

bank financing is often not available. Under an installment sale, the buyer makes a down payment up front and pays for the rest of the business over a period of years. Such sales grant greater flexibility to both the buyer and seller and have enabled thousands of Americans, who would otherwise be unable to buy a business, the opportunity to make their dream of small business ownership a reality.

Last year the President proposed, and Congress accepted as part of larger tax package, a provision to repeal the use of installment sales for certain taxpayers. This provision appeared to target larger businesses when they sold a particular asset or assets. Small business groups, Congress, and even the administration did not expect the serious effect this provision would have on small businesses across America. Unfortunately, the unintended consequences are now a reality and it is our job to fix the problem. Our legislation will do just that, by once again allowing businesses to make use of installment sales.

Mr. Speaker, this is not a theoretical discussion. The burden being felt by small business owners across America is all too real. It is affecting taxpayers such as Harold and Mary Owens who own a small family business in my district in Redding, CA. They have built up their business through 12 years of hard work and are counting on the sale of this business to provide for their retirement. To pull the rug of retirement security out from under them at this time is simply wrong. And this is just one example out of the thousands of businesses each year which will see the value of their businesses eroded if our legislation is not enacted.

I was hopeful that the President would propose a solution to this problem in his fiscal year 2001 budget, released just yesterday. While I am disappointed that the President's budget does not address this important issue, I remain hopeful that all of us—both Republican and Democrat—will work with the administration to fix this situation on behalf of our Nation's small businesses.

I am pleased by the support our effort has received so far. The legislation we are introducing has more than 70 bipartisan cosponsors. Furthermore, a coalition of more than 50 groups—including the National Federation of Independent Business, the US Chamber of Commerce, the National Association of Realtors, and the National Taxpayers Union, among others—has made enactment of our legislation a top priority this year.

Mr. Speaker, we owe it to small businesses and women across America to have a tax code which treats them fairly. It is imperative that we pass the Installment Tax Correction Act this year, and I urge all my colleagues to join this worthy, bipartisan effort.

**WORKPLACE GOODS JOB GROWTH
AND COMPETITIVENESS ACT OF
1999**

SPEECH OF

HON. TOM BLILEY

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 2, 2000

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 2005) to establish

a statute of repose for durable goods used in a trade or business:

Mr. BLILEY. Mr. Chairman, I rise in support of H.R. 2005, the Workplace Goods Job Growth and Competitiveness Act.

As Chairman of the Commerce Committee, I have worked on numerous liability reform bills to try to bring some balance and fairness back into our legal system. Lawsuits continue to be filed at a record pace. But consumers somehow are still ending up with the short end of the stick as they pay more and more money in legal fees and higher product prices, while the trial lawyers run around the country searching for ever higher payoffs and contingency fees to line their own pockets. Unfortunately, our basic values of responsibility and integrity have been left behind in this race to the courthouse.

H.R. 2005 establishes critical protections for American manufacturing jobs by establishing a uniform guarantee for durable goods used in the workplace. It says that manufacturers have to stand behind their product for 18 years. After that, responsibility for using the product passes to the product owner to determine the further useful life of the product. The bill only applies where the plaintiff is eligible for workers compensation, essentially transferring liability for a durable good from the manufacturer to the product owner after the 18 year time period.

Nineteen States have a shorter time period for product life cycles, varying from State to State. Thirty-One States haven't yet enacted liability limits, although several of these States that have tried have watched them be struck down by the Courts as not within the power of the State legislatures. This creates a crazy patchwork of laws for a company trying to sell nationwide—a patchwork full of loopholes allowing enterprising trial lawyers to forum shop for the State with the weakest laws. This is an abuse and corruption of our legal system, which only Congress has the power to restrain.

The Japanese and the European Union have set a 10 year liability time limit on the useful life of their durable goods—guaranteeing only half the useful life for their products that we are allowing. But without this bill, Japanese and European manufacturers that are new entrants into the American market won't have the same long tail liability exposure as American companies. This means that they pay less for claims-made liability insurance, giving them an unfair competitive advantage, taking jobs away from Americans and transferring them overseas. We can not allow this to continue.

In addition to the 19 States and our foreign competitors who have recognized the need for a limit on a product's useful life, we have a proven track record in Congress of success in enacting uniform liability reforms. In 1994, Congress established a similar 18 year time limit on liability to save jobs in the aviation industry. We had the same doom and gloom predictions from many Members back then that the sky was falling for worker protection, but guess what—the law works well, it revitalized a disappearing industry, and it has earned wide scale support over the last five years. In fact, that bill, with the same type of liability limit that we're talking about today, created over 25,000 new jobs in the aviation industry alone. I would rather protect the hard working wage earners of America than the

contingency fee jackpot hopes of a few trial lawyers.

Despite the claims you heard in the debate on this bill, no worker will be denied compensation as a result of this reform. The liability limits only apply where the plaintiff has full access to workers compensation. The critics of the bill aren't talking about compensation, they are talking about punishing companies by pushing them into bankruptcy for something that was made generations ago by workers long since retired. The trial lawyers don't ever want a business to be able to limit the lifespan of a product. They don't want businesses to be able to say that after 18 years the responsibility for determining whether a product is safe should rest with the product owner. Responsibility is a dirty word to these people because it eliminates potential deep pockets that they can go after to extort settlement money. Keep in mind that this bill doesn't in any way limit the responsibility or liability of the employer—it only takes away the deep pocket manufacturer after 18 years from a product's first sale. Many of the Members who have opposed this simple notion of responsibility have opposed every single effort at liability reform in Congress.

Last November, our Committee agreed to discharge this bill to bring it to the floor as quickly as possible. We recognized the importance of protecting American jobs and bringing fairness and responsibility back into our legal system.

This bill was taken from legislation negotiated in previous years on a bipartisan, bicameral basis with the Administration. The provisions are the result of years of bipartisan work by the Commerce Committee and the Judiciary Committee on legal reform. Past product liability bills containing these provisions have received strong majorities in both Houses.

I thank the gentleman from Ohio for his work in bringing this piece of the product liability bill forward, and urge your support for its passage.

**WE ALL HAVE A RESPONSIBILITY
IN THE FIGHT AGAINST DRUGS**

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 8, 2000

Mr. GILMAN. Mr. Speaker, at today's important international drug summit conference sponsored by you, along with the United Nations Drug Control Program (UNDCP), I had the opportunity at the morning session to raise the issue of the world's contribution to the U.N. in our fight against the scourge of illicit drugs.

Regrettably, when we examine the record of contributions to the UNDCP, we observe that less than 25 nations and the European Commission contribute less than \$75 million annually to help fight an illicit narcotics trade estimated to produce \$400 billion annually.

The list of those helping this very modest UNDCP program, the glaring absence, for example, of any Middle East nation making contributions to help fight drugs, is noteworthy and disappointing.

Attached for the RECORD is the latest data on the contributions by the producer, transit or

user nations of the world to the UNDCP. Let us hope that as the world comes to realize the far greater societal cost that these illicit drugs impose upon all these nations, that future contributions will substantially increase to face the magnitude of the challenges of the Drug War.

FUND OF UNDCP PLEDGES DURING THE PERIOD 1995–1999; STATUS AS OF 30 SEPTEMBER 1999

(U.S. dollars)

	1995	1996	1997	1998	Estimate 1999	Percentage change	
						1998/97	1999/98
United States	5,909,164	6,344,000	9,720,400	4,033,600	25,305,000	-59	527
Italy	8,731,310	9,746,887	6,881,720	8,499,089	9,000,000	24	6
United Kingdom	10,093,025	6,213,481	6,802,199	11,575,353	8,000,000	70	-31
Sweden	4,302,686	4,213,816	4,716,382	5,233,471	4,700,000	11	-10
Japan	5,962,733	6,700,000	5,000,000	3,817,000	4,300,000	-24	13
European Commission	5,917,231	3,171,702	1,001,660	4,886,528	4,000,000	388	-18
Germany	7,124,818	3,207,158	3,205,324	3,368,763	2,100,000	5	-38
Norway	1,734,553	5,414,090	629,749	1,058,170	2,000,000	68	89
France	1,725,563	1,467,710	1,352,810	1,404,796	1,600,000	4	14
Denmark	2,343,465	2,248,364	1,661,732	1,677,114	1,300,000	1	-22
Australia	554,625	894,069	547,107	481,701	1,131,000	-12	135
Netherlands	432,761	583,069	1,139,278	1,241,211	1,000,000	9	-19
Canada	510,801	500,000	500,000	685,205	800,000	37	17
Switzerland	777,461	679,450	617,505	736,584	750,000	19	2
Luxembourg	71,067	63,271	55,987	1,777,180	738,000	3074	-58
Austria	548,994	994,441	430,285	558,873	617,000	30	10
Spain	533,447	541,353	444,063	570,104	570,000	28	0
Belgium	354,066	194,672	329,660	313,040	385,000	-5	23
Finland		50,000	345,000	125,000	347,000	-64	178
Total major donors	57,627,770	53,227,533	45,380,861	52,042,782	68,643,000	15	32
Turkey	75,000	100,000	150,000	200,000	250,000	33	25
Ireland		244,500	215,175	297,000	236,000	38	-21
Colombia				300,000	100,000	0	-67
Mexico	50,000	50,000	50,000	300,000	100,000	500	-67
Republic of Korea	40,000	79,000	154,000	100,000	100,000	-35	0
Argentina			300,000			-100	0
Other member states	280,007	343,536	440,137	404,963	500,000	-8	23
Total voluntary	58,072,777	54,044,569	46,690,173	53,644,745	69,929,000	15	30
Cost-sharing							
Brazil		1,759,125		4,220,128	3,219,000	0	-24
Peru					528,000	0	0
Bolivia	130,442	161,528	500,000		500,000	-100	0
Colombia	472,331	70,000	1,192,041	539,025	500,000	-55	-7
UNAIDS				242,000		0	-100
Total cost-sharing	602,773	1,990,653	1,692,041	5,001,153	4,747,000	196	-5
Public donations	914,603	852,639	620,305	1,258,285	655,000	103	-48
Total	59,590,153	56,887,861	49,002,519	59,904,183	75,331,000	22	25

NOTES: Ranked by pledges made in 1999. Earmarked multi-year contributions are shown according to the year in which they are pledged irrespective of the year(s) for which they are meant. Unearmarked contributions are shown according to the year for which they are pledged.

INTRODUCTION OF THE DISTRICT OF COLUMBIA PUBLIC SAFETY REIMBURSEMENT ACT OF 2000

HON. ELEANOR HOLMES NORTON

OF THE DISTRICT OF COLUMBIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 8, 2000

Ms. NORTON. Mr. Speaker, today, I introduce the District of Columbia Public Safety Reimbursement Act of 2000. The bill provides an annual federal contribution to reimburse the District for the considerable services the Metropolitan Police Department provides every year to cover the many national events and activities that occur here because the District is the national seat of government. Examples of these services are too numerous to detail. Some of the most familiar are the many events and demonstrations, from the Million Man March to the federal Millennium event at the Lincoln Memorial last month. Events, large and small, of every variety occur with great frequency and cannot proceed without the work of our police force. The MPD is at the center, from the extensive logistical preparations to the on duty time protective services. The bill is strongly supported by D.C. Police Chief Charles Ramsey, who joined me at a press conference on the bill here in the Capitol earlier today.

The annual amount provided in the bill would reimburse the District for the considerable services the Metropolitan Police Department provides every year to cover the many national events and activities that occur here because the District is the national seat of government. Examples of these services are

too numerous to detail. Some of the most familiar are the many events and demonstrations, from the Million Man March to the federal Millennium event at the Lincoln Memorial last month. Events, large and small, of every variety occur with great frequency and cannot proceed without the work of our police force. The MPD is at the center, from the extensive logistical preparations to the on duty time guarding and facilitating the event itself.

Further, residents see our police every time the President moves outside the White House complex because all traffic stops while our police line the streets to assure the President's safe passage. The Congress itself frequently uses our police department—from the annual State of the Union address, when officials and citizens converge on the Hill, to unusual events, such as the funeral following the tragic killing of the two Capitol Police officers almost two years ago. Cabinet officials, the President, and Members of the House and Senate, not to mention other federal officials and agencies all use the MPD as if it were a hometown police force they had bought and paid for. Actually they pay nothing. In countless ways on a daily basis, federal officials and tourists alike get excellent D.C. police protection free of charge.

A prominent example from last year dramatically points up how the cost of federal events has been transferred to the taxpayers of the District of Columbia. A ragtag gang of racists and anti-Semites calling themselves the American Nationalist Party came to Washington in August to petition their federal government for redress of their grievances, such as they were. However, it was the District government that picked up the tab to the tune of a half million dollars for police protection. At

the same time, pro-human rights groups held a large, peaceful rally at the Lincoln Memorial to counter the Nazis. Whether marginal and extreme, like the Nazis, or mainstream and pro-democracy like the counter-rally last summer, D.C. police participation is indispensable to every demonstration and national event that occurs in this city. The right to assemble is a precious constitutional right available to all and must be protected for all. However, those who come here seek the attention of the national government, not the D.C. government, and the cost should be borne by American taxpayers, not D.C. taxpayers.

The bill I introduced today places financial responsibility where it belongs. There are two important grounds for this bill, one statutory and the other historical precedent. The statutory basis is the 1997 Revitalization Act, where we traded the federal payment for a much larger federal assumption of state costs. However, we nevertheless preserved the right of the District to receive a federal contribution. We wrote language into the Act providing: "The unique status of the District of Columbia as the seat of the government . . . imposes unusual costs and requirements which are not imposed on other jurisdictions and many of which are not reimbursed by the federal government." The Revitalization Act (Section 11601) therefore allows "for each subsequent fiscal year [after FY 1998], such amount as may be necessary for such contribution."

The second basis for a designated public safety contribution is historical precedent. Separate from the annual federal payment, the Congress has traditionally appropriated additional funds for public safety purposes. Amounts have ranged from five million dollars