

LaHood Nadler Serrano Blumenauer Harman Nadler Mascara Portman Snowbarger
 Lampson Neal Shaw Boehlert Hastings (FL) Olver McCollum Poshard Snyder
 Lantos Nethercutt Sherman Boswell Hilliard Owens McCrery Pryce (OH) Solomon
 Latham Ney Shimkus Boucher Hinchev Hinojosa Pallone McDade Quinn Souder
 LaTourette Northup Sisisky Boyd Hinojosa Pascrell McHale Radanovich Spence
 Leach Nussle Skaggs Brady (PA) Hooley McHugh Rahall Spratt
 Lee Oberstar Skeen Snyder Brown (CA) Horn Payne McIntosh Ramstad Stearns
 Levin Obey Skelton Brown (FL) Houghton Pelosi Pelosi McIntyre Redmond Stenholm
 Lewis (CA) Olver Slaughter Brown (OH) Hoyer Pickett McKeon Regula Stump
 Lewis (GA) Owens Smith (OR) Campbell Jackson (IL) Price (NC) McNulty Reyes Stupak
 Lewis (KY) Packard Smith, Adam Capps Jackson-Lee Rangel Meek (FL) Riggs Sununu
 Lipinski Pallone Cardin (TX) Snyder Carson Jefferson Rodriguez Mica Roemer Talent
 Livingston Parker Spence Carson Jefferson Rodriguez Mica Roemer Tanner
 Lofgren Pascrell Spratt Clayton Johnson (CT) Johnson, E. B. Roybal-Allard Miller (FL) Rogan Tausz
 Lowey Payne Stabenow Clyburn Johnson, E. B. Kelly Sabo Moran (KS) Mollohan Rogers Taylor (MS)
 Lucas Pelosi Peterson (MN) Kelly Sabo Moran (KS) Mollohan Rogers Taylor (NC)
 Luther Peterson (PA) Strickland Davis (FL) Kennedy (RI) Sanchez Sanders Thurman
 Maloney (CT) Pickett Stupak Davis (IL) Kind (WI) Sandlin Nethercutt Ryun Tiahrt
 Maloney (NY) Pomeroy Tauscher DeFazio Kind (WI) Sandlin Nethercutt Ryun Tiahrt
 Markey Porter Tausz DeGette Lantos Luthier Sawyer Schumer Neumann Salmon
 Martinez Poshard Taylor (MS) DeLauro DeLoach Lee Schumer Ney Sanford Turner
 Mascara Price (NC) Taylor (NC) DeLauro DeLoach Lee Schumer Ney Sanford Turner
 Matsui Quinn Thomas Dixon Lofgren Shays Sherman Skaggs Ortiz Sessions
 McCarthy (NY) Rahall Thurman Doggett Dooley Engel Eshoo Maloney (NY) Stabenow Stark Martinez Matsui Tauscher Pease Peterson (MN) Watters
 McCrery Ramstad Thurman Doggett Dooley Engel Eshoo Maloney (NY) Stabenow Stark Martinez Matsui Tauscher Pease Peterson (PA) Skelton
 McDade Regula Tierney Torres Traficant Velazquez Vento Wexler White Whitfield Wilson Wolf
 McDermott Reyes Traficant Velazquez Vento Wexler White Whitfield Wilson Wolf
 McGovern Rivers Weldon (PA) Frank (MA) Frelinghuysen Frost Millender- McDermott Miller (CA) Waxman Wexler Wise
 McHale Rodriguez Velazquez Vento Wexler White Whitfield Wilson Wolf
 McHugh Roemer Weldon (PA) Frank (MA) Frelinghuysen Frost Millender- McDermott Miller (CA) Waxman Wexler Wise
 McIntyre Rogers Walsh Waters Watt (NC) Filner Ford McKinney Meehan Meeks (NY) Menendez Millender- McDermott Miller (CA) Waxman Wexler Wise
 McKeon Ros-Lehtinen Rothman Fazio McDermott McGovern Tierney Torres Traficant Velazquez Vento Wexler White Whitfield Wilson Wolf
 McKinney Rothman Fazio McDermott McGovern Tierney Torres Traficant Velazquez Vento Wexler White Whitfield Wilson Wolf
 McNulty Roukema Roybal-Allard Rush Sabo Salmon Sanchez Sanders Sandlin Sawyer Saxton Scarborough Schaefer, Dan Schumer Scott
 Menendez Roybal-Allard Rush Sabo Salmon Sanchez Sanders Sandlin Sawyer Saxton Scarborough Schaefer, Dan Schumer Scott
 Metcalf Rush Sabo Salmon Sanchez Sanders Sandlin Sawyer Saxton Scarborough Schaefer, Dan Schumer Scott
 Mica Sabo Salmon Sanchez Sanders Sandlin Sawyer Saxton Scarborough Schaefer, Dan Schumer Scott
 Millender- McDonald Miller (CA) Minge Mink Mollohan Moran (KS) Moran (VA) Morella Murtha

Blumenauer Harman Nadler Mascara Portman Snowbarger
 Boehlert Hastings (FL) Olver McCollum Poshard Snyder
 Boswell Hilliard Owens McCrery Pryce (OH) Solomon
 Boucher Hinchev Hinojosa Pallone McDade Quinn Souder
 Boyd Hinojosa Pascrell McHale Radanovich Spence
 Brady (PA) Hooley McHugh Rahall Spratt
 Brown (CA) Horn Payne McIntosh Ramstad Stearns
 Brown (FL) Houghton Pelosi Pelosi McIntyre Redmond Stenholm
 Brown (OH) Hoyer Pickett McKeon Regula Stump
 Campbell Jackson (IL) Price (NC) McNulty Reyes Stupak
 Capps Jackson-Lee Rangel Meek (FL) Riggs Sununu
 Cardin (TX) Snyder Carson Jefferson Rodriguez Mica Roemer Talent
 Carson Jefferson Rodriguez Mica Roemer Tanner
 Clayton Johnson (CT) Johnson, E. B. Roybal-Allard Miller (FL) Rogan Tausz
 Clyburn Johnson, E. B. Kelly Sabo Moran (KS) Mollohan Rogers Taylor (MS)
 Coyne Kennedy (MA) Kelly Sabo Moran (KS) Mollohan Rogers Taylor (NC)
 Cummings Kennedy (RI) Sanchez Sanders Thurman
 Davis (FL) Kind (WI) Sandlin Nethercutt Ryun Tiahrt
 Davis (IL) Kind (WI) Sandlin Nethercutt Ryun Tiahrt
 DeFazio Kind (WI) Sandlin Nethercutt Ryun Tiahrt
 DeGette Lantos Luthier Sawyer Schumer Neumann Salmon
 DeLauro DeLoach Lee Schumer Ney Sanford Turner
 Deutsch Dixon Lofgren Shays Sherman Skaggs Ortiz Sessions
 Dixon Lofgren Shays Sherman Skaggs Ortiz Sessions
 Doggett Dooley Engel Eshoo Maloney (NY) Stabenow Stark Martinez Matsui Tauscher Pease Peterson (MN) Watters
 Dooley Engel Eshoo Maloney (NY) Stabenow Stark Martinez Matsui Tauscher Pease Peterson (PA) Skelton
 Engel Eshoo Maloney (NY) Stabenow Stark Martinez Matsui Tauscher Pease Peterson (PA) Skelton
 Eshoo Maloney (NY) Stabenow Stark Martinez Matsui Tauscher Pease Peterson (PA) Skelton
 Evans Farr Fattah Fawell Fazio McDermott McGovern Tierney Torres Traficant Velazquez Vento Wexler White Whitfield Wilson Wolf
 Farr Fattah Fawell Fazio McDermott McGovern Tierney Torres Traficant Velazquez Vento Wexler White Whitfield Wilson Wolf
 Fattah Fawell Fazio McDermott McGovern Tierney Torres Traficant Velazquez Vento Wexler White Whitfield Wilson Wolf
 Fawell Fazio McDermott McGovern Tierney Torres Traficant Velazquez Vento Wexler White Whitfield Wilson Wolf
 Fazio McDermott McGovern Tierney Torres Traficant Velazquez Vento Wexler White Whitfield Wilson Wolf
 Filner Ford McKinney Meehan Meeks (NY) Menendez Millender- McDermott Miller (CA) Waxman Wexler Wise
 Ford McKinney Meehan Meeks (NY) Menendez Millender- McDermott Miller (CA) Waxman Wexler Wise
 Frank (MA) Frelinghuysen Frost Millender- McDermott Miller (CA) Waxman Wexler Wise
 Frelinghuysen Frost Millender- McDermott Miller (CA) Waxman Wexler Wise
 Frost Millender- McDermott Miller (CA) Waxman Wexler Wise
 Furse Gerdenson Gephardt Gilman Green Greenwood Gutierrez
 Gerdenson Gephardt Gilman Green Greenwood Gutierrez
 Gephardt Gilman Green Greenwood Gutierrez
 Gilman Green Greenwood Gutierrez
 Green Greenwood Gutierrez
 Greenwood Gutierrez
 Gutierrez

Nadler Mascara Portman Snowbarger
 Olver McCollum Poshard Snyder
 Owens McCrery Pryce (OH) Solomon
 Pallone McDade Quinn Souder
 Pascrell McHale Radanovich Spence
 Pastor McHugh Rahall Spratt
 Payne McIntosh Ramstad Stearns
 Pelosi Pelosi McIntyre Redmond Stenholm
 Pickett McKeon Regula Stump
 Price (NC) McNulty Reyes Stupak
 Rangel Meek (FL) Riggs Sununu
 Rivers Metcalf
 Rodriguez Mica Roemer Talent
 Rothman Miller (FL) Rogan Tausz
 Roybal-Allard Mollohan Rogers Taylor (MS)
 Rush Moran (KS) Mollohan Rogers Taylor (NC)
 Sabo Moran (KS) Mollohan Rogers Taylor (NC)
 Sanchez Sanders Thurman
 Sandlin Nethercutt Ryun Tiahrt
 Sawyer Schumer Neumann Salmon
 Schumer Ney Sanford Turner
 Scott Northup Norwood Nussle Oberstar Ortiz Sessions
 Shays Sherman Skaggs Ortiz Sessions
 Sherman Skaggs Ortiz Sessions
 Skaggs Ortiz Sessions
 Slaughter Smith, Adam
 Smith, Adam
 Stabenow Stark Martinez Matsui Tauscher Pease Peterson (MN) Watters
 Stark Martinez Matsui Tauscher Pease Peterson (MN) Watters
 Stokes Tauscher Pease Peterson (MN) Watters
 Tauscher Pease Peterson (MN) Watters
 Taylor (MS) DeLauro DeLoach Lee Schumer Ney Sanford Turner
 Taylor (NC) DeLauro DeLoach Lee Schumer Ney Sanford Turner
 Thomas Dixon Lofgren Shays Sherman Skaggs Ortiz Sessions
 Thompson Doggett Dooley Engel Eshoo Maloney (NY) Stabenow Stark Martinez Matsui Tauscher Pease Peterson (MN) Watters
 Thurman Doggett Dooley Engel Eshoo Maloney (NY) Stabenow Stark Martinez Matsui Tauscher Pease Peterson (PA) Skelton
 Tierney Torres Traficant Velazquez Vento Wexler White Whitfield Wilson Wolf
 Torres Traficant Velazquez Vento Wexler White Whitfield Wilson Wolf
 Traficant Velazquez Vento Wexler White Whitfield Wilson Wolf
 Velazquez Vento Wexler White Whitfield Wilson Wolf
 Vento Wexler White Whitfield Wilson Wolf
 Wexler White Whitfield Wilson Wolf
 White Whitfield Wilson Wolf
 Whitfield Wilson Wolf
 Wilson Wolf
 Wolf Young (AK) Young (FL)
 Young (AK) Young (FL)
 Young (FL)

NOT VOTING—12

Clay Kilpatrick Oxley
 Conyers McCarthy (MO) Pickering
 Cunningham McInnis Towns
 Gonzalez Moakley Yates

□ 2153

Mrs. KELLY changed her vote from "aye" to "no."

Mr. CRAPO and Mrs. JOHNSON of Connecticut changed their vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MS. DEGETTE

The CHAIRMAN. The pending business is the demand for a recorded vote on the amendment offered by the gentlewoman from Colorado (Ms. DEGETTE) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will designate the amendment.

The Clerk designated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 148, noes 271, not voting 15, as follows:

[Roll No. 387]

AYES—148

Abercrombie Baesler Bentsen
 Ackerman Baldacci Berman
 Allen Barrett (WI) Bishop
 Andrews Becerra Blagojevich

NOES—271

Aderholt Crane
 Archer Crapo
 Army Cubin
 Bachus Danner
 Baker Davis (VA)
 Ballenger Deal
 Barcia DeLay
 Barr Diaz-Balart
 Barrett (NE) Dickey
 Bartlett Dicks
 Barton Dingell
 Bass Doolittle
 Bateman Doyle
 Bereuter Dreier
 Berry Duncan
 Bilbray Dunn
 Bilirakis Edwards
 Bliley Ehlers
 Blunt Ehrlich
 Boehner Emerson
 Bonilla English
 Bonior Ensign
 Bono Etheridge
 Borski Everett
 Brady (TX) Ewing
 Bryant Foley
 Bunning Forbes
 Burr Fossella
 Burton Fowler
 Buyer Fox
 Callahan Franks (NJ)
 Calvert Gallegly
 Camp Ganske
 Canady Gekas
 Cannon Gibbons
 Castle Gilchrest
 Chabot Gillmor
 Chambliss Goode
 Chenoweth Goodlatte
 Christensen Goodling
 Clement Gordon
 Coble Goss
 Coburn Graham
 Collins Granger
 Combust Gutknecht
 Condit Hall (OH)
 Cook Hall (TX)
 Cooksey Hamilton
 Costello Hansen
 Cox Hastert
 Cramer Hastings (WA)

Hayworth
 Hefley
 Hefner
 Hegerger
 Hill
 Hilleary
 Hobson
 Hoekstra
 Holden
 Hostettler
 Hulshof
 Hunter
 Hutchinson
 Hyde
 Inglis
 Istook
 Jenkins
 John
 Johnson (WI)
 Johnson, Sam
 Jones
 Kanjorski
 Kaptur
 Kasich
 Kildee
 Kim
 King (NY)
 Kingston
 Kleczka
 Klink
 Klug
 Knollenberg
 Kolbe
 Kucinich
 LaFalce
 LaHood
 Lampson
 Largent
 Latham
 LaTourette
 Lazio
 Leach
 Goss
 Lewis (CA)
 Lewis (KY)
 Linder
 Lipinski
 Livingston
 LoBiondo
 Lucas
 Manton
 Manzullo

NOT VOTING—15

Clay McCarthy (MO) Pickering
 Conyers McInnis Strickland
 Cunningham Moakley Towns
 Gonzalez Obey Weller
 Kilpatrick Oxley Yates

□ 2159

So the amendment was rejected.
 The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Ms. MCCARTHY of Missouri. Mr. chairman, on rollcalls No.'s 380—387, I was unavoidably detained participating in the primary elections in Missouri. Had I been present, I would have voted in the following manner: No. 380—H. Con. Res. 213, Yes; 381—Mollohan Amendment on Legal Services, Yes; 382—Skaggs Amendment on TV Marti, Yes; 383—Souder Amendment on drug counts, No; 384—Bass Amendment on ATP, No; 385—Scott on Truth in Sentencing, No; 386—Gutknecht on Public Broadcasting, No; and 387—DeGette on Abortion, Yes.

□ 2200

AMENDMENT OFFERED BY MR. TRAFICANT

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

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. TRAFICANT:
 Page 38, after line 9, insert the following:
 SEC. . The Director of the Bureau of Prisons shall conduct a study, not later than 270 days after the date of the enactment of this Act, of private prisons that evaluates the growth and development of the private prison industry during the past 15 years, training qualifications of personnel at private prisons, and the security procedures of such facilities, and compares the general standards and conditions between private prisons

and Federal prisons. The results of such study shall be submitted to the Committees on the Judiciary and Appropriations of the House of Representatives and the Senate.

The CHAIRMAN. Pursuant to the previous order of the House of today, the gentleman from Ohio (Mr. TRAFICANT) and a Member opposed will each control 2½ minutes.

The Chair recognizes the gentleman from Ohio (Mr. TRAFICANT).

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

Mr. Chairman, last week, six prisoners, most of them incarcerated for murder, escaped from a private for-profit prison in my congressional district. The development of private prisons for profit around America is a sign of the times, but in the contract that this private prison had these were to be medium security prisoner inmate risks. There is still one murderer at large.

The Traficant amendment simply calls for a study to evaluate the growth and development of private for-profit prisons, the training qualifications of their personnel, the security program and the quality of security programs that they offer and how their standards compare to those of the Federal Bureau of Prisons.

It requires that this study be completed in 9 months and that the fruits of this study shall be reported to both the Judiciary Committees of the House and Senate and the Appropriations Committees of the House and Senate. It is just the beginning, because on the D.C. appropriations bill, where this contract exists between D.C. prisons and the City of Youngstown, and I do not at this point support closing that prison, I just want to make sure that the guidelines and the contractual stipulations for the inmate risk is as it should be. This amendment does not deal with that. That will be handled in the D.C. appropriations bill.

This calls for a study, and with the development of these private for-profit prisons, we must make sure their standards are up to par, their training is up to par, they are certified. The Bureau of Prisons can evaluate them and make recommendations to Congress, because it is a sign of the times.

Mr. Chairman, with that, I yield to the distinguished chairman, the gentleman from Kentucky (Mr. ROGERS).

Mr. ROGERS. Mr. Chairman, I ask unanimous consent to claim the additional 2½ minutes that is allotted to this provision.

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

There was no objection.

The CHAIRMAN. Each side is granted an additional 2½ minutes.

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

Mr. TRAFICANT. I yield to the gentleman from Kentucky.

Mr. ROGERS. Mr. Chairman, the gentleman brings a very somber and important point to the body, and he has

crafted this amendment which we think is appropriate and are prepared and willing to accept.

I congratulate the gentleman from Ohio (Mr. TRAFICANT) for having the wisdom and the fortitude to persevere to be sure that there is something in this bill dealing with a very, very tragic problem in his State but potentially a problem in all the other States. I congratulate the gentleman on bringing the amendment.

Mr. TRAFICANT. Mr. Chairman, I yield such time as he may consume to the distinguished gentleman from West Virginia (Mr. MOLLOHAN), the ranking member.

Mr. MOLLOHAN. Mr. Chairman, likewise, I echo the sentiments of the chairman. The gentleman, who rightly has a very serious concern about the situation in his congressional district, has I think approached it in the appropriate way.

The time frame in which he requested he gets a response from the Bureau of Prisons I think is appropriate, it is expeditious, and I think he is moving in a very smart way. So I support the amendment.

Mr. ROGERS. Mr. Chairman, I yield 1 minute to the gentleman from Ohio (Mr. HOBSON).

Mr. HOBSON. Mr. Chairman, I thank the gentleman for yielding the time.

I want to congratulate the ex-chair for coming forth with this amendment. I think it is very timely and very needed.

As my colleague knows, one of the things I hope will be in this study is that the Governor of the State of Ohio has been told that he does not have the power to shut this facility down. Here it is in our State, and we do not have the ability to have any control over what is going on there, except when they escape, we have got to go out and try to find them at the expense of the taxpayers of the State of Ohio and other States.

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

I do not want to be misinterpreted here. But I think Governor Voinovich has done a good job. The State is looking at it and the Federal Government, as we are talking about today, is doing it with the Governor to improve matters.

Mr. ROGERS. Mr. Chairman, again we salute the gentleman from Ohio (Mr. TRAFICANT) for bringing this matter before us, and we want to be of assistance in trying to solve a problem that the Federal Government is a part of in a big way. I congratulate the gentleman.

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

The CHAIRMAN (Mr. HASTINGS of Washington). The question is on the amendment offered by the gentleman from Ohio (Mr. TRAFICANT).

The amendment was agreed to.

Mr. COLLINS. Mr. Chairman, I rise to join in a colloquy with the subcommittee chairman.

The CHAIRMAN. Pursuant to the previous order of the House of today, the gentleman from Georgia (Mr. COLLINS) is recognized for 5 minutes for the purposes of a colloquy with the distinguished chairman of the subcommittee.

Mr. COLLINS. Mr. Chairman, I have serious concerns about whether the United States Trade Representative is actively enforcing the terms of existing trade agreements. Specifically, compelling evidence has been provided by the U.S. industry which indicates that actions by at least one Japanese company involved in selling insurance products in Japan's third sector insurance market are in direct violation of the U.S.-Japan insurance agreement.

For over a year I have asked the USTR to open an investigation into this matter, but until recently such acts has not been taken. However, in a recent meeting the USTR committed to several Members of Congress that she would hold an open, fair, and complete interagency review of this matter.

However, unofficial reports from the interagency meetings indicate that government officials outside of the USTR are calling for a full 30-day investigation of these allegations. Mr. Chairman, it is my hope that the USTR will hold a fair and open interagency review and will heed the advice of those agency officials calling for a full investigation.

As the chairman knows, I was prepared to offer an amendment to reduce funding for the USTR, but because of my concerns that existing trade agreements are not being enforced, I will not offer the amendment. And at this time, as the bill moves forward through the process, I would appreciate the support of the chairman in pursuing alternative remedies if the USTR fails to live by the commitment that she has made to the Members.

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

Mr. COLLINS. I yield to the gentleman from Kentucky.

Mr. ROGERS. Mr. Chairman, I understand the concerns that have been raised by the gentleman and others. I agree that the USTR should fully enforce existing trade agreements, and expect the USTR to fulfill the commitments she has made to the Members.

I will be glad to work with the gentleman and others in the future to ensure that this occurs.

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

Mr. COLLINS. I yield to the gentleman from Alabama.

Mr. CALLAHAN. Mr. Chairman, I would like to stand and associate myself with the remarks of the gentleman from Georgia (Mr. COLLINS).

Mr. Chairman, I had intended to offer an amendment to H.R. 4276 which would have reduced funding for the Office of the United States Trade Representative.

A number of my colleagues and I have been deeply concerned that the USTR has not adequately enforced that U.S.-Japan insurance

trade agreement. There is considerable material supporting the claim that Yasuda Fire and Marine, Japan's second largest insurance company, had entered the so-called third sector of Japan's insurance marketplace in violation of the agreement, which reserves this sector to American firms until the other insurance sectors are open to U.S. companies. There is considerable evidence, which was outlined last month in the CONGRESSIONAL RECORD, that Yasuda has circumvented the agreement.

Initially it was my view, and the view of a number of my colleagues, that the interagency review be undertaken as promptly as possible. Indeed, we had hoped it would be completed within a time frame that would afford members of the Appropriations Committee and others a chance to understand its conclusions prior to leaving for the August District Work Period. However, given the large volume of evidence that has been submitted, the expressed need among members of the interagency group to more closely focus on the activities of Yasuda, and the broad implications that matter has for the sustainability of the U.S.-Japan insurance agreement, it is now our view that the interagency process requires more time. In fact, a too quick review of this important matter would be a disservice to the aims and goals of the agreement.

With this in mind, Mr. Chairman, and trusting that sufficient time will be given to all participants in the interagency group to conduct a thorough review, I shall not offer my amendment at this time. However, I would encourage conferees on the bill to be aware of this situation and to be open to initiatives to address it if necessary. It is my hope that by then the agencies involved will have had an opportunity to study in depth, including an on ground study investigation to full insure that Yasuda is not violating the agreement, the critical situation faced by American companies wishing to remain and compete in Japan's third sector insurance market.

Mr. Chairman, I would be remiss if I did not commend the USTR, Ambassador Barshefsky and her Deputy Richard Fisher for their willingness to meet with members of Congress to hear our concerns. I was also very pleased she commenced a full interagency review of the case and the specific questions we have raised regarding this matter.

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

Mr. COLLINS. I yield to the gentleman from Colorado.

Mr. SKAGGS. Mr. Chairman, I thank the gentleman for yielding.

I have a copy of the USTR letter of this date dealing with this whole issue. It appears that she is committed, one, to cooperate fully with the GAO review that will be looking at this entire issue, as well as reconvening, as I think the gentleman indicated, the interagency process.

I just wanted to be clear, based on the conversation of the gentleman from Georgia (Mr. COLLINS) with the chairman, that at this point we are not asking for yet another review of this, and we are relying on the USTR to follow through on that commitment.

Is that essentially correct?

Mr. COLLINS. Mr. Chairman, reclaiming my time, what we are asking

for, and we have received cooperation from the trade representative, Ms. Barshefsky, is for full interagency review. That is taking place today, and we are very appreciative of their cooperation in doing this.

It has come to our attention that some of the agencies that are involved in the review feel like it may be necessary for that agency involved in the review, not USTR, to do an investigation of their own for over a 30-day period, maybe even with involving a trip to Japan for some investigating procedures. That is what we are speaking of. There is nothing to mandate that they go along with that or that they do that.

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

Mr. COLLINS. I yield to the gentleman from Alabama.

Mr. CALLAHAN. Mr. Chairman, in response to the inquiry by the gentleman, I would just like to say that Ms. Barshefsky, as well as her Associate Deputy Representative Fisher, have done an outstanding job in responding to the Members of Congress in the last week and have done an outstanding job bringing together the various factions to discuss this issue.

But, in further response to the inquiry of the gentleman, I have requested that Mr. Fisher contact Ms. Barshefsky and ask her to do an on-ground investigation of Yasuda, because in my opinion, Yasuda, the Japanese insurance company, is trying to pull the wool over the eyes of the United States insurance industry by buying a 10-percent interest in an American company and contending that that is a foreign country when they already have an agreement, as soon as this thing is expiring, then they can take over that entire entity.

So I have asked for an on-ground investigation for further requests, but she has not committed to that. And she has been most cooperative in the last week or so.

The CHAIRMAN. The time of the gentleman from Georgia (Mr. COLLINS) has expired.

Mr. ROGERS. Mr. Chairman, I ask unanimous consent to claim an additional 5 minutes and to allot the time.

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

There was no objection.

Mr. ROGERS. Mr. Chairman, I yield 1 minute to the gentleman from Colorado (Mr. SKAGGS).

Mr. SKAGGS. Mr. Chairman, I thank the gentleman for yielding the time.

I just was happy to hear the comments of the gentleman from Alabama (Mr. CALLAHAN) that USTR really is being forthcoming in trying to address this issue. I know the gentleman was very concerned about it when we marked up the bill in full committee, and I appreciate learning that she and her staff are being responsive to his concerns.

Mr. ROGERS. Mr. Chairman, I yield 1 minute to the gentleman from Pennsylvania (Mr. ENGLISH).

(Mr. ENGLISH of Pennsylvania asked and was given permission to revise and extend his remarks.)

Mr. ENGLISH of Pennsylvania. Mr. Chairman, while I have the highest respect for the colleagues who are involved and who have expressed these concerns, I would point out to these gentlemen that this insurance issue is not new. The Yasuda/INA venture, which is controlled by a Pennsylvania-based employer, was announced on July 7, 1993, well in advance of the 1994 and 1996 U.S.-Japan trade agreements.

Furthermore, by the very terms of those agreements, this venture, which is 90 percent owned by a Pennsylvania company, is permitted to compete in Japan. Indeed, there have been ongoing discussions between Committee on Ways and Means and Committee on Commerce staff with all three interested U.S. companies on this issue for some time now, and the distinguished chairman of the Subcommittee on Trade of the Committee on Ways and Means has asked the GAO to review progress in opening up Japanese markets, including a review of the specific matter.

While I recognize that reasonable people can differ, one fact that is not disputed by any of the parties is that one U.S. company controls 80 percent of the Japanese third sector market, another U.S. company controls roughly 10 percent, and the Pennsylvania company controls about 3 percent of the market.

For these reasons, I feel strongly that we need to have an objective review. I think the USTR has done that so far, and I strongly support their effort.

Mr. Chairman, I know the committee recognizes the value of the work done by the Office of the United States Trade Representative, and that a reduction in that office's appropriation below your recommendation could have a profoundly negative affect on our ability to open foreign markets to U.S. products and services. Additionally budget reductions could damage pending international negotiations to further open foreign markets for our agricultural products—just as our farm communities are already suffering—as well as planned negotiations to allow U.S. financial companies to fairly compete overseas.

For these reasons, I must object to the gentleman's statements and object to any direction to the Administration with regard to their current review of the Japanese Insurance Agreement. My understanding is the gentlemen, and other Members, have requested the Administration to again review a prior interagency decision on this issue. Any Congressional direction would interfere with the very process the gentleman has requested, as well as disturb an ongoing substantive, legal process and I would ask the Chairman not to agree to any such legislative history.

I would like to commend the gentleman from Kentucky for the fair and evenhanded way he has approached this dispute between various U.S. companies and his willingness to see that all parties in this matter are treated fairly without bringing any undue pressure on the USTR to force them to advantage one American

company at the expense of another. I look forward to working with the gentlemen on this issue in the future and I look forward to supporting the Committee's budget for the USTR.

□ 2215

Mr. ROGERS. Mr. Chairman, I yield 2 minutes to the gentleman from West Virginia (Mr. MOLLOHAN).

Mr. MOLLOHAN. Mr. Chairman, I want to compliment the gentleman for withdrawing the amendment. I think it was a bit heavy-handed and I think that they made their point.

I just want to clarify, in all this, the gentleman from Alabama (Mr. CALLAHAN) is trying to affect process here, not substance, as I understand it. Is the gentleman satisfied with the responsiveness?

Mr. CALLAHAN. If the gentleman will yield, yes, I am satisfied that the Trade Representative has responded to our initial request and, that is, to involve all of the agencies that have some jurisdiction over this issue. However, the Yasuda Insurance Company in Japan, it is true most of the insurance is controlled by one American firm, but by this insurance company who does about 3 percent of the business selling out to a Japanese firm and with an agreement to buy all of it after the expiration date of this treaty gives them a distinct advantage over American insurance interests. I further requested of the Trade Representative that she do an on-ground investigation into the Yasuda purchase of the 10 percent interest in the American company.

Mr. MOLLOHAN. The gentleman talks about substance when he gets into this issue, and I just want to clarify that what he is asking from the Trade Representative is that they have an exhaustive study and investigation of this. He is not asking for a particular result to come out of this.

Mr. CALLAHAN. I am not asking for a result. I am just asking that the Trade Representative look deeply into this issue to see whether or not the 10 percent acquisition by the Japanese firm of the American firm is violative of the agreement that is in existence. I have asked her for what they have termed as an on-ground investigation into the matter. But in defense of the Trade Representative, she has been most responsive in the last 2 weeks.

Mr. MOLLOHAN. Mr. Chairman, I include for the RECORD a letter from the Trade Representative on this subject to clarify her position.

The letter referred to is as follows:

U.S. TRADE REPRESENTATIVE,
Washington, DC, August 4, 1998.

Hon. ALAN MOLLOHAN,
Ranking Member, Subcommittee on Commerce,
Justice, State and Judiciary, House of Rep-
resentatives, Washington, DC.

DEAR REPRESENTATIVE MOLLOHAN: I am writing to express my strong opposition to the amendment filed by Rep. Collins, and any other proposal, to reduce appropriations for the Office of the United States Trade Representative for the next fiscal year. This amendment is ill-considered and would severely impair our ability to open markets

around the world for U.S. workers and companies.

The amendment filed today is an effort to pressure USTR into reversing a recent decision involving complex factual and legal issues regarding the application of the U.S.-Japan Insurance Agreement. The dispute over this question has divided the U.S. insurance industry. The amendment is prompted by a single American insurance company that disagrees with the Administration's decision.

The underlying dispute in question involves three American insurance companies that compete against each other in the "third sector" of the Japanese insurance market, which has been set aside largely for U.S. and other non-Japanese firms. The disagreement concerns whether a subsidiary that is 90-percent-owned by one of the American companies should, despite its overwhelming American ownership, be deemed to be a Japanese company and whether the activities of this company therefore violate the U.S.-Japan insurance agreement. For obvious reasons, compelling evidence would be needed to find that a 90 percent American-owned subsidiary is in fact Japanese. USTR conducted an extensive review of the arguments made by the parties and of all of the facts presented. Moreover, USTR made certain that the arguments were presented to and the matter reviewed by the interagency process. The evidence provided did not demonstrate that the subsidiary in question is Japanese, and the decision the Administration reached reflected that fact.

Separate from this decision, the Administration told the Japanese Government that it has failed to comply with key aspects of the Agreement regarding access to its largely closed insurance sector (the so-called primary insurance sector). As a result, we have told the Japanese that they may not invoke those provisions of the Agreement that would otherwise have opened the third sector of the Japanese insurance market on January 1, 2001.

It would be highly inappropriate for USTR's funding—which we use to secure export opportunities for all of America's workers and firms—to be reduced based on the urging of one company, regarding one issue, in a single sector of one foreign market. This is especially true given that the U.S. insurance industry is split over the issue and that USTR has taken strong steps just this month to hold Japan to its commitments under the Insurance Agreement. Moreover, the General Accounting Office will shortly be undertaking a review of the operation of the entire Insurance Agreement, including the disputed issue. In addition, at the request of interested Members, we have reconvened the interagency process to again review the matter.

If enacted, the amendment introduced today would impair USTR's ability to reduce trade barriers around the world and to enforce the agreements we have already negotiated, including the Insurance Agreement itself. This Administration has a strong record of opening markets and enforcing our trade agreements. The Insurance Agreement is no exception.

The Insurance Agreement already has provided enormous benefits to the U.S. insurance industry, and USTR has worked diligently to make sure that Japan abides by the commitments it has made.

Sincerely,

CHARLENE BARSHEFSKY.

Mr. ROGERS. Mr. Chairman, I yield 1 minute to the gentleman from Georgia (Mr. COLLINS).

Mr. COLLINS. Mr. Chairman, let me just point out, we understand fully the

ownership of INA in Japan. That is not the question. The question is in the activities of the Yasuda Insurance Company in Japan and what they are doing to affect the market of the third sector insurance market in Japan. As far as the investigations, we are very pleased that the Trade Representative is conducting a full interagency review. However, we would hope that the Trade Representative would not prohibit or try to discourage any agency that is in the interagency review from doing a further investigation as far as their agency is concerned. That is what we are speaking of.

AMENDMENT NO. 45 OFFERED BY MR. SANDERS

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

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 45 offered by Mr. SANDERS:
Page 40, line 8 insert "(decreased by \$1,000,000)" after the dollar amount.

Page 40, line 12 insert "(decreased by \$1,000,000)" after the dollar amount.

Page 40, line 13 insert "(decreased by \$1,000,000)" after the dollar amount.

Page 40, line 16 insert "(decreased by \$1,000,000)" after the dollar amount.

Page 76, line 3 insert "(decreased by \$1,000,000)" after the dollar amount.

Page 101, line 21 insert "(decreased by \$2,000,000)" after the dollar amount.

The CHAIRMAN. Pursuant to the order of the House of today, the gentleman from Vermont (Mr. SANDERS) and the gentleman from Kentucky (Mr. ROGERS) will each control 2½ minutes.

The Chair recognizes the gentleman from Vermont (Mr. SANDERS).

Mr. SANDERS. Mr. Chairman, I yield myself 1¼ minutes. This amendment is cosponsored by the gentlewoman from New York (Ms. VELÁZQUEZ). It increases funding for the Women's Demonstration Projects, currently known as the Women's Business Centers, from \$4 million to \$6 million for fiscal year 1999.

The Women's Business Centers currently have more than 60 centers in over two-thirds of the States. The centers offer financial management, marketing and technical assistance to current and potential women business owners. Each center tailors its style and offerings to the particular needs of its community. The SBA with the support of the Congress and the Administration plans to expand the program adding 30 new centers so that there will be a center in every State, including the State of Vermont.

Fostering the growth of small, women-owned businesses is a smart investment. Women are starting new firms at twice the rate of all other businesses and own more than one-third of all firms in the United States. They contribute \$2.3 trillion to the economy. The 8 million women-owned firms employ 18.5 million people, or one in every five U.S. worker, and 35 percent more people in the United States than the Fortune 500 companies employ worldwide.

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

Mr. ROGERS. Mr. Chairman, I yield myself such time as I may consume. We think the gentleman's amendment makes sense. We have conferred with him at some length on the matter, we think it is a good amendment, and we accept it.

Mr. SANDERS. Mr. Chairman, I yield the balance of my time to the gentlewoman from New York (Ms. VELÁZQUEZ), the cosponsor of this amendment.

The CHAIRMAN. The gentlewoman from New York is recognized for 1¼ minutes.

Ms. VELÁZQUEZ. Mr. Chairman, I rise in strong support of the Sanders-Velázquez amendment. My colleagues, the face of business is changing. We are seeing a phenomenal growth in the number of women-owned businesses. In 1976, women owned just 6 percent of our Nation's businesses. Today, 20 years later, that number has grown to 36 percent. That is over 8 million businesses owned by women. By the year 2000 it is expected that one out of every two businesses will be owned by a woman.

These centers provide a broad range of training and counseling services to women in the areas of finance, management and marketing. By tailoring their services to the needs of the local community, Women's Business Development Centers have given women-owned businesses a fighting chance. They have also played an important role in amplifying the voice of women business owners.

In New York City, one center is working with women who are welfare recipients to start their own business, and they are succeeding. On the two-year anniversary of the President's signing the welfare bill into law, moving from welfare to work is still a great achievement. Moving from welfare to self-employment is pure inspiration. Women's Business Development Centers help make this dream possible. The Sanders-Velázquez amendment will ensure that this dream is a reality for many, many women. I urge the adoption of this amendment.

Mr. WATTS of Oklahoma. Mr. Chairman, I am proud to offer my support for the Women's Business Center program. This program has served the State of Oklahoma extremely well.

The Women's Business Center in Oklahoma City, serving all of central Oklahoma's women entrepreneurs, is a tremendous example of a public-private partnership. Not only does this very "entrepreneurial" non-profit organization leverage its federal grant 2:1 with community support, it has created a unique program offering a "support-system" to micro-entrepreneurs. First and foremost, the organization offers hands-on training led by successful entrepreneurs. Over the past 3 years more than 2,000 people have attended training workshops with more than 250 participating in an in-depth 45 hour business expansion course.

An example in my district is Rosemary Carlisle, owner of Mattress and Furniture Direct in Norman, Oklahoma. She has been in business for more than 5 years, yet after train-

ing, coaching and mentoring from the Women's Business Center program her sales increased by 40%.

Another success story is Deborah Clark owner of Prarie Moons also of Norman. Deborah not only received business plan development assistance, but was able to secure start-up financing for her retail store thanks to connections made through the Women's Business Center.

Expanded funding for this program nationwide would achieve the Small Business Committee's goal of one women's business center in every state. Women Business owners represent the fastest growing segment of our economy, with more than two-thirds of all new businesses being started today by women. These programs focus on issues specific to micro-enterprise and the needs of emerging entrepreneurs.

I am delighted to support increased funding for this very important program.

Mr. ROGERS. Mr. Chairman, we accept the amendment, and I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Vermont (Mr. SANDERS).

The amendment was agreed to.

AMENDMENT NO. 44 OFFERED BY MR. PALLONE

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

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 44 offered by Mr. PALLONE:
Page 52, line 13, after the dollar amount, insert the following: "(increased by \$8,000,000)".

Page 52, line 25, after the dollar amount, insert the following: "(increased by \$8,000,000)".

Page 53, line 1, after the dollar amount, insert the following: "(increased by \$8,000,000)".

Page 53, line 5, after the dollar amount, insert the following: "(increased by \$8,000,000)".

Page 54, line 18, after the dollar amount, insert the following: "(reduced by \$15,000,000)".

The CHAIRMAN. Pursuant to the order of the House of today, the gentleman from New Jersey (Mr. PALLONE) and the gentleman from Kentucky (Mr. ROGERS) each will control 7½ minutes.

The Chair recognizes the gentleman from New Jersey (Mr. PALLONE).

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

Mr. Chairman, polluted runoff into our bays, lakes, rivers and estuaries is the Nation's number one water pollution problem and affects over half of all Americans who live along the coast. It also impacts the 32 percent of the Nation's gross national product that is derived from coastal areas and resources.

This amendment, which is cosponsored by the gentleman from Maryland (Mr. GILCREST), increases funding for the coastal nonpoint pollution program and the Coastal Zone Management Act to meet the levels in the Administration's Clean Water Action Plan. Both of these programs provide invaluable financial assistance to the States to

deal with the problems of coastal nonpoint pollution. More specifically, the Pallone-Gilcrest amendment provides an additional \$4 million for coastal States to complete their coastal nonpoint source pollution control programs.

Since 1995, only \$1 million has been appropriated for this purpose. The amendment also adds \$1 million in coastal zone management grants so that all eligible coastal States can receive maximum support from this program, including three newly eligible States, Minnesota, Ohio and Georgia. These grants are used for important projects such as waterfront revitalization, improving public access to beaches, and controlling coastal nonpoint source pollution, the country's leading cause of water quality problems.

Finally, the amendment increases funding for coastal zone management enhancement grants by \$3 million. This funding is particularly important to those States which have already reached the existing cap in coastal zone management funding. This is a modest amendment, Mr. Chairman, \$8 million in all, but it is an amendment that will have an enormous impact for 30 coastal States and four territories. It is money that can easily be leveraged. The coastal zone management program has a proven \$2 return for every Federal dollar invested.

Mr. Chairman, clean water is not only important for our environment, it is important for our ports and tourism industry. I urge my colleagues to join the gentleman from Maryland and myself in casting a vote for clean water and adopting this important amendment.

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

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

Mr. Chairman, I rise in opposition to the amendment. I want to be sure that every Member knows what he or she is voting for if they vote for this amendment.

A vote for this amendment is a vote to cut critical Weather Service programs. Ninety-eight percent of the moneys the gentleman proposes to cut pays for the critical equipment and computer systems now being put in your local Weather Service offices as a part of the Weather Service modernization and for the weather satellites that these offices depend on to provide weather warnings and forecasts to your constituents. Fifteen million dollars worth.

The other program his amendment would cut is the construction of the National Marine Fisheries Service lab being constructed now at Santa Cruz, California. These are the cuts that are being made by this amendment.

I just cannot support cutting these important programs related to the National Weather Service. I appreciate the gentleman's support for clean water programs, and I would say to the gentleman that this subcommittee has

been very supportive of these programs. Despite the very difficult funding constraints that we faced, we increase funding for clean water programs by over 17 percent. This bill provides over \$70 million for these activities, including an 8 percent increase for grants to States under the Coastal Zone Management Act.

While I can appreciate that the gentleman would like to have seen more, I would have liked to have seen more, we simply had to make hard choices and prioritize, and this is the way it came out. Clearly clean water programs were a priority as evidenced by the significant increase that they received in this bill. But our other priority was ensuring that the National Weather Service was adequately funded and that the modernization of your local weather offices would be completed so that your constituents would have the best weather forecasting that we can afford. I think it is foolhardy to cut this priority in order to fund any other program.

Therefore, I urge rejection of the amendment.

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

Mr. PALLONE. Mr. Chairman, I yield 1½ minutes to the gentleman from North Carolina (Mr. JONES).

□ 2230

Mr. JONES. I thank the gentleman for yielding this time to me.

Mr. Chairman, I rise tonight in support of the Pallone-Gilchrest amendment. This amendment would add \$8 million to the coastal nonpoint pollution program which is of vital importance to my coastal district in North Carolina and other coastal areas throughout the Nation that are faced with pollution threats daily.

Just last week a fish kill killing approximately 200,000 menhaden occurred along the Neuse River in North Carolina that can be attributed to the deadly toxin pfiesteria. The coastal nonpoint program has allowed North Carolina to adopt nutrient-sensitive waters strategies for the river.

The coastal nonpoint pollution program allows States to develop and implement plans to control coastal runoff. Each State may use the grant money to best fit its needs, if it be improving pesticide and nutrient management or improving storm water treatment. The program is flexible enough to help States solve the problems, the problems in each individual State.

The Pallone-Gilchrest amendment does three important things. First, it provides critical money for the States to draft these plans; second, it provides money for the implementation of these plans; and, third, it provides much-needed money for the new Coastal Zone Management programs.

As summer wears on, more and more constituents of ours will be vacationing along our oceans and waterways. It is important, even for noncoastal Members, that we fully fund these programs and address the needs of waterways.

I hope my colleagues will support the Pallone-Gilchrest amendment.

Mr. ROGERS. Mr. Chairman, I yield 2 minutes to the gentleman from West Virginia (Mr. MOLLOHAN), my distinguished friend.

Mr. MOLLOHAN. Mr. Chairman, I rise in reluctant opposition to the Pallone amendment, reluctant because I strongly support the clean water initiative and would love to see \$8 million more put into that account. Unfortunately, I cannot support the gentleman's amendment because of the offset, a \$15 million reduction in NOAA procurement, acquisition and construction.

Now, first of all, why would we be taking \$15 million from NOAA procurement, acquisition and construction when we are only increasing the clean water grants by \$8 million? It is because we have an outlay problem with regard to it, and it takes more money out of NOAA construction to get \$8 million for clean water grants. So we are not talking about an \$8 million reduction, we are really talking about almost twice that much, a \$15 million reduction in these accounts.

Mr. Chairman, these accounts can ill afford to be reduced. These are the NOAA weather accounts primarily. Ninety-eight percent of the money in NOAA procurement is for weather, either for satellites or for the Weather Service. We can ill afford to reduce that money, and this committee has already reduced the Weather Service by significant amounts, roughly \$90 million below the President's request or thereabouts. We really cannot afford to take any more money out of there.

Mr. Chairman, we have had a satellite failure. We need desperately to spend money on satellites. We are behind there already. And, in addition, the second part of the NOAA procurement account, which this \$15 million would come out of, is for systems and equipment for the National Weather Service. This category includes continued development, procurement and acquisition of the AWHPS system, the weather forecasting and warning system, which I do not think can afford at all to have this money taken out.

So, while the amendment is very worthy in terms of the account which it wants to increase, the offsets make it untenable, and I reluctantly oppose the amendment, Mr. Chairman.

Mr. PALLONE. Mr. Chairman, I yield 2 minutes to the gentleman from Maryland (Mr. GILCHREST), the cosponsor of the amendment.

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

I know the difficulty of transferring money from one account do another account, and I realize and understand the \$8 million would account for close to, if not including, \$15 million from these various accounts. It is my understanding, though, that there is a fairly large pot of money that is in unobligated funds carried over from one year to the

next, but I do not want to get into a discussion about fine-tuning the amounts of how much money is available for satellites and Weather Service and how much money for other areas.

Mr. ROGERS. Mr. Chairman, will the gentleman yield on that point?

Mr. GILCHREST. I yield to the gentleman from Kentucky.

Mr. ROGERS. Mr. Chairman, funds have already been allocated. All the unobligated have now been taken.

Mr. GILCHREST. The point I would like to make, Mr. Chairman, is that there is a lot of money that is carried over from year to year. We have problems in numerous areas in the NOAA account.

The point is that this particular issue, which we would like to bring before the House tonight, is that there simply is not enough money to deal with the problems of nonpoint-source pollution among our coastal areas, including the Great Lakes. There simply is not enough money, since we realize that 100 percent of the Great Lakes are under a fish advisory for consumption by people. The Great Lakes will tell women that are pregnant, do not eat any fish. In the Delaware estuary and the Delaware River, in the coastal areas around Maryland and Delaware and New Jersey, women that are pregnant are told not to eat the fish.

I recognize the problems with not enough money, but we certainly need to understand the nature of the problem of nonpoint-source pollution in our coastal areas, and we need to recognize an even more serious problem of persistent toxic chemicals that not only are a problem of yesterday, are not only a problem of today, but unless these problems are dealt with they are a problem for generations to come.

Mr. ROGERS. Mr. Chairman, I yield 1 minute to the gentleman from Colorado (Mr. SKAGGS), a member of the subcommittee.

Mr. SKAGGS. Mr. Chairman, I thank the gentleman for the time.

Both of the gentlemen, all three that have spoken in favor of this amendment, make very compelling cases, and I guess I am in the awkward position of wanting to help love their amendment to death, to acknowledge how meritorious their claim is for additional resources but then say, as the chairman has, "Not here." Because the account that they would be going after by this offset I think has an even more critical priority for the country, especially with the very tenuous status of our weather satellite system right now. It is already being stretched very thin by the constraints in this bill.

To further eat into this account I think really puts into severe jeopardy our overall capability to keep track of weather forecasting, severe weather events that carry even greater threat to the health and safety of the people of this country than do the risks that the gentlemen's amendment would be designed to address.

So, as with everyone else that has spoken against my colleagues, I do so reluctantly.

Mr. PALLONE. Mr. Chairman, I yield 1 minute to the gentlewoman from California (Mrs. CAPPS).

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

Mrs. CAPPS. Mr. Chairman, I rise in support of the Pallone-Gilchrist amendment to provide full funding for the State Coastal Pollution Control Program. This amendment puts funds where they are needed most, at the State and local level.

A recent report by the Natural Resources Defense Council showed that pollution warnings for California beaches went up by almost 8 percent last year. In my district, Santa Barbara County issued beach advisories on 198 days during 1997, warning the public of elevated bacterial levels in the surf, and after the storms of this last year we know that the numbers will be even higher.

This amendment is supported by conservation, commercial and recreational fishing and business organizations, as well as many State associations and municipalities.

Mr. Chairman, we must remember that everything runs downstream and eventually into the ocean. We cannot continue to treat our waterways as a dumping ground for our wastes. Clean waterways are essential to our Nation's fishing, tourism and recreation industries, and I urge my colleagues to support the Pallone-Gilchrist amendment.

Mr. Chairman, I rise in support of the Pallone-Gilchrist Amendment to provide full funding for State Coastal Pollution Control programs.

This amendment would provide critically needed funding to protect our nation's waterways, oceans, and coastal regions. It would provide full funding for NOAA's Clean Water Initiative, a critical component to the President's Clean Water Action Plan.

I had the opportunity to participate in the historic National Ocean Conference in Monterey, CA where a variety of topics were discussed regarding ocean protection. At follow up conferences which I convened in my district, a reoccurring theme was the need to protect our oceans from non point sources of pollution.

Too much pollution from the land runs straight to the sea. Polluted runoff—from our nation's roads, farms, grazing, logging, mining, housing development, and other land uses, is the single largest threat to water quality in this country. This runoff is a major cause of increased beach closures and of the current crisis in our fisheries. Polluted runoff threatens our ecosystems, our health, and indeed our economies.

This amendments puts funds where they are needed most—at the state and local level.

A recent report by the Natural Resources Defense Council showed that pollution warnings for California beaches went up by almost 8 percent last year. In my District, Santa Barbara County issued beach advisories warning the public of elevated bacterial level in the surf on 198 days during the year 1997. We know the numbers will be higher this year.

This amendment is supported by conservation, commercial and recreational fishing, and

business organizations, as well as many State associations and municipalities.

Mr. Chairman, we must remember that everything runs downstream and eventually into the ocean. We cannot continue to treat our waterways as a dumping ground for our wastes.

Clean waterways are essential to our nation's fishing, tourism, and recreation industries.

I urge my colleagues to support the Pallone-Gilchrist amendment.

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

The CHAIRMAN. The gentleman is recognized for 2 minutes.

Mr. ROGERS. Mr. Chairman, I have a letter in my hands from the Department of Commerce of the administration dated July 31 in which they say that they cannot support, in essence, this amendment. They say that we cannot support further reductions in this account or other Commerce programs, and they say that because they go ahead to say in the letter:

"The committee bill already reduces this account by \$88.2 million, and a proposal to reduce PAC by another reduction of \$15 million would cause delays and increase costs to the Federal Government for the remaining projects."

That is satellites, that is weather forecasting of the floods and the hurricanes and the tornadoes and all the other disasters that we are facing already.

And so I urge the committee not to yield to the temptation to put more money in clean water, which we would all like to do, but as the gentleman from Colorado says, this is an even higher priority, and that is forecasting the weather for our constituents.

So I urge a defeat of this amendment.

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

Mr. PALLONE. Mr. Chairman, I yield 1 minute to the gentlewoman from New York (Mrs. LOWEY), a member of the Committee on Appropriations.

(Mrs. LOWEY of New York asked and was given permission to revise and extend her remarks.)

Mrs. LOWEY. Mr. Chairman, I thank the gentleman for yielding this time to me, and with great respect for our chairman and our ranking member, I support the amendment of my colleague from New Jersey.

I would like to point out to my colleagues that I notice in one of our press releases that this bill does provide \$439 million for weather satellites, which is a \$110 million increase over fiscal year 1998. So although this is clearly an important need and we support it, I think the greater need here is to support the amendment of the gentleman from New Jersey (Mr. PALLONE), because from Long Island Sound to Chesapeake Bay, from the Gulf of Mexico to San Francisco Bay, nonpoint-source pollution is a major cause of water quality impairment.

In fact, polluted runoff is the number one water problem nationwide, causing beach closures, fish kills, oxygen de-

pleting algae bloom, shellfish harvest restrictions. The pollution takes a significant toll both on the environment and the economies of our coastal areas, an area where more than 50 percent of the United States population lives.

To tackle this threat to our coastal areas, this bill is very, very important, Mr. Chairman, and I urge support for my colleague.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Jersey (Mr. PALLONE).

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

Mr. PALLONE. Mr. Chairman I demand a recorded vote.

The CHAIRMAN. Pursuant to House Resolution 508, further proceedings on the amendment offered by the gentleman from New Jersey (Mr. PALLONE) will be postponed.

AMENDMENT OFFERED BY MR. ENGEL

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

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. ENGEL:

Page 47, line 11, after the dollar amount insert the following: "(increased by \$5,000,000)".

Page 92, line 25, after the dollar amount insert the following: "(reduced by \$5,000,000)".

The CHAIRMAN. Pursuant to the previous order of the House of today, the gentleman from New York (Mr. ENGEL) and a Member opposed will each control 5 minutes.

The gentleman from New York (Mr. ENGEL) is recognized for 5 minutes.

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

Mr. Chairman, I rise today to offer an amendment to increase funding for the Public Telecommunication Facilities Program, PTFP, by \$5 million. I support public broadcasting, and I think this is a very important amendment to help public broadcasting.

I am offering this amendment because I believe we must address the daunting challenge that the public broadcasters are facing in the conversion to digital broadcast transmission. Additional funding for PTFP can help with this transition. PTFP is a success story that demonstrates what the government and the private sector can accomplish when they work together.

The facilities program is a matching grants plan for public radio and television stations. It helps stations purchase equipment to extend their signals to unserved areas as well as replace outdated hardware such as transmitters, master control rooms or towers. Many of these stations are in rural areas and do not have the resources to upgrade their systems or receive signals. The facilities program has been an unqualified success because it has helped extend public television and public radio services to most of the country, and certainly that is a very worthwhile endeavor.

PTFP is the sole program in the Federal Government that assists in the maintenance of the vast public broadcasting inventory, which now exceeds an estimated \$1 billion in value. Since its inception, PTFP has invested \$500 million in public telecommunication facilities that deliver informational, cultural and educational programming to the American people. That is a significant investment in a system that is now nearly universal, reaching communities as diverse as Point Barrow, Alaska; Jackson, Mississippi; and Los Angeles, California.

This universality provides an amazing potential for communication among Americans as we move further into a digital information age. The Federal Communications Commission has mandated that all public television stations be on the air with a digital signal by May 2003. Public radio stations face a similar transition, although no timetable has been set.

The industry has done extensive research and estimates the costs associated with the transition conversion to be \$1.7 billion. Public broadcasting stations are facing huge financial obstacles with digital transition. Tower replacements costing \$1 to \$3 million are estimated for about one-third of public television stations.

□ 2245

In addition, each analog transmitter and antenna will have to be replicated in digital formats over the next seven years at high cost. Furthermore, the cost to displace radio stations could run from thousands to millions of dollars because of dislocations or structural problems with older towers.

We have an obligation to help public broadcasters finance this enormous venture. Public stations must have the ability to keep up with changing technologies. With proper resources, we can ensure that the public-private partnership between the Federal Government and public broadcasting will guarantee that all Americans will continue to benefit from the services and programming available through public broadcasting.

I am strongly supportive of a proposal put forth by the President that would create a new digital transition program that would help stations with digital conversion. While the Committee on Appropriations chose not to authorize the program, it is my hope that such a plan can be created in the future so that we can properly assist public broadcasters with their digital transmission needs.

This amendment is a modest attempt to help them adapt to the digital, and start a dialogue for future actions that can be taken. Let us fully support these efforts, so the American people can continue to receive the quality programming they deserve. I urge my colleagues to support this amendment.

Mr. Chairman, I yield the balance of my time to the gentleman from West Virginia (Mr. MOLLOHAN).

The CHAIRMAN. The gentleman from West Virginia (Mr. MOLLOHAN) is recognized for one minute.

Mr. MOLLOHAN. Mr. Chairman, I thank the gentleman for yielding me time, and I rise in support of his amendment.

I would like to compliment the gentleman on his fine work, both this year and in the past, on behalf of public radio and television. Our bill funds PTFP at last year's funding level of \$21 million. The gentleman's amendment would provide an additional \$5 million to help our public radio and TV stations convert to digital formatting. This is much less than is actually needed, but it represents a good first start.

I want to again rise in support of the amendment, and compliment the gentleman for his good efforts.

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

The CHAIRMAN. The gentleman from Louisiana (Mr. LIVINGSTON), the distinguished chairman of the Committee on Appropriations, is recognized for 5 minutes.

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

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

Mr. Chairman, I rise in reluctant opposition to the amendment offered by the gentleman from New York. I know the gentleman feels strongly about this subject and he would like to help the Public Television Facilities Program, but the fact is that that program has been funded at \$6 million above the President's request. It is a level equal to last year. So it has gotten \$6 million more than the President requested, and level-funded with what was appropriated in this act last year.

Now, public television is certainly popular throughout every region of this Nation, but, in the other bill, the Labor-Health-Education appropriations bill, we actually appropriate some hundreds of millions of dollars in one fashion or another to public television.

I dare say that as important as this project is, it is not so important that it should take \$5 million from the already depleted funding of Title XI, which provides for maritime construction subsidies. That program provided initially, before we came to the floor in this bill, some \$16 million, and \$10 million of that \$16 million was siphoned away to pay for the increase that Members wanted to apply to the Legal Services Corporation.

Now, our business on the Committee on Appropriations and here in the House is to assess priorities. It is obviously a priority of the House to meet the higher level funding demand for Legal Services. But the maritime subsidy program is not any less important today and at this moment than it was when it was written into the bill at \$16 million. It is currently \$6 million because of Legal Services.

The gentleman from New York (Mr. ENGEL) would like to take \$5 million of

the remaining \$6 million out for the public television facilities grant program. That may be a meritorious program, but that leaves \$1 million for the Maritime Title XI program, which is entirely inadequate.

That program basically is intended to provide guarantees, loan guarantees, for U.S. shipbuilders. The fact is we have shipbuilders all around this Nation who used to rely on a very robust Naval program, and cannot do that anymore because our Navy is not building any ships. If we build more than three or four ships in a single year, it is amazing. That is not enough to sustain our shipbuilders around this country.

If this country gets into a major conflict abroad and we need ships, we need supplies, we need to recreate the situation that we saw ourselves in in Desert Storm, we, quite frankly, could not build the ships fast enough to begin with, and, even if we could, we could not afford the demand.

This program allows us for every \$1 million to shipbuilders, we can actually leverage that into \$20 million of loan guarantees for U.S. ships, and that creates jobs in the shipbuilding industry.

I happen to represent a shipbuilding center in south Louisiana. Others represent shipbuilding centers around the coastal regions of this country. For those Members who represent shipbuilding communities, I would say that this is a very, very important program, no less important, in fact, a lot more important, than the public television facilities grant program. Mr. Chairman, I ask that Members consider that this program from which the gentleman hopes to take \$5 million will be crippled if it loses five-sixths of what remains.

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

Mr. LIVINGSTON. I yield to the gentleman from West Virginia.

Mr. MOLLOHAN. Mr. Chairman, I stood up to support this amendment based upon the new estimates that there would be as much as \$60 or \$63 million carryover. I hope that that happens, and that that addresses some of the distinguished chairman's thoughts.

Mr. LIVINGSTON. Mr. Chairman, reclaiming my time, the gentleman is correct, there is carry-over, although I think the gentleman's figures are greatly inflated. I think it is about half of that.

I would simply say without those already obligated funds, the current contracts would have to be terminated and jobs would be immediately lost; and that is not a good idea.

The CHAIRMAN. All time on the amendment has expired.

The question is on the amendment offered by the gentleman from New York (Mr. ENGEL).

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

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

The CHAIRMAN. Pursuant to House Resolution 508, further proceedings on the amendment offered by the gentleman from New York (Mr. ENGEL) will be postponed.

AMENDMENT OFFERED BY MR. FARR OF CALIFORNIA

Mr. FARR of California. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. FARR of California:

Page 52, line 19, after the dollar amount insert "(increased by \$1,000,000)".

Page 52, line 25, after the dollar amount insert "(increased by \$1,000,000)".

Page 53, line 2, after the dollar amount insert "(increased by \$1,000,000)".

Page 53, line 5, after the dollar amount insert "(increased by \$1,000,000)".

The CHAIRMAN. Pursuant to the previous order of the House today, the gentleman from California (Mr. FARR) and a Member opposed will each control 5 minutes.

The gentleman from California (Mr. FARR) is recognized for 5 minutes.

Mr. FARR of California. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise today to offer an amendment that would support an additional \$1 million for the National Estuary and Research Reserve program. Our Nation's fishery nursery is in these estuaries, which supports 75 percent of the U.S. commercial fish catch. I offer the amendment by taking carry-over funds from the Saltonstall-Kennedy fund.

I ask that the gentleman from Kentucky (Mr. ROGERS) if he would accept the amendment.

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

Mr. FARR of California. I yield to the gentleman from Kentucky.

Mr. ROGERS. Mr. Chairman, we have worked with the gentleman on his amendment. We have no objection to the amendment.

Mr. FARR of California. Mr. Chairman, reclaiming my time, I have a question, if I may, on another issue.

Mr. Chairman, I would ask the distinguished gentleman from Kentucky (Chairman ROGERS) if he would respond to a question I have. I would like to ask the gentleman from Kentucky (Chairman ROGERS) to participate in a brief colloquy regarding the new National Marine Fisheries Lab in Santa Cruz, California.

Some concerns have been expressed regarding the current design of the seawater system as it relates to the ability of the laboratory to support live marine mammal research. I know on May 12, 1998, in a letter to the Department of Commerce, the committee addressed this issue and indicated that should additional funds above the current plan be necessary to address deficiencies in the system, the committee

will be willing to entertain a re-programming request from NOAA for no more than \$600,000 to cover the costs of any necessary changes.

My question to the chairman is, does he believe that this is the appropriate way to address the issue of the seawater system at the Santa Cruz laboratory, and will the gentleman agree to do so?

Mr. ROGERS. If the gentleman will yield further, the answer is yes.

Mr. FARR of California. Mr. Chairman, I thank the gentleman.

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

The CHAIRMAN. Does any Member claim time in opposition to the amendment?

If not, the question is on the amendment offered by the gentleman from California (Mr. FARR).

The amendment was agreed to.

AMENDMENT NO. 15 OFFERED BY MR. ROYCE

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

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 15 offered by Mr. ROYCE:
Page 51, line 9, insert "(reduced by \$180,200,000)" after "\$180,200,000".

Page 51, line 10, insert "(reduced by \$43,000,000)" after "\$43,000,000".

Page 51, line 12, insert "(reduced by \$500,000)" after "\$500,000".

The CHAIRMAN. Pursuant to the previous order of the House today, the gentleman from California (Mr. ROYCE) and a Member opposed to the amendment will each control 5 minutes.

The gentleman from California (Mr. ROYCE) is recognized for 5 minutes.

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

Mr. Chairman, the Advanced Technology Program provides subsidies to multimillion dollar corporations and joint ventures to fund high technology research and development. High-tech R&D has been central to our economy and continued economic growth, and I have the highest praise for these activities.

However, I take issue in asking the American taxpayers to foot the bill for these activities which should be left to the market free of politics and free of government meddling.

Private industry does not need this program and, quite frankly, competes unfairly, has to compete with these grants, and we have heard from Silicon Valley CEO's who have said that economic rivals, competing firms receive these grants, and then compete with them in the marketplace.

In studying ATP, the General Accounting Office found that 65 percent of ATP recipients did not even attempt to secure private funding for the projects before asking for taxpayer subsidies.

ATP has created a perverse incentive. Firms come to Washington to seek millions of dollars in subsidies provided by working families, instead of going first to the private market.

Proponents of these subsidies claim that cooperation between government and industry is essential to compete in the global marketplace. Well, if this kind of cooperation were indeed the panacea they claim, then Eastern Europe would be the dominant economic superpower in the world. It is not.

We commend the American economy for being the most productive in the world. Our economy was not built on government subsidies and those socialist economies that are built on subsidies are economies that are failing and attempting to reform along the lines of a free market.

Now, high-tech R&D will continue if they are deemed worthy by those that choose to invest their own money. High definition TV is one of the clearest failures of government targeted hand-outs. Japanese businesses with subsidies that totalled \$1 billion in the 1980's sought to help HDTV using existing analog technology. The French did the same. \$1 billion of their taxpayers' money went into that.

Luckily, here in the U.S., our administration at the time took a pass at providing \$1.2 billion in subsidies to compete with these foreign rivals. As a result of being denied massive subsidies, American companies were forced to develop an alternative with their own money.

The alternative that AT&T and Zenith developed was a fully digital system that made analog Japanese and European systems obsolete. Before they were ever put into production, the Japanese and European taxpayers lost \$2 billion because their governments directed and handed out the subsidies. We relied on the market, and, again, it showed that the market works.

We are the economic leader of the world precisely because of the relative lack of government involvement in the economy, not because of centralization. The market where people choose to put their own money at risk should determine what activities should be funded, not bureaucrats in Washington using other people's money.

We have also heard the argument that ATP is the catalyst for high tech R&D and is therefore crucial. Well, ATP was appropriated \$192 million, and, as of today, \$23 million from last year has not been doled out yet. In contrast, over \$133 billion was invested last year in industrial R&D by the private sector. Over \$37 billion of this went to applied and basic research. It is obvious the engine driving America's dominance in high technology is the result of our vital private sector, not government picking winners and losers.

□ 2300

Many execs in the high tech industry do not support this corporate welfare. A Silicon Valley CEO told the Senate, I am here to say that such subsidies will hurt my company and our industry because they represent tax and spend

economics. Another venture capitalist knows that ATP grants undercut his industry. He said, whenever the government doles out money, it is unfair. If money is being offered, you have to apply or else your competitors will get it. It took 9 months from when we applied to when we were answered, leaving the company in limbo. While his company waited, he said, the delay scared off private investors.

Mr. Chairman, I yield to the gentleman from South Carolina (Mr. SANFORD).

Mr. SANFORD. Mr. Chairman, I thank the gentleman for yielding me the time. He has already touched on the significance of markets. He has touched on the significance of fairness.

I would just add one little postscript to what has been already said on how important the Royce amendment is; that is, simply the issue of effectiveness. If you think about effective individuals, they are individuals that actually focus. If you think about effective corporations, whether it is McDonald's or Holiday Inn or Sears & Roebuck, they focused.

The same can be said of governments, governments that try to do too many things ultimately are ineffective. If we are to get monetary policy right and defense policy right and Social Security checks on time, this government too has to be limited. And for that reason alone, I would stand in support of the Royce amendment.

Mr. ROYCE. Mr. Chairman, reclaiming my time, besides the question of the constitutionality of these types of subsidies, let us begin with the task of lifting this enormous burden, this enormous government off the backs of America's taxpayers by taking the small step to reduce wasteful subsidies.

I ask my colleagues to join Citizens Against Government Waste, the Competitive Enterprise Institute, Americans for Tax Reform and other groups in support of this amendment.

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

The gentleman from West Virginia (Mr. MOLLOHAN) is recognized for 5 minutes.

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

We have had similar debate earlier today in which I pointed out that the ATP program is the centerpiece of the administration's research and its strategy to maintain its competitiveness in the global marketplace.

I also pointed out that this is in real competition with other countries around the world who are investing strategically, governments are investing strategically and far more deeply than the United States. Nevertheless, this program, however small relative to those other strategic investments by government and civilian technology research, it is an important program. It is a program that is getting better.

It has listened to its critics who have expressed concern about too much of

the money going to large corporations. The program has been reconstituted by the Secretary of Commerce, taking into consideration those concerns, so that the grantees of these monies are increasingly consortium groups, including academia, small businesses, increasingly, and, of course, large businesses also, all of it directed at precompetitive, generic technology development, which would not otherwise be undertaken by private industry.

ATP is decidedly not corporate welfare. That is not what it is about. It is not about picking winners and losers. It is also not about product development. ATP is about funding the research and development efforts behind high risk technologies.

While the government provides a catalyst, industry can seize, manage and execute along with academician and nonprofit sector partners, these ATP projects. These funds are risky. ATP funds are risky. They are precompetitive technologies, and they are strategically picked out to ensure America's competitiveness in core sectors.

That has a big potential payoff for this country, as we are in competition with the world's economy. It is a program that was bipartisan in its initiation. Although it has become political, it has become a political issue, a partisan issue in recent years, less so maybe in the last several years, it was conceived in a very nonpartisan way under the President Reagan's administration and was authored by a former Republican member of Congress, the distinguished member from Pennsylvania, Don Ritter.

I remember well his support for this program. He particularly appreciated the benefits of the government being a strategic partner in ensuring America's competitiveness by focusing in these strategic areas and providing some seed catalyst money by the government to make sure that these precompetitive technology research efforts went forward.

I strongly support the program. I believe that the Congress increasingly is coming to support the program. I would hope that that would be expressed by defeating the gentleman's amendment.

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

The CHAIRMAN. The question is on the amendment offered by the gentleman from California (Mr. ROYCE).

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

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

The CHAIRMAN. Pursuant to House Resolution 508, further proceedings on the amendment offered by the gentleman from California (Mr. ROYCE) will be postponed.

AMENDMENT NO. 3 OFFERED BY MR. BARTLETT OF MARYLAND

Mr. BARTLETT of Maryland. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 3 offered by Mr. BARTLETT of Maryland:

Page 78, strike line 15, and all that follows through line 6 on page 79.

The CHAIRMAN. Pursuant to the previous order of the House of today, the gentleman from Maryland (Mr. BARTLETT) and a Member opposed, each will control 7½ minutes.

The Chair recognizes the gentleman from Maryland (Mr. BARTLETT).

Mr. BARTLETT of Maryland. Mr. Chairman, I yield myself such time as I may consume.

This is a very simple amendment. It simply strikes the funding for the payment of U.N. debt arrearages, and I do this for several reasons.

First of all, whatever debt we owe for arrearages and dues has already been paid several times over by our participation in legitimate U.N. peacekeeping activities.

First of all, here is a GAO report that says that between 1992 and 1995, the United States spent \$6.6 billion on legitimate U.N. peacekeeping activities. Recognizing the legitimacy of this, the U.N. has credited us with \$1.8 billion of that against back dues, no credit for the remainder.

Secondly, here is a CRS report, more recently. This report covers from 1992 to May of last year. This report says that we have spent during that time period \$11.1 billion on legitimate U.N. peacekeeping activities. This, of course, includes the monies that were in the GAO report.

In addition to that, the Pentagon itself, in two reports that I have, one for last year which says that just last year alone we spent \$2.9 billion on U.N. peacekeeping activities, the other report says that the year before last we spent \$3.3 billion on U.N. peacekeeping activities. So whatever back dues we might owe, we have paid them several times over as indicated by these reports by our participation in legitimate U.N. peacekeeping activities.

This past spring President Clinton requested \$1.36 billion in emergency funds for the Department of Defense to pay for the ongoing mission in Iraq. Recognizing that this was a U.N. peacekeeping activity, the United States, Kofi Annan said, would be required to get U.N. approval prior to bombing Iraq.

These monies were spent in pursuit of a legitimate U.N. peacekeeping activity. The CRS reports that in 1995, the U.S. State Department estimated that the United States paid for 54 percent of all United Nations peacekeeping activities. We are required to pay for just over 30 percent; clearly, a big surplus that should be credited against our dues.

The second reason for striking this language is that the United Nations is not reforming. A year ago we put them on notice that they would get back

dues when they had reformed. They are clearly not reforming. They are putting 100 new people on when they said they were going to reduce their staff. And a committee of the United Nations itself, the General Assembly's Advisory Committee on Administrative and Budgetary Questions said, and I quote, Mr. Kofi Annan's report was wrong to say U.N. headquarters staff had to support 4,921 troops. He wants a big headquarters staff to support nearly 5000 troops, but those troops are reduced to zero, this committee said, by July 1, 1998. He still has the staff there.

Another reason, a third reason for striking these funds is that we now have a major problem with the International Criminal Court. The Clinton administration was party to spawning this. Now it has become a major problem, because it is going to be an agency of the General Assembly in which we have no veto, rather than the Security Council where we do have a veto. As a matter of fact, the United Nations voted against us 120 to 7 relative to the International Criminal Court. And we want to give them \$475? I think not.

□ 2310

In summary, we need to strike this language because we have already paid the dues, whatever they are, several times over with legitimate U.N. peacekeeping activities. Witness the four government reports. Secondly, the U.N. is not reforming, as they promised they would. And, thirdly, we have a major problem with the international criminal court.

Mr. Chairman, I yield 2½ minutes to the gentleman from Indiana (Mr. HOSTETTLER).

Mr. HOSTETTLER. Mr. Chairman, I thank the gentleman from Maryland (Mr. BARTLETT) for yielding me this time.

As we all know, the U.S. easily pays the lion's share of the burden for keeping the U.N. in operation. Each year the U.S. spends approximately \$1 billion for the U.N.'s regular budget, peacekeeping operations, and various other U.N. programs. In addition, in 1995, the U.S. spent approximately \$1 billion for U.N. peacekeeping operations above and beyond our assessed dues.

In fact, a recent GAO report documents that from 1992 to 1995 the U.S. supported the U.N. in its peacekeeping ventures to the tune of \$6.6 billion, but only \$1.8 billion of this was counted toward our assessed dues to the U.N. Of the remaining \$4.8 billion, only \$79 million has been reimbursed to the United States. If we deduct the \$1.3 billion the U.N. claims we owe them from the \$4.8 billion of nonreimbursed U.S. expenditures, the result is \$3.5 billion that the U.N. still must pay or credit to the United States.

Perhaps the U.N. bureaucrats think this was a gift from American taxpayers, but it certainly was not. That is why 31 Members of Congress, myself included, sent a letter to President

Clinton following his State of the Union address in February 1997. This letter voiced our disagreement with the President's statement that we owe money to the U.N.

Currently, we pay at least 25 percent of the U.N. regular budget through assessed dues. This is 2 to 3 percent below what the U.N. believes we should pay and 5 percent below what this administration wants us to pay.

Also, for peacekeeping operations, we contribute over 30 percent of the U.N.'s budget. On top of these assessed dues, the U.S. appropriates roughly \$300 million as voluntary contributions for various U.N. programs, including \$30 million in fiscal year 1998 for the U.N. population program, which we all know is a front for funding overseas abortions.

This Congress and the President need to realize we cannot provide any so-called back payments to the U.N. until the U.S. is properly reimbursed or credited for our contributions to the various peacekeeping ventures and until certain U.N. reforms have been implemented.

Let me just remind the House that, first, we do not owe the \$1.3 billion in arrears, as the U.N. claims. Second, we do not owe \$921 million in arrears, as the administration's request for fiscal year 1998 and 1999. And, thirdly, we do not owe \$819 million in U.N. back dues, as H.R. 1757 authorizes for fiscal year 1998 and 2000.

Accordingly, we should not fund \$475 in so-called unpaid arrears for fiscal year 1999, as proposed in this State Department appropriations bill. Equally important, we do not need to throw any extra chunk of the American taxpayers' hard earned money at an institution that, one, often contradicts U.S. national interest, fails to acknowledge the extent and significance of U.S. contributions, and fails to implement many of the badly needed U.N. reforms necessary to help the U.N.

Support the Bartlett amendment.

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

The CHAIRMAN. The gentleman from Kentucky (Mr. ROGERS) is recognized for 7½ minutes.

Mr. ROGERS. Mr. Chairman, I yield myself 4 minutes.

Mr. Chairman, I think the Members know that I am no patsy for the United Nations. I believe the United Nations is a bloated organization, in need of terminating obsolete and duplicative functions, ridding itself of unneeded positions and unproductive employees, trimming its budget, reforming its procurement practices, crediting the United States for off-budget contributions, decreasing the lopsided amount of U.S. contributions, and burying any ambitions to be some kind of world government.

I have tried to use every piece of leverage at my disposal for years in this subcommittee, including conditioning payment of our assessment to insist on overall budget reductions, personnel reductions and the creation of an In-

spector General to become an independent watchdog to sniff out waste, fraud and abuse. And that is exactly what the funding of arrears in this bill, again, is meant to do. Not one penny of the \$475 million for payment of arrears in this bill will be spent, not one penny, unless and not until a series of conditions is met by the United Nations.

The first condition is: The State Department authorization bill by this Congress must be passed and signed into law. The United Nations' reforms that are contained in that regulation include: Reducing the U.S. assessment rate, reducing the number of personnel, reimbursement for U.S. goods and services, writing off arrears that the U.S. disavows, sunseting U.N. programs, merit-based employment, a code of conduct, and a cap on payment to international organizations.

That is just the first condition, Mr. Chairman.

Condition two: The United Nations must actually implement those reforms. Once an authorization bill gets signed into law, still not a penny goes out. The U.N. has to implement these reforms. First, the assessment rate has to be reduced, sunseting of U.N. programs has to be agreed to, and so on.

Condition three: The U.S. assessment rate must be reduced at least to 22 percent and 25 for peacekeeping, guaranteeing lower payments by our taxpayers from here on out. This \$475 million is provided subject to authorization and subject to achievement of these reforms. It will be spent if and only if we get the kind of reform we want from the United Nations, and the money may never be spent.

But the choice will be up to the administration and to the U.N. There is one and only one true constituency for reform at the U.N., and that is this body: The United States Congress.

This is our best chance to change an institution that all of us believes desperately needs changing. This is no time to refrain from being bold. We must stick to our guns, and for that reason support this bill and reject the Bartlett amendment.

Mr. Chairman, I yield the balance of my time to the gentleman from West Virginia (Mr. MOLLOHAN).

The CHAIRMAN. The gentleman from West Virginia (Mr. MOLLOHAN) is recognized for 4 minutes.

Mr. MOLLOHAN. Mr. Chairman, I appreciate the distinguished chairman of the committee for yielding me this time and appreciate his very strong statement in opposition to this amendment. He is in a good position to make a strong statement on this issue because he has been at the forefront in trying to affect reforms at the United Nations, and has been very effective in doing so. I am pleased to have supported, as has been the minority on our committee has been pleased likewise to support him.

This is a very ill-advised amendment for two immediate reasons. First of all,

we owe the money. We owe the United Nations money. Now, it is over a billion dollars, or less than a billion dollars, depending on how we count it. But we certainly owe the money, and we owe them as much money as is appropriated in this bill, \$475 million, which is the subject of the gentleman's amendment.

Unless we want to be total pikers in the world community, we need to pay this money. Now, that is just what it boils down to. Are we going to be responsible partners in this international organization and pay the money, stand up, meet our obligations; or are we going to be pikers and not pay it; welch on our debts? That is what this amendment asks us to do.

Now, it is perfectly appropriate for the Congress of the United States, that holds the pursestrings, to say, yes, we owe this money; yes, we want to participate in this international organization, but international organization, United Nations, we have concerns about the way you operate and we think, in many ways, you are irresponsible and you need to reform.

□ 2320

So here is what you have to do in order to receive money from us. That is using our leverage, exactly the power of the purse that the United States Congress has, to effect reforms in this case or to effect policy in this country and as we relate to the world through this organization. That is very appropriate, and that is what we are doing here.

We have a bipartisan agreement which the Secretary of State, the United Nations ambassador, have worked extremely hard on during the last 2, 3 and 4 years. They have worked with Members of Congress, both on the House and the Senate side, both Democrats and Republicans, to effect this agreement. The linchpin is the leverage we have with withholding funding and doling it out in response to the United Nations being responsive for our demands for reforms. That is all responsible.

What is not responsible is for us to say we are just not going to pay it. The gentleman argues, as I understand his argument, that our contribution to peacekeeping efforts or to our military operations ought to offset this debt. Well, that is not a part of this deal. Countries that participate in this way militarily, in the ways we have, do not offset those military contributions against these peacekeeping and other U.N. funding programs.

So I simply say, this is the second year, and I think the gentleman was unsuccessful last year and I hope he is unsuccessful this year, it is just a totally irresponsible amendment to come here and suggest we should withdraw.

We do not have a authorization so this is subject to an authorization. This funding is subject to an authorization.

We are effecting reforms at the United Nations, which is what we

ought to be doing with our money, leveraging our payment based upon their performance for reforms. Then we have achieved assessment rate reductions and this money is also contingent upon their accepting that.

I do not know how much more you can ask but what you cannot ask is for the United States of America to be pikers on this debt and the Members of the United States Congress to be accomplices in renegeing on the obligation.

Mr. BARTLETT of Maryland. Mr. Chairman, will the gentleman yield?

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

The CHAIRMAN. The time of the gentleman from West Virginia has expired.

Mr. MOLLOHAN. Mr. Chairman, my intentions were good but I just did not have enough time.

Mr. FARR of California. Mr. Chairman, earlier this year, Congress passed the State Department authorization bill which authorized \$819 million to pay the United Nations back dues over the next two years. The Commerce, Justice, State, and Judiciary Appropriations bill includes \$475 million of the \$1.3 billion owed to the U.N. It is essential that this funding not be decreased or stricken.

Because of its large debt to the United Nations, the United States actually risks automatically losing its vote in the United Nations General Assembly early next year. We can not afford to lose our voting rights.

The United States has been trying to reduce its United Nations budget share, but negotiations ended last year when other members would not agree to pay more until the United States paid at least its current obligated share. Who can blame them.

Seven former Secretaries of State wrote Congress, telling Members that "without a U.S. commitment to pay arrears . . . U.S. efforts to consolidate and advance U.N. reforms and reduce U.S. assessments are not going to succeed." The continued failure of the United States to honor these obligations threatens the financial and political viability of the United Nations.

OPONENTS ARGUE

The United Nations doesn't reimburse countries for their participation in U.N.-run peace operations. NOT True—The United Nations pays countries \$998 per soldier per month in U.N. peace operations. The U.N. does not reimburse countries for operations which they conduct on their own, or outside the U.N. system.

The United Nations owes the U.S. \$109 million for peacekeeping. True—The U.N. recognizes this fact, but has no money to pay the U.S. or others of the 70-plus countries that contribute to U.N. peacekeeping. Countries have failed to pay over \$1 billion in peacekeeping assessments; currently the U.S. owes about \$900 million in peacekeeping arrears.

The United States is relinquishing command of American soldiers. Not True—Presidential Decision Directive 25 (PDD-25) described the overall Clinton policy for using U.S. troops in peacekeeping operations. It is classified, but according to the declassified summary, participation in peacekeeping operations is contingent upon several factors, including command and control of U.S. troops by American commanders.

The CHAIRMAN. All time has expired.

The question is on the amendment offered by the gentleman from Maryland (Mr. BARTLETT).

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

Mr. BARTLETT of Maryland. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to House Resolution 508, further proceedings on the amendment offered by the gentleman from Maryland will be postponed.

AMENDMENT NO. 32 OFFERED BY MS. MILLENDER-MCDONALD

Ms. MILLENDER-MCDONALD. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 32 offered by Ms. MILLENDER-MCDONALD:

Page 101, line 21 insert "(increased by \$250,000 to be used for the National Women's Business Council as authorized by section 409 of the Women's Business Ownership Act of 1988 (15 U.S.C. 631 note)" after the dollar amount.

The CHAIRMAN. Pursuant to the previous order of the House today, the gentlewoman from California (Ms. MILLENDER-MCDONALD), and a Member opposed will each control 2½ minutes.

The Chair recognizes the gentlewoman from California (Ms. MILLENDER-MCDONALD).

(Ms. MILLENDER-MCDONALD asked and was given permission to revise and extend her remarks.)

Ms. MILLENDER-MCDONALD. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the Millender-McDonald/Bartlett/Forbes amendment increases funding for the National Women's Business Council to the full amount that was authorized by Congress last year. I would like to thank the gentleman from Kentucky (Mr. ROGERS), the chairman, and the gentleman from West Virginia (Mr. MOLLOHAN), the ranking member, the gentleman from Missouri (Mr. TALENT), for their support of women business owners and this amendment. I appreciate having their bipartisan support.

As a member the Committee on Small Business and co-chair of the Women's Business Legislative Team, I was actively involved in reauthorizing the Small Business Administration, including the Women's Business Centers and the National Women's Business Council under its jurisdiction.

The Small Business Programs Reauthorization and Amendments Act was unanimously passed by the Committee on Small Business and passed by the House on the Suspension Calendar by a vote of 397 to 17. Clearly, the programs authorized through this legislation, such as the National Women's Business Council, have strong bipartisan support. I am here today to ensure that this bipartisan authorization is matched with full appropriation.

The Senate passed the Commerce, Justice, State and Judiciary appropriations bill with the full appropriation and so should the House. This increase for the Women's Business Council is small and reasonable and the Congressional Budget Office has assured me that it does not increase the budget outlays and it does not need any offset.

The National Women's Business Council is a bipartisan advisory panel created in 1988 by Congress to provide advice and counsel to the President, Congress and the Interagency Committee on Women's Business Enterprise.

As many of my colleagues who are actively involved with women business owners in their districts know, the council has played an integral role in helping us meet the needs of women-owned businesses today. The council serves as a powerful voice for more than 8 million women-owned businesses in the country that are providing jobs for 15.5 million people and generating nearly \$1.4 trillion in sales.

Mr. Chairman, how much time do I have left? Because I would like the gentleman from West Virginia (Mr. MOLLOHAN) to speak on the issue.

The CHAIRMAN. The gentlewoman from California has 30 seconds remaining.

Ms. MILLENDER-McDONALD. Mr. Chairman, I yield 30 seconds to the gentleman from West Virginia (Mr. MOLLOHAN).

Mr. MOLLOHAN. Mr. Chairman, I rise in strong support of the Millender-McDonald amendment, and I compliment her for her efforts in support of the National Women's Business Council.

Her increase is especially responsible because it raises the amount of money appropriated to this organization to the authorized and to that amount requested by the administration, and she did it in a way that did not require an offset. And I compliment her for her amendment and her support of the council and rise in strong support of her amendment.

Mr. ROGERS. Mr. Chairman, I rise to claim the remaining time.

The CHAIRMAN (Mr. HASTINGS of Washington). The gentleman from Kentucky (Mr. ROGERS) is recognized for 2½ minutes.

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

Mr. Chairman, we have had a chance to examine the amendment and in fact have worked with the gentlewoman from California (Ms. MILLENDER-McDONALD) on the amendment. We think it is a good amendment, and we compliment her, and we accept the amendment.

Mrs. CLAYTON. Mr. Chairman, small businesses have been at the very core of our commercial activities since our Nation's beginnings. In the last decade large numbers of women had the opportunity to become small business owners. However, as of about 1996, women owned a little less than 40 percent of all businesses.

In my own state of North Carolina, women own only 34 percent of the state's firms. The

wonderful news is that, during this period, the number of North Carolina's women-owned businesses grew by 94 percent, employment grew by 140 percent, and sales rose 200 percent.

As a Congress, we must do all that we can to help women continue to cultivate these opportunities. The National Women's Business Council (NWBC) is an organization vital to this goal.

I urge my colleagues in the House to support the Millender-McDonald/Bartlett/Forbes Amendment of the Commerce-Justice-State Appropriations Bill to fully fund the Council for the \$600,000 authorized by the Congress and targeted for appropriations by the Senate.

We encourage small business development through our commitment and investment. I believe strongly that we must continue to enable our communities' business people. That is why, today, I support the Millender-McDonald amendment on behalf of the National Women's Business Council and on behalf of current and prospective women business owners across the United States and in my own state of North Carolina.

NWBC is a bipartisan and independent source of advice to the President, the Congress, and the private sector's Interagency Committee on Women's Business Enterprise. Through its 15-member Board of prominent women and leaders in the business community, NWBC represents the voice of this nation's more than 8 million women-owned businesses.

The Council's critical mission also includes completing two research studies requested by the Congress: one on why women-owned businesses are awarded only 2 percent of federal contracts, and the other, on why women have accessed only 2 percent of all venture capital.

Most women entrepreneurs just don't know about the many local, state, and federal-level resources available to them. Women need to access capital, information, and markets in order to start and grow successful businesses. As policymakers, we have a responsibility to assist women access those services and build a public policy infrastructure that supports them. The National Women's Business Council is available to help us make this happen.

This summer I hosted a Roundtable discussion to connect women in the First District of North Carolina interested in starting or growing their businesses with some of the potential local and national resources available to assist them. We employed the latest technological advances. The first to use the North Carolina Information Highway System to its fullest capacity, we simultaneously linked and connected women at five different sites for satellite-fed and computer-delivered interactive discussions.

The Roundtable not only was a successful and energizing beginning, it marked the first meeting hosted by a member of Congress where the local input will feed directly into a national economic forum on women's entrepreneurship.

The Council will host a national-level "Summit '98" where women entrepreneurs and experts from around the country will develop action plans about how to address the four critical needs of women entrepreneurs, to build the 21st century economy, and grow women-owned businesses.

It is important to assist women business owners find ways to develop their businesses

so that if they choose to, they can increase the scope, the employment rate, and profitability. This is the essence of our entrepreneurial system.

I urge support for the Millender-McDonald/Bartlett/Forbes Amendment on behalf of the National Women's Business Council.

Ms. DEGETTE. Mr. Chairman, I rise in support of this important amendment to increase funding for the National Women's Business Council.

Last year, the National Women's Business Council was unanimously passed by the Small Business Committee and went on to pass the House by an overwhelming vote of 397 to 17. The Senate has already provided full funding for the Council in their CJS Appropriations bill. I urge the House to vote for this amendment and continue to support National Women's Business Council.

The National Women's Business Council is a bi-partisan Federal government advisory panel created to serve as an independent source of advice and council to the President and Congress. The Council consists of 15 prominent women business owners and leaders of Women's business organizations. It is essentially the voice of approximately 8 million women-owned businesses in the country.

The Council was recently instructed by Congress to complete a study on women's business participation in the federal government. The main goals are to find out why women-owned businesses continue to receive so few federal contracts, and do a study on women's access to capital.

Women-owned businesses play an increasingly more important role in our economy. Between 1987 and 1996 the number of firms owned by women grew by 78%, and the number of minority women-owned firms grew 206%. Current estimates are that the nearly eight million women-owned businesses in this country account for nearly \$1.4 trillion in sales. And yet, women-owned businesses continue to receive just 2% of federal contracts, and just 2% of all venture capital.

In 1996, women-owned firms accounted for 40% of all businesses in Colorado, provided employment for 33% of Colorado's workers, and generated 19% of the state's business sales. During the entire 1987-1996 period, the National Foundation for Women Business owners estimates that the number of women-owned firms in Colorado has increased by 65%, that employment has grown by 235% and sales have risen 276%.

These astounding statistics underscore the importance of the studies conducted by the National Women's Business Council. The Council needs its full appropriation to be able to carry out these studies which are clearly of great importance to small businesswomen in my state and throughout this country.

I ask my colleagues to vote for small business in this country and pass this amendment.

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

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from California (Ms. MILLENDER-McDONALD).

The amendment was agreed to.

AMENDMENT NO. 8 OFFERED BY MR. TALENT

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

The Clerk read as follows:

Amendment No. 8 offered by Mr. TALENT:

Page 102, line 15 insert "(increased by \$7,090,000)" after the dollar amount.

Page 103, line 7 insert "(decreased by \$7,090,000)" after the dollar amount.

The CHAIRMAN. Pursuant to the previous order of the House of today, the gentleman from Missouri (Mr. Talent) and a Member opposed to the amendment each will control 5 minutes.

The gentleman from Missouri (Mr. Talent) is recognized for 5 minutes.

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

Mr. Chairman, this amendment will add slightly over \$7 million to the Business Loan Program Account for the Small Business Administration. The purpose is to add that funding for the purpose of the Small Business Investment Program.

H.R. 4276 currently appropriates \$13.1 million for the SBIC program, which is well below fiscal 1998. This amendment will raise funding to an amount equal to this year's level. That is necessary to create a level kind of funding stream. We anticipate, Mr. Chairman, increased demand for the program, and this amount guarantees that sufficient funding will be available for the SBIC program.

Mr. Chairman, the SBIC program is a Small Businesses Venture Capital program, really the only one that we have. It provides venture capital lenders with leverage funds for the purpose of equity and long-term investment in small business.

The participants in the SBIC program look to the Congress for clear signals of our support and consequently our commitment to funding venture capital for small businesses. By adding these funds, we will maintain this program at a level equal to that of previous years and send a clear message of our support for this program.

The gentleman from Kentucky (Mr. Rogers), the subcommittee chairman, has spoken with me about the program and understands our concern about possible serious negative impact on private capital commitments to the program. He has expressed his support for the program and my amendment and I want to thank him for his support.

I want to mention also at this point, before yielding to the chairman, that the gentlewoman from New York (Ms. VELÁZQUEZ), the ranking member of the Committee on Small Business, also supports the amendment. And I want to thank her for her help and her consistent aid on behalf of small business.

I will add also that the amendment is supported by the Small Business Legislative Council, an organization representing over 80 small business groups.

I ask my colleagues for their support for this amendment, as well.

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

Mr. TALENT. I yield to the gentleman from Kentucky.

Mr. ROGERS. The gentleman from Missouri (Mr. Talent), the chairman of

the SBA authorizing committee, is a talented chairman and has this very strongly on his mind, and he has conferred with me at great length and numerous times on the necessity of doing what his amendment achieves. He has convinced me of the need for that. And as chairman of the subcommittee, I am in agreement with the amendment and would urge Members to support it.

Mr. TALENT. Mr. Chairman, reclaiming my time, I appreciate the sentiments of the gentleman and the distinguished chairman of the subcommittee.

Ms. VELÁZQUEZ. Mr. Chairman, will the gentleman yield?

Mr. TALENT. I yield to the gentlewoman from New York.

□ 2330

Ms. VELÁZQUEZ. Mr. Chairman, I rise today in strong support of the amendment of gentleman from Missouri (Mr. TALENT).

Mr. Chairman, I rise today in strong support of Mr. TALENT'S amendment to increase funding for the Small Business Investment Company Program. I would like to thank the distinguished Chairman of the Small Business Committee for bringing this important issue to the floor. I urge my colleagues to support this amendment which provides critical funding for our nation's small business community.

There is no question that the value of Small Business Investment Companies has been felt across this nation. SBICs have invested nearly \$15 billion in long-term debt and equity capital to over 90,000 small businesses. Over the years, SBICs have given companies like Intel Corporation, Federal Express and America Online the push they needed to succeed. The result has been the creation of millions of new jobs and billions of dollars in economic growth.

By restoring necessary levels of funding, Mr. Talent's amendment ensures that future Intels and Federal Expresses will have a fighting chance. Cutting funding for this program is short-sighted. Past experience has shown that failure to adequately fund SBICs has had a detrimental effect on our nation's small businesses. In FY 95 and FY 96 when Congress failed to show strong support for the SBIC program, private investors left. This caused investments in new SBICs to fall by 60 percent from FY 94 to FY 95. Investment fell by another 32 percent from FY 95 to FY 96. The reason for the drop in resources was clear—scarcity in funding and uncertainty regarding future Congressional intent caused private investors to put their money in other investment opportunities.

Fortunately, in recent years, this trend has been reversed. Congressional support for SBICs has dramatically improved the outlook for small business. Private capital invested in new SBICs has jumped 118 percent. Additionally, the SBIC program has been able to expand into new areas. This year we have witnessed the creation of two women owned SBIC's, and shortly we'll see the establishment of the first Hispanic owned SBIC. This is building on an important trend. The SBIC program is increasingly becoming a vehicle to assist historically under-served markets, namely, women, minorities and inner-cities. If this body fails to restore funding to the SBIC program, we risk losing many of these groups and

blocking efforts to serve the small entrepreneur.

My colleagues, the benefits that SBICs provide are quite clear. Last year alone, SBIC's invested over \$2.4 billion in more than 2,500 entrepreneurs allowing them—regardless of their chosen business form—to benefit from SBIC financing. Adoption of the Talent amendment will enable us to continue to build even further, allowing us to create more jobs and provide even greater economic opportunity to our nation's small entrepreneurs. I urge the adoption of this amendment.

Mr. TALENT. Mr. Chairman, I appreciate the support of the gentlewoman from New York and also of course the distinguished gentleman from Kentucky, the chairman of the subcommittee. I would ask my colleagues for their support of the amendment.

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

The CHAIRMAN. Does any Member rise in opposition to the amendment?

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

The CHAIRMAN. The question is on the amendment offered by the gentleman from Missouri (Mr. TALENT).

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

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

The CHAIRMAN. Pursuant to House Resolution 508, further proceedings on the amendment offered by the gentleman from Missouri (Mr. TALENT) will be postponed.

Mr. SENSENBRENNER. Mr. Chairman, H.R. 4276, the Commerce, Justice, and State, the Judiciary and Related Agencies Appropriations Bill for Fiscal Year 1999, includes funding for the National Institute of Standards and Technology (NIST) and the National Oceanic and Atmospheric Administration (NOAA).

Last year the Science Committee and the full House passed H.R. 1274, the National Institute of Standards and Technology Authorization Act of 1997. H.R. 1274 includes authorizations of \$621 million for NIST and \$7 million for the Technology Administration (TA) for FY 1999. H.R. 4276 largely follows those authorizations by funding NIST at \$624 million, and TA at \$7 million for FY 1999.

As did the authorization, this bill gives priority to NIST's core laboratory functions, including a \$4 million increase over the FY 1998 appropriated level for the Scientific and Technical Research and Services (STRS) account. STRS funds NIST's laboratories and the Baldrige Quality Awards. While the increase is less than the authorization, the increase is a recognition that running NIST's laboratory programs is the agency's most important function.

By contrast, H.R. 4276 includes a \$12 million decrease in funding for the Advanced Technology Program (ATP), reducing the program to \$180 million from the FY 1998 funding level of \$192 million. While H.R. 1274 phased-down ATP funding from the \$225 million appropriation in FY 1997 to \$150 million in FY 1999, the trajectory of ATP's funding in H.R. 4276, if not the speed of its decline, is in keeping with the authorization.

With respect to the Technology Administration, H.R. 4276 includes funding for the Experimental Program to Stimulate Competitive

Technology (EPSCoT) despite the fact that the program was specifically not authorized by H.R. 1274. As expressed in the Science Committee's report accompanying H.R. 1274, I continue to have concerns that once EPSCoT is established, it will grow substantially beyond the \$2.1 million contained in H.R. 4276. The program, which was initiated last year and has done little with its \$1.6 million FY 1998 appropriation, is now slated to receive a 31% increase. Even with the increased funding, it seems unlikely EPSCoT will be able to help the 18 states it is designed to assist. I hope that EPSCoT is not allowed to grow into another very expensive Administration technology initiative.

Mr. Chairman, H.R. 4276 also includes funding for the National Oceanic and Atmospheric Administration (NOAA).

Without the benefit of the increased revenues from a non-existent tobacco settlement, and notwithstanding the very tight budget caps, Chairman Rogers and the Appropriations Committee have managed to increase funding for high-priority programs, most importantly local warnings and forecasts within the National Weather Service.

This was made possible in part after an agreement was reached by the Appropriations Committee, the Science Committee and Secretary Daley to maintain the \$550 million budget cap on the Advanced Weather Interactive Processing System (AWIPS) weather modernization program.

I am also pleased that report language in the bill echoes the Science Committee's concern over adequate weather radar coverage for northwest Pennsylvania. I hope during the new fiscal year that NOAA will see the light and place a National Environmental Satellite, Data and Information Service (NEXRAD) system in this area that is so obviously necessary.

Mr. ROGERS. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. TALENT) having assumed the chair, Mr. Hastings of Washington, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having 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, had come to no resolution thereon.

CENSUS

(Mr. SAWYER asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous material.)

Mr. SAWYER. Mr. Speaker, later on today we are going to take up an issue of enormous importance to the Nation, and that is how we count and measure ourselves. Last week in a debate that was largely constructive on the floor, we had a discussion that was thoughtful and well informed. However, insofar as one of our Members, the gentleman from Florida (Mr. MILLER), suggested

that there was a hand-picked nature of the scientific panels that recommended statistical sampling methods, I wanted to share with the Members the reply of the American Statistical Association, whose president wrote to me over the weekend and said that the members of the panel that made this recommendation are recognized by their peers as among the Nation's leading experts on sampling large human populations. It included Janet Norwood, who served three administrations, Carter and Reagan and Bush, with, as the New York Times put it, her near legendary reputation for nonpartisanship. Dr. Moore, the president of the American Statistical Association, went on to cite the extraordinary quality of the members of that panel.

Mr. Speaker, I would like to insert into the RECORD at this point the substance of his letter.

AMERICAN STATISTICAL ASSOCIATION,
Alexandria, VA, August 3, 1998.
Congressman THOMAS SAWYER,
Longworth House Office Building,
Washington, DC.

DEAR CONGRESSMAN SAWYER: Thank you for sending me the CONGRESSIONAL RECORD account of debate on H. Res. 508, containing the remarks of several Members regarding the use of statistical sampling methods in the 2000 Census. Despite obvious differences in perspective, the discussion is thoughtful and well-informed, the sole major exception being the incorrect statement by Mr. Miller of California that the Census Bureau plans to intentionally not count 10 percent of the population. The overall level of the discussion does credit to the House of Representatives.

I do wish to respond on behalf of the American Statistical Association to the remarks of Mr. Miller of Florida concerning the "hand-picked" nature of the scientific panels that have recommended consideration of statistical sampling methods. I refer specifically to the Blue Ribbon Panel of the American Statistical Association. The members of this panel are recognized by their peers as among the nation's leading experts on sampling large human populations. They are certainly not identified with any political interest.

The ASA Blue Ribbon Panel included Janet Norwood, who served three administrations as Commissioner of Labor Statistics from 1979 to 1991. On her retirement, the New York Times (December 31, 1991) spoke of her "near-legendary reputation for nonpartisanship." Dr. Norwood is a past president of ASA, as is Dr. Neter of the University of Georgia, another panel member. Like these, the other members of the panel have been repeatedly elected by their peers to posts of professional responsibility. For example, Dr. Rubin of Harvard University is currently chair of ASA's Section on Survey Research Methods, the statistical specialty directly relevant to the census proposals. I assure you that this panel was selected solely on the basis of their widely recognized scientific expertise. Their judgment that "sampling has the potential to increase the quality and accuracy of the count and to reduce costs" is authoritative.

Mr. Miller, in hearings before his committee, has indeed produced reputable academics who disagree with the findings of the ASA Blue Ribbon Panel and the several National Research Council panels which reported similar conclusions. Those whose names I have seen lack the expertise and experience in sampling that characterize the

panel members. Statistics, like medicine, has specialties: one does not seek out a proctologist for heart bypass surgery.

I do wish to make it clear that the American Statistical Association takes no position on the political or constitutional issues surrounding the census. We also express no opinion on details of the specific proposals put forth by the Census Bureau for employing statistical sampling. As the nation's primary professional association of statisticians and users of statistics, we wish to make only two points in this continuing debate:

- Estimation based on statistical sampling is a valid and widely-based scientific method. The general attacks on sampling that the census debate has called forth from some quarters are uninformed and unjustified.

- The non-partisan professional status of government statistical offices is a national asset that should be carefully guarded. We depend on the statistical professionals in these offices for information widely used in both government and private sector decisions. Attacks on these offices as "politicized" damage public confidence in vital data.

Thank you for the opportunity to make these comments.

Sincerely yours,

DAVID S. MOORE,
President.

OMISSION FROM THE CONGRESSIONAL RECORD OF WEDNESDAY, JULY 29, 1998

A portion of the following was omitted from the debate of the gentleman from Texas, Mr. FROST at page H-6601 during consideration of H. Res. 510, providing for consideration of the H.R. 4328, Department of Transportation and related agencies appropriation Act 1999.

Mr. FROST. Mr. Speaker, I yield myself such time as I may consume.

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

Mr. FROST. Mr. Speaker, it is my intention to make a fairly brief opening statement and then to yield back all of our time in an effort to try and move this along.

Mr. Speaker, while I rise in support of this rule and this bill making appropriations for the Department of Transportation for fiscal year 1999, I am concerned that a point of order may lie against an amendment which seeks to limit expenditures of funds for a highway project funded in this bill. Mr. Speaker, should this point of order be pursued and ultimately upheld, the House will set a terrible precedent which may have ramifications far beyond this transportation appropriations.

The matter is now being negotiated, but I do want to express my concern that a major change in the rules that govern this House was included in T-21 and was never even considered by the Committee on Rules. That being said, Mr. Speaker, while the funding level of this appropriations bill is slightly below the levels requested by the President in several areas, overall, the Committee on Appropriations did a good