no civil tie
MCI
Filthy sty
In the star spangled eye
MCI
Wants E-Rate to die
MCI
Makes children cry.

TREASURY AND GENERAL GOVERNMENT APPROPRIATIONS ACT, 1999

SPEECH OF

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 16, 1998

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 4104) making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 30, 1999 and for other purposes:

Mr. STARK. Mr. Chairman, I rise to support the Lowey amendment to the FY 99 Treasury-Postal Appropriations bill which would require that Federal Employees Health Benefits plans cover prescription contraception just as they cover other prescriptions.

The federal program should be a model for private plans and, as an employer, the federal government should provide this basic health benefit for women and their families insured through FEHB plans.

However, most FEHB plans limit coverage of contraception, and in some cases cover only one method of prescription contraception, despite the fact that participating plans overwhelmingly cover prescription drugs and clearly recognize them as a key health benefits.

Even worse, 10% of plans have no coverage of contraceptives—that is, they fail to cover any of the top five leading reversible contraceptive methods (oral contraceptives, diaphragm, IUD, Depo-Provera, and Norplant.

The inadequacy of contraceptive coverage through FEHB plans is clear. A woman covered by the an FEHB plan may be forced to choose a contraceptive method that is not best suited for her medical needs. While there is near universal coverage of sterilization by FEHB plans and reasonable good coverage of oral contraceptives, the percentage of plans covering other specific reversible methods varies dramatically. A total of 88% of plans cover oral contraception, yet only 28% cover the IUD. Thus, plans often do not afford a woman the option of non-hormonal contraception or the choice of the birth control method that may be best suited for her medical circumstances.

Some of our colleagues intend to make a spectacle of this issue on the floor. Meanwhile, the health and safety of women seeking contraceptive coverage through their FEHBP is endangered at the hands of the conservative majority.

We must not allow this last-minute pandering to the right wing at the expense of women enrolled in FEHB plans, nor must we allow the conservative majority to dictate the birth control methods used by federal employees and their families.

TREASURY AND GENERAL GOVERNMENT APPROPRIATIONS ACT, 1999

SPEECH OF

HON. JAMES A. LEACH

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 16, 1998

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 4104) making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 30, 1999, and for other purposes:

Mr. LEACH. Mr. Chairman, the Exchange Stabilization Fund has been an essential tool for the management of international monetary policy for over 60 years, having served as every Administration's chief weapon in defending the dollar.

The ESF is the U.S. Government's only instrument providing the means for a rapid and flexible response to international financial disruption which can impact adversely on the U.S. economy. The ESF provides a powerful and flexible means for the Secretary of the Treasury to support our obligations in the IMF, especially those concerning orderly exchange arrangements and a stable system of exchange rates.

Any attempt to cripple the ability of the U.S. to use the ESF to respond to fast-moving financial crises, as this amendment does, would pose a very serious threat to the U.S. economy and our ability to maintain a strong and stable dollar—with all of the benefits that affords us.

Consequently, this amendment is strongly opposed by the Department of the Treasury as well as the Federal Reserve. According to Secretary Rubin, by severely restricting the use of the ESF, this amendment constitutes an unacceptable limitation on the executive branch's ability to protect critical U.S. interests. The Secretary would be forced to recommend a Presidential veto if the final bill contains these restrictions.

Likewise, Fed Chairman Greenspan has testified that ''it is important to have mechanisms, such as the Treasury Department's Exchange Stabilization Fund, that permit the U.S. in exceptional circumstances to provide temporary bilateral financial support, often on short notice, under appropriate conditions and on occasion in cooperation with other countries.''

For over 60 years, the ESF has been a vital American tool, used most often by the last three Administration's, for defending the dollar, curbing destructive currency fluctuations, and protecting essential U.S. economic and security interests.

Counterproductive restrictions on the ESF could lead to severe foreign exchange market instability—and hence, dollar volatility—that would harm American businesses, raise U.S. interest rates, and weaken our economic prospects. Such volatility could also threaten the dollar's ability to serve as the world's reserve currency—a source of tremendous advantage for the United States.

Direct market intervention is one way the ESF has been used to curb exchange market volatility. The use of ESF resources to stabilize foreign currencies has played just as essential a role in accomplishing U.S. economic objectives.

The ESF has been used more than 50 times in the past 60 years to stabilize currencies in key U.S. export markets—such as Great Britain in the 1960s—to anchor reforms in transitional countries—such as Poland in 1989—and to protect against the effects of short-term instability or currency crises, such as Mexico in 1995. Every single one of these extensions of support through the ESF has been promptly repaid. No U.S. money has ever been lost in accomplishing these critical objectives through the ESF. In fact, by utilizing an innovative investment banking approach, the U.S. actually made over $500 million in interest on ESF loans to Mexico.

This amendment would prohibit the U.S. from keeping its commitment to our allies in South Korea to provide backstop financial assistance, if necessary. It would greatly restrict the ability of the U.S. to provide emergency liquidity to assist any future transition to a post-Castro Cuba. Similarly, it would prevent the U.S. from coming to the financial assistance of Taiwan (not an IMF member), if the Asian financial crisis or renewed tensions across the Taiwan strait caused a run on the New Taiwan dollar.

As a trade and exports become more important to the health of the American economy, and as emerging markets play a growing role in our prosperity, it is essential that the U.S. retain the tools necessary to defend the dollar, safeguard stable exchange market conditions, and help deal with crises elsewhere when it is in our interests to do so.

In this unstable financial environment, it would be a profound mistake for Congress to leave the U.S. without the ability to use the ESF to respond quickly to a developing economic crisis where American interests are at stake. By passing this amendment Congress will severely hobble the ability of the U.S. to fulfill its responsibilities and exercise leadership in world financial affairs, and at a most inopportune juncture when American economic leadership could not be needed more.

BACKGROUND

The Gold Reserve Act of 1934 gives the Secretary of the Treasury exclusive control of ESF operations, subject to the approval of the President, to enable the U.S. to intervene in the foreign exchange market and undertake other monetary transactions consistent with U.S. obligations in the International Monetary Fund. Most ESF transactions are short-term. If any ESF loan or credit exceeds six months, the statute requires that the President provide Congress with a written statement that unique or emergency circumstances exist.

In addition, Treasury provides Congress detailed monthly reports on ESF finances and operations, quarterly reports on Treasury and Federal Reserve foreign exchange operations, and an annual audit report on the ESF