

the rich cultural tapestry of our Nation may be jeopardized. If they are successful, the Congress of tomorrow could look like the Congress of a hundred years past.

Mr. Speaker, I highly suspect that arguments of fairness, constitutionality and righteousness are thinly-veiled attacks on the Voting Rights Act and seek to imperil the ability of African-Americans to gain elective office.

Some of my African-American colleagues are now experiencing the attacks that I went through; nevertheless, I am confident that the can prevail as I have.

One way that I believe we can continue to prevail and protect the letter of the law that is inherent in the Voting Rights Act is to teach future generations to study what it means and what it has accomplished. If we allow future generations to forget the strides we made in voting that has enabled African-Americans to serve in Congress, then they will not be able to recognize threats to the voting franchise, or fully appreciate how fragile the right to vote truly is. I ask that in the days following this historic anniversary, we teach new generations to be forthright students of history, so that they may be informed protectors of our future.

Mr. Speaker, as it was once said, "That is the supreme value of history. The study of it is the best guaranty against repeating it."

DEPARTMENTS OF COMMERCE,  
JUSTICE, AND STATE, AND JUDI-  
CIARY, AND RELATED AGENCIES  
APPROPRIATIONS ACT, 1999

SPEECH OF

**HON. LOUIS STOKES**

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, August 4, 1998*

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 4276) making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 1999, and for other purposes:

Mr. STOKES. Mr. Chairman, I rise in strong opposition to the proposed \$141 million account cut in funding to the Legal Services Corporation contained in H.R. 4276, the FY 1999 Commerce, Justice, State, and Judiciary appropriations bill. I would like to fundamentally affirm—from the outset—the tremendous contribution which the Legal Services Corporation has made to this country's most vulnerable populations.

The Legal Services Corporation provides a wide host of benefits to those Americans who cannot otherwise afford legal support. A precipitous decrease in funding, as would occur if this proposed 50 percent decrease takes place, would resign America's poor and underserved to an unenviable situation where they would have little or no access to legal services. A measure of this sort would prove nothing less than unconscionable.

The Legal Services Corporation was created in 1974 by the Nixon administration with broad bipartisan congressional support. The program was created to provide civil legal support to those American citizens and legal aliens who could least afford it. Since its inception, the program has characteristically served those

generally underrepresented segments of our society, including African-Americans and Hispanics, as well as women who are victims of domestic violence. Statistically speaking, the Legal Services Corporation's client pool is as follows: 27 percent are African-American, 16.3 percent are Hispanic, 2.6 percent are native American, and an overwhelming amount, 68 percent, are female.

Last year alone, the Legal Services Corporation provided legal support to over 57,000 spouses who were victims of domestic abuse. The LSC provides legal support and counseling to close to 4 million Americans, and in 1997, the corporation was responsible for closing approximately 1.5 million legal cases.

Without the support of the LSC, many of these individuals would have absolutely no place to turn because the LSC is very often the place of last resort for those who can ill afford it. This was demonstrated in 1996 when Congress irresponsibly reduced funding for the LSC by 31 percent. According to estimates from the LSC itself, this reduced the amount of legal support offered by the organization by 14 percent.

This number does not represent a number in the abstract. Rather, it designates Americans and legal immigrants who—simply because they are poor—did not receive a day in court to address, and perhaps receive compensation for the wrongs that they have suffered.

Mr. Chairman, we must not close the only door that the most vulnerable of us have to address their legal wrongs. Thus, I urge my colleagues to vote no to the amendment to cut funding for the Legal Services Corporation by 50 percent.

A THREAT TO DEMOCRACY IN  
PANAMA

**HON. DANA ROHRBACHER**

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, August 6, 1998*

Mr. ROHRBACHER. Mr. Speaker, when John Adams was inaugurated as the second President of the United States in 1797, President Washington turned to him and said "I am fairly out and ye are fairly in." That inauguration was the most important in American history because it established the precedent of peaceful transitions of power, which are crucial to all democracies.

Unfortunately, a contagious trend is catching on in Latin America: Presidents are seeking to extend their reign by working to amend the constitutions that limit their terms. The result is that they are preventing democracy from developing deep roots.

What is happening today in Panama exemplifies the problem. Panama's president, Ernesto Perex Balladares, and his ruling PRD party, are attempting to amend the constitution to eliminate its one-term limit on the presidency. On Aug. 30, the people of Panama will vote on the adoption of this amendment.

This referendum is a power grab by the PRD, cleverly cloaked as constitutional reform. It should not be forgotten that the PRD is the party of Manuel Noriega. Twice in 30 years the PRD has stolen democracy from the people through military means. The last time this happened, 28 Americans lost their lives in

order to restore the democratically elected President, Guillermo Endara.

Perez Balladares has hired Democratic party operative James Carville in an effort to ease any pressure that might have come from the White House to put a stop to Balladares' power grab. He should have saved his money. If one looks at the way this Administration has coddled the world's dictators, from Hun Sen in Cambodia to the Politburo in Beijing, from the Taliban in Afghanistan to the North Korean regime, Perex Balladares has little to worry about from the people in the White House who are concerned about democracy.

For the sake of the Panamanian people and the tens of thousands of Americans who have served in Panama, especially those who have given their lives in Panama, I ask my colleagues to watch this referendum closely.

PERSONAL EXPLANATION

**HON. XAVIER BECERRA**

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, August 6, 1998*

Mr. BECERRA. Mr. Speaker, on July 30, 1998, I was unavoidably detained during roll call vote number 355, the vote on passage of H.R. 4328, providing funds for transportation and other related agencies for fiscal year 1999.

Had I been present for the vote, I would have voted "yes."

ZEKE GRADER—ENVIRONMENTAL  
HERO

**HON. NANCY PELOSI**

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, August 6, 1998*

Ms. PELOSI. Mr. Speaker, Vice President GORE recently honored William F. Grader, Jr.—Zeke to his many friends—with the presentation of an Environmental Hero Award. This award, by the National Oceanic and Atmospheric Administration (NOAA), is particularly meaningful as we celebrate the International Year of the Ocean.

Zeke Grader has been an environmental leader in the San Francisco Bay Area community for many years and has always stood firm in his conviction that sustainable fisheries could be an achievable goal on the Pacific Coast. His efforts on behalf of fishery restoration and sustainable fishing practices set an example for our government and for coastal communities throughout America.

Zeke was responsible for creating the Pacific Coast Federation of Fishermen in 1976 and he has served as its Executive Director since that time. His leadership at the Federation has resulted in the implementation of federal safeguards to bring greater protection to our marine resources and to restore weakened fisheries.

The human hand on the environment has been anything but gentle. By 1997, one third of U.S. marine fisheries were overfished, costing the U.S. economy \$25 billion and coastal communities thousands of jobs. In managing our U.S. fisheries, the effect has been evident in the loss of salmon in the Pacific Northwest,

including northern California, lake trout in the Great Lakes, oysters in the Chesapeake Bay, cod in the Georges Bank; and these are only a few examples of the great loss worldwide in fisheries depletion.

At a time when the reports about "scorched earth fishing" are so alarming, it is heartening to know that individuals like Zeke are making such an important contribution to preserve fishing stocks and to seek solutions to reverse this aspect of our planet's deterioration. For the 22 years Zeke has been head of the Pacific Coast Federation of Fishermen, he has been responsible for sounding the alarm on overfishing along the north Coast and for striving to bring about improvements to sustain our marine resources.

These concerns are very important to the San Francisco Bay Area where healthy fisheries depend on healthy habitats in the wetlands and waters of our great delta and estuary that feed into the Pacific Ocean. Zeke has been an extraordinary leader and we are grateful for his dedication to the environment, and particularly to its marine resources. We are all beneficiaries of his great efforts in support of a strong and sustainable environment. Zeke is one of those rare leaders who we will look to for guidance on our troubled waters in the next century.

#### INTRODUCTION OF FINANCIAL SERVICES PRIVACY LEGISLATION

**HON. EDWARD J. MARKEY**

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

*Thursday, August 6, 1998*

Mr. MARKEY. Mr. Speaker, today I am introducing two bills which are aimed at addressing the confidentiality of personal financial information, the "Securities Investors Privacy Enhancement Act of 1998" and the "Depository Institution Customers Financial Privacy Enhancement Act of 1998."

Today, the legal and regulatory walls are breaking down that previously have restricted or limited affiliations between banks, securities firms, and insurance companies. This makes sense in light of the trends currently taking place in our economy: globalization, rapid technological change, and demonopolization. But the great truth of the Information Age is that the new telecommunications technologies that financial services giants use to create and market stocks, bonds, insurance policies, and loans to homes and businesses have a certain Dickensian quality to them: we have the best of wires and the worst of wires.

Electronic commerce can allow corporations to become more efficient and workers more productive. But this same technology can avail financial services conglomerates of the opportunity to track personal information, compile sophisticated, highly personal consumer profiles of peoples' buying habits, hobbies, financial information, health information, and other data.

As a consequence, as our nation moves to allow securities, insurance companies, and banks to affiliate, we must recognize that the resulting conglomerates will have virtually unprecedented access to the most sensitive personal and financial information, and they will be largely free to share this information among the various affiliates or even sell it to others.

The companies say this will produce "synergies" that will benefit the consumer. But it may also facilitate intrusions into personal privacy.

What will this brave new world look like?

When a husband dies, will the life insurance company tip off the securities affiliate to cold call the grieving widow as soon as she's received the check from her deceased husband's insurance policy in order to try and sell her stocks and bonds?

Will a bank deny a consumer a loan, because information it's obtained from its affiliated medical insurance company indicates that he or she has cancer?

Will a bank share or sell information about a consumer's credit card or check purchases with affiliated or non-affiliated parties?

The answer is yes. These companies will exploit their access to consumer personal information whenever they see a business advantage in doing so. The consequences for consumers can be disastrous. Just a few months ago, for example, the SEC signed a consent decree with NationsBank for making misrepresentations to their bank customers that the risky derivative securities their operating subsidiary was going to try to sell them were as safe as CDs. According to the consent decree:

NationsBank assisted registered representatives in the sale of the Term Trusts by giving the representative maturing CD lists. This provided the registered representatives with lists of likely prospective clients. Registered representatives also received other NationsBank customer information, such as financial statements and account balances. These NationsBank customers, many of whom had never invested in anything other than CDs, were often not informed by their NationsBank registered representatives of the risks of the Term Trusts that were being recommended to them. Some of the investors were told that the Term Trusts were as safe as CDs but better because they paid more. (unquote)

In reality the "Term Trusts" that NationsBank was selling the public consisted of funds that invested in risky derivatives that largely have lost value for investors. We need to protect the public against the type of abuses of bank customers' privacy that this episode has so dramatically exposed. Moreover, a letter I recently received from the SEC indicates that a proposed rule to strengthen privacy protection has been languishing before the NASDR for over a year without action and that the proposed rule may need to be strengthened. In addition, the SEC letter indicates that there are gaps in SEC authority to protect the privacy of mutual fund investors and investment adviser customers. The legislation I am introducing today would address problems in each of these areas.

I think we should all be able to agree that consumers have a right to know when personal information is being collected about them. They should receive adequate and conspicuous notice whenever any personal information collected is intended to be reused or sold for marketing purposes. And, most importantly, they should have the right to say "NO" and to curtail or prohibit the use or resale of their personal information.

Current law provides consumers very little protection for their private financial records. The Right to Financial Privacy Act applies only

to the federal government. The Fair Credit Reporting Act applies only to consumer reports provided by consumer reporting agencies. It generally exempts a bank's disclosure of its customers' account records. Moreover, a 1996 amendment to that Act has weakened the restrictions on transfers of financial information among persons related by common ownership or control. State law is also inadequate, because the vast majority of states lack laws which establish any meaningful restrictions on banks disclosing customers' records to non-governmental entities. Only seven states—Alaska, Connecticut, Illinois, Louisiana, Maine, and Maryland—have financial privacy statutes that forbid disclosures of confidential financial information to private as well as governmental entities. One state—California—has a statute constitutional guarantee of private that has been interpreted by the courts to apply to a bank's disclosure of customer financial records. Some states have recognized common law doctrines that recognize some privacy protection for financial records, but only seven states have adopted the common law doctrine of implied contract of confidentiality in the context of bank-customer relations. Unfortunately, the scope of the duties imposed by such implied contracts of confidentiality are unclear.

The two bills I am introducing today, the "Securities Investors Privacy Enhancement Act of 1998" and the "Depository Institution Customers Financial Privacy Enhancement Act of 1998" would help reverse this unfortunate trend. These twin bills would give investors in stocks and bonds, mutual funds, clients of investment advisors, as well as depository institution customers, and other consumers of other affiliates of financial services companies the privacy protections they deserve. The bills would establish under federal law the principle that financial services institutions generally must provide notice to the consumer of when information is being gathered about them, disclosure whenever the institution intends to offer such information to any other person, and a requirement for the express written consent of the consumer if the information is to be transferred or sold to any other person.

I urge my colleagues to support these two bills, and I look forward to working with all interested parties to secure their enactment.

PTFP

**HON. DAVID MINGE**

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, August 6, 1998*

Mr. MINGE. Mr. Speaker, earlier this week, the House debated amendments to H.R. 4276, the Departments of Commerce, Justice, and State and Judiciary and Related Agencies Appropriations Act of 1999. One of the amendments of interest to me was an amendment to cut funds for the Public Telecommunications Facilities Program (PTFP) which funds new equipment for public television and radio stations in the United States. Because of time constraints, I was not able to speak on the amendment but I have several points and corrections to the record I would have made if I had had a chance.

In Minnesota we are blessed with having the nation's largest and to us, the finest, public