

investments in accordance with the framework laid out in this legislation.

Eligibility standards for the secondary market facilitating organization license will be set by the Secretary, and the following items will be part of the license criteria: minimum operating capital; minimum capital reserves; fulfillment of agreed-upon investment intermediation goals; experience and integrity standards for the entity's operating officers; underwriting, appraisal, and servicing standards; access to books, accounts, and records; loan administration and disclosure standards; reporting standards; and compliance with the regulations prescribed by the Secretary.

In arriving at the agreed-upon targets with respect to intermediation by each secondary market facilitating organization, the Secretary will, in consultation with the secondary market facilitating organization, establish goals for the intermediation of debt and equity investments so that the investments will serve to: enhance employment opportunities; promote community development; direct funds to business and commercial enterprises in low- and moderate-income areas; promote investment diversity; and promote equal opportunity.

When formulating the goals mentioned above, the Secretary will also take into consideration other conditions of the secondary market facilitating organization such as: the need to maintain the sound financial condition of the certified organization; the need to ensure a reasonable economic return to the certified organization; current economic conditions; past performance of the certified organization in meeting or exceeding similar goals; the market availability of debt and equity instruments necessary to meet the defined goals; and other pre-conditions determined by the Secretary to be relevant. These goals, once set, may be adjusted at the discretion of the Secretary.

The Secretary is authorized to revoke certification if it is determined that the secondary market facilitating organization no longer meets the requirements. This legislation provides for public disclosure of the standards established for each secondary market facilitating organization and the performance of each certified organization fulfilling of the goals established.

For purposes of this legislation, the Secretary may waive the application of provisions of Federal or State laws and regulations for the activities of secondary market facilitating organizations, provided that doing so is appropriate to meet essential economic objectives in the public interest. No waiver is to be granted, however, of any law or regulation respecting public or individual health or safety, civil rights and non-discrimination, environmental protection, labor relations, labor standards, occupational health or safety, or pensions. No waiver may be granted that does not first come under scrutiny by the head of the agency or department responsible for carrying out and enforcing the provisions of law affected by the waiver. No waiver will be granted of any law or regulation that would have an adverse effect on the safety and soundness of any federally insured depository institution certified as a secondary market facilitating organization.

Suspension, revocation, modification, or limitation of any waiver may occur if the secondary market facilitating organization fails to meet any eligibility standard or if the waiver is no longer appropriate. The legislation provides for hearings for any person adversely affected by any suspensions, revocations, modifications, or limitations of waiver rights and specifically limits the suspension, revocation, modification, or limita-

tion of waiver rights only to future intermediations.

Nothing in this legislation shall be construed as limiting the authority of the appropriate regulators to supervise and regulate a financial institution which has been certified by the Secretary as a secondary market facilitating organization.

This legislation provides for the Secretary to examine and conduct oversight on the activities of secondary market facilitating organizations and to establish required components of such examinations. The Secretary is authorized to require any reports, in addition to an annual report, that the Secretary may deem necessary from secondary market facilitating organizations. Examinations are required of all secondary market facilitating organization applicants. The Secretary is given the right to assess fees to cover examination and other administrative costs.

The activities of a secondary market facilitating organization and any debt or equity security or other obligation issued or guaranteed by any such organizations shall not be obligations of, nor will be guaranteed in any respect, by the United States. Notification of this fact to the customers of a secondary market facilitating organization is required by this legislation.

This legislation directs the Financial Institutions Examination Council to establish and enforce uniform reporting standards with respect to debt and equity investments for bank examination purposes in order to improve procedures for rating such investments for the secondary market.

SMALL BUSINESS SECONDARY MARKET DEVELOPMENT ACT

HON. MARGE ROUKEMA

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 1993

Mrs. ROUKEMA. Mr. Speaker, today I join with the chairman of the Subcommittee on Economic Growth and Credit Formation of the Committee on Banking in sponsoring the Business, Commercial, and Community Development Secondary Market Act of 1993.

This legislation, designed to help expedite the creation of a secondary market mechanism for small business loans, is a good first step toward easing the credit availability problem.

The best way to help stimulate our sluggish economy and create jobs is to find better ways to help provide a steady flow of affordable capital to the small business sector of the economy.

Today, we have secondary markets for home mortgages, student loans, agriculture loans, and others. All have shown what the availability of credit, at reasonable rates, can do to stimulate growth and investment. The small business community has few outlets for this kind of opportunity and the banking industry has shown a reluctance to make loans which involve risk and for which they would have to hold sizable amounts of capital.

This legislation, I believe, attempts to strike the right balance between Federal involvement and private sector expertise to build an efficient secondary market mechanism for small business loans. The legislation attempts to do this without creating another Government sponsored enterprise and without committing, explicitly or implicitly, the full faith and credit of the United States to the facilitating organization.

This legislation allows the Department of the Treasury to certify or license public or private organizations as secondary market facilitating organizations. It authorizes the Treasury to waive certain unnecessary regulations in the securities, tax and banking sectors in order to facilitate the sale of investment grade securities backed by small business loans.

Is this the perfect solution to the credit crunch problem? Hardly. Many questions have yet to be answered, especially with respect to the exact regulations which could be waived in order to facilitate this effort; the role of banks in the debt and equity market; the question of the role of Treasury versus the Securities and Exchange Commission in regulating the transactions; the issue of the overall safety and soundness of the organizations involved; and whether a new market mechanism can securitize community and economic development loans in distressed communities and neighborhoods.

Nevertheless, this is a good first step in trying to address a credit availability issue which has been well documented and acknowledged. I commend the chairman, the gentleman from Pennsylvania for his efforts.

H.R. 2519: COMMERCE-JUSTICE-STATE APPROPRIATIONS FOR FISCAL YEAR 1994

HON. VIC FAZIO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 1993

Mr. FAZIO. Mr. Speaker, I rise in strong support of H.R. 2519, the bill that will fund the Commerce, Justice, and State Departments, the Federal judiciary, and related agencies for fiscal year 1994.

First, I would like to commend Chairman NEAL SMITH, as well as the members and staff of the subcommittee for meeting the challenge that was before them. The subcommittee was able to set its priorities in determining the funding levels for the various agencies and programs that this bill supports, given the fiscal restraints it faced. But, the funding level in the resulting bill is not only below the subcommittee's target, as set by the Appropriations Committee based on this year's budget resolution. It is also less than the amount requested by the President, and \$602 million below last year's funding level.

The Commerce-Justice-State bill supports a diverse number of agencies and programs. They include law enforcement against organized crime, the Federal Bureau of Investigation (FBI), and our Federal prisons; the operation of our national fisheries, and our marine, weather, environmental, and satellite programs; the National Weather Service; and the Small Business Administration, known for its direct and guaranteed loan assistance to small businesses.

A key provision in the bill that is of tremendous importance to my district and its surrounding areas, is the provision that funds the Sacramento River Winter Run Chinook Salmon Captive Broodstock Program. This particular program supports efforts to protect and accelerate the recovery of the winter run chinook salmon. As many in my district know, the winter run chinook salmon have been listed as threatened under the Endangered Species Act

[ESA]. Their precarious status makes a successful recovery program, which will protect and accelerate their recovery, of vital importance to the area. A successful program will improve our local economy by alleviating the stress on the fishing industry and agricultural water diversions, and it will enhance recreational benefits. Ultimately, I hope this program will be successful in removing the winter run from the ESA list as well.

Also important to my constituents is the bill's support of SEARCH, the National Consortium for Justice Information and Statistics. SEARCH is comprised by Governors' appointees from all States. These appointees are dedicated to assisting State and local criminal justice agencies in building, operating, and improving their computer systems to combat crime, all at no cost.

Just this past year, SEARCH held 16 courses at the National Criminal Justice Computer Laboratory and Training Center in Sacramento, with over 260 law enforcement officials in attendance. SEARCH assisted the Sacramento County Sheriff's Department Crime Analysis Unit in mapping a series of car-jackings that took place at gunpoint in the Sacramento area. This mapped information was then distributed to patrol forces. SEARCH also helped the Sutter County Sheriff's Department examine two computer disks that were suspected of containing evidence in a homicide case.

Last, this bill supports the operation of the Fruit Frost Agricultural Weather Forecast. California farmers rely very heavily upon this program, which employs highly trained agricultural meteorologists, who closely monitor weather patterns which could be potentially devastating to sensitive crops. The information gathered is used to make site-specific forecasts for crop growers within their regions.

Mr. Speaker, I urge my colleagues on both sides of the aisle to support final passage of this bill. Its programs safeguard our children, neighborhoods, and communities, and preserve our resources. They protect our industries, both locally and globally, and help us maintain our position as an international leader—economically, socially, and politically. The programs in H.R. 2519 help maintain the quality of our lives as Americans.

TRIBUTE TO THE RESOURCE RECOVERY STEERING COMMITTEE

HON. JAMES A. BARCIA

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 1993

Mr. BARCIA. Mr. Speaker, I rise to pay tribute to the Resource Recovery Steering Committee of Arenac County, MI. The steering committee is currently in the process of developing a resource recovery program for the county of Arenac. This cooperative program will organize a network of residents dedicated to the concept of reducing the amount of waste going to landfills from Arenac County.

The committee is committed to developing a team relationship to build bridges and relationships between members of the committee and diverse groups in the county. The committee is attempting to enlist the business sector, local governments, and other community organizations in this efforts.

The committee has committed itself to three goals. The first is the diversion of reusable natural resources from landfills. The second goal is the education of county residents in the need for and techniques of recycling, and lastly the assembly of information for use by businesses considering recycling.

The committee will focus its efforts on recycling options unique to the county, and advocate a program sensitive to future changes and needs of county residents. The steering committee of the Resource Recovery Program for Arenac County, MI is ultimately dedicated to the preservation of the county's environment and high quality of living for its residents.

Mr. Speaker, as we learn more about the impact humans have on the environment and natural resources the need for programs such as this one becomes self-evident. As Alexis De Tocqueville, the young French aristocrat who visited our country in the 18th century, wrote about the American people, "If they want to proclaim a truth or propagate some feeling by the encouragement of a great example, they form an association." The steering committee of the Resource Recovery Program is the embodiment of this ethic.

Again, I wish to express my support of this effort, and a fervent hope that it will be a success.

QUARTERLY FINANCIAL REPORT PROGRAM

HON. THOMAS C. SAWYER

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 1993

Mr. SAWYER. Mr. Speaker, today I am introducing legislation to make permanent the authority of the Secretary of Commerce to conduct the Quarterly Financial Report [QFR] Program. I am pleased to be the sponsor of this legislation, along with the distinguished and ranking minority member of the Committee on Post Office and Civil Service, Congressman JOHN MYERS.

Under section 91 of title 13, United States Code, the Secretary is required to collect and publish quarterly financial statistics of business operations, organization, practices, management, and their relation to other businesses. The report includes data on sales, expenses, profits, assets, liabilities, stockholders' equity, and related accounts generally used by businesses to measure their financial condition and progress.

Quarterly Financial Report data are essential for calculating key Government measures of the national economy. The QFR is the primary source of data for current estimates of the gross domestic product and national income accounts. It is a major component of the Federal Reserve Board's flow of funds accounts, and it is the Board's sole source of unconsolidated nonfinancial corporate data. In addition, the Treasury Department estimates corporate tax liability through use of QFR data. The Federal Trade Commission [FTC] uses the series as a basic reference point in analyzing the financial performance of American industries.

The timing of the Quarterly Financial Report Program is structured to meet the specific needs of key economic indicators. However, business analysts and decisionmakers also

use QFR data to analyze industry profitability for investment purposes, compare their financial condition with industry trends, and analyze performance of the small business sector.

The Quarterly Financial Report Program was first established in 1947 as a permanent program under the jurisdiction of the Federal Trade Commission. Ten years ago, Congress transferred responsibility for the Quarterly Financial Report Program to the Department of Commerce under Public Law 97-454. The Secretary of Commerce delegated authority for the program to the Census Bureau, the Government's primary data collection agency.

Although the Quarterly Financial Report Program was permanent for 36 years under the FTC, Congress inserted a 7-year sunset on the program in 1983, when it transferred jurisdiction for the QFR to the Department of Commerce. At that time, Congress sought to ensure that extensive changes in regulations required by Public Law 97-454 would produce the outcome it desires. It did. Three years ago, Congress reauthorized the QFR through fiscal year 1993 by unanimous consent.

Permanent authority for the Quarterly Financial Report Program will not require the expenditure of additional funds. The Census Bureau carries out this important data collection program for a modest \$2.1 million a year.

The Quarterly Financial Report Program is structured to minimize the reporting burden on respondents. Nearly 95 percent of the 9,300 companies that are asked to participate in the QFR respond. Small businesses that have participated for eight quarters are rotated out of the survey sample.

The Quarterly Financial Report Program is the most current and comprehensive source of data on corporate financial activity. Making the QFR Program permanent will ensure the accuracy and continuity of principal economic indicators that are the cornerstone of our ability to measure current economic conditions and to plan for our future economic well-being.

IN COMMEMORATION OF 20 YEARS OF OUTSTANDING SERVICE TO OUR COUNTRY BY THE MEN AND WOMEN OF THE DRUG ENFORCEMENT ADMINISTRATION

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 1, 1993

Mr. RANGEL. Mr. Speaker, today is the 20th anniversary of the Drug Enforcement Administration. I would like to commend the dedicated men and women who have so ably served this Nation in this outstanding agency. They are truly our front line troops in the war on drugs.

Our 3,545 Drug Enforcement Administration agents are among the most talented and diligent law enforcement agents in the world. Their struggle is perilous, as they oppose some of the best organized, most dangerous, and ruthless criminals in the world. The men and women who support the work of our DEA agents also put their lives on the line. Many people feel that the war analogy for our anti-drug effort is an exaggeration, but for what these people risk and endure, it is entirely accurate. Forty-five special agents and other