SENATE—*Wednesday, April 1, 1987*

(Legislative day of Monday, March 30, 1987)

The Senate met at 9 a.m., on the expiration of the recess, and was called to order by the Honorable TIMOTHY E. WIRTH, a Senator from the State of Colorado.

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

All wise, all knowing Heavenly Father, merciful and gracious, You have promised, "If any of you lack wisdom, let him ask of God, that giveth liberally, and upbraideth not; and it shall be given him." (James 1:5)

As our Founding Fathers looked to You for wisdom in the explosive days of our Nation's birth, so leadership today, at this critical, dangerous time, needs superhuman direction. The desires and demands of millions of special interests, public and private, individual and corporate, controversial and conflicting, plus the growing tensions of a fragmented, convulsive, inflammatory world—weigh heavily upon the Senate. There was a time, in a tamer day, when in our technological and scientific pride, we assumed no matter what the problem, we could fix it. Now intractable issues of impossible proportions deluge national leaders.

Gracious God, give to the Senators the measure of humility which will allow them to acknowledge their limitations and turn to You, a "very present help in the time of trouble" and find "grace to help in the time of need." To the honor and glory of Your name. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. STENNIS).

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, April 1, 1987.

To the Senate:

Under the provisions of Rule I, Section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable TIMOTHY E. WIRTH, a Senator from the State of Colorado, to perform the duties of the Chair.

JOHN C. STENNIS,
President pro tempore.

Mr. WIRTH thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The majority leader is recognized.

THE CHAPLAIN'S PRAYER

Mr. BYRD. Mr. President, I compliment the Chaplain. The same Scripture says:

Happy *is* the man *that* findeth wisdom, and the man *that* getteth understanding.

For the merchandise of it *is* better than the merchandise of silver, and the gain thereof than fine gold.

The Chaplain has struck a note here. Solomon asked for wisdom and so do we, so do we, as we reach our judgments every day.

THE JOURNAL

Mr. BYRD. Mr. President, I ask unanimous consent that the Journal of the proceedings be approved to date.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. BYRD. Mr. President, I believe the time is divided, so I shall yield the floor.

FEDERAL-AID HIGHWAY ACT OF 1987—PRESIDENTIAL VETO

The ACTING PRESIDENT pro tempore. The Senate will now resume consideration of the veto message from the President of the United States, which the clerk will state.

The legislative clerk read as follows:

A veto message from the President of the United States on H.R. 2.

(The text of the President's message was printed in the RECORD of yesterday on page S4247.)

The ACTING PRESIDENT pro tempore. Under the previous order, the time between now and 11 a.m. shall be equally divided and controlled by the Senator from New York [Mr. MOYNIHAN] and the Senator from Vermont [Mr. STAFFORD].

The Chair recognizes the distinguished Senator from the State of New York [Mr. MOYNIHAN].

Mr. MOYNIHAN. Mr. President, I begin this morning with just the briefest remarks. We have a large decision to make by 11 o'clock, which we shall do. Lest there be any thought that in the aftermath, there will be acrimony or recrimination, let me stand in the company of my good friend, our chairman emeritus, as we like to call Senator STAFFORD of Vermont, and say that if we fail to follow the overwhelming example of the House, the very powerful example of the House—which, by a 5-to-1 margin yesterday, insisted on going forth with the highway program for this year—and if we put the program in a situation where, at very best, it is in jeopardy, as it already is, we will set about immediately to try to reconstruct legislation that can be sent to the House and we will have to wait on the House. It is a tax measure, of course. There will be no delay on our part.

But I do not think—and I would be willing to have hearings tomorrow morning. I am chairman of the subcommittee and I shall ask my chairman if he would not permit that to happen. If he does—and I am sure he will—we will go right forward. But I would like to make as clear as I can do how complex this effort is.

Last year, in the 99th Congress, the effort to reach agreement on a highway bill failed in conference. I was not a member of that conference nor of the subcommittee last year, but the time came around that I am chairman of the subcommittee this year and was chairman of the conference. We went immediately to work this time around. The first day of this 100th Congress saw the introduction on the House side of the highway bill as H.R. 2. On our side, it was introduced the same day I introduced it as Senate 185. That was on January 6.

On January 21, scarcely 2 weeks later, the Committee on Environment and Public Works reported out the bill. On January 27, we filed our conference. On February 4, the bill was passed, having been given the number of the House bill, which by then had arrived.

By March 19, the conference report passed the Senate. We went to conference, we met five times. We worked night and day and weekends and we worked under the extraordinary necessity of getting this job done in time for the highway season, the building season, which had begun. To reproduce that success again would be extraordinary. And if we were to do that, do no more than that, do as much as that, we would find ourselves into the summer before any bill would be law

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

AUTHENTICATED U.S. GOVERNMENT INFORMATION GPO

and, in effect, the program for this year would be lost.

Mr. President, the question has been, would this be a budget-busting measure; is this in violation of the Budget Act or the Gramm-Rudman ceilings? The statement has been made over and over again: It is not. On that final conference report of March 19, both the distinguished chairman of the Budget Committee [Mr. CHILES] and the ranking member [Mr. DOMENICI] voted for this measure.

I need not tell any Senator that on these measures, our procedures and statutes are filled with points of order that may be brought against any measure that is not exactly in keeping with the budget resolution. There was no point of order brought because none could lie.

I make the final point, Mr. President, that we do in fact put in jeopardy our economy—not because anybody wants to, but because this ongoing activity will cease.

I have received a good deal of advice, as have many Members of this body, from the organization called the Road Information Program. Its acronym is TRIP and it has provided us with very good, very careful studies of the impact on highways of the American economy. They are done professionally by persons formerly employed by the Congressional Budget Office, good clear work about the extraordinary role this program has in our economy, which has been partly assumed over the last 30 years.

It was only by accident that I learned that the chairman of the board of this organization is a friend, Mr. Richard Forrestel, who heads the Cold Springs Construction Co. of the small village of Akron, NY, in western New York, not far from Batavia, where the first land office was opened. Our term, "land office business," arose from the western movement along the rutted roads and canals of those days.

It happens I joined the Navy with the late Tom Forrestel some 43 years ago. We were mates for the longest while, and I have come to know his brother, who is a superb builder. The firm was founded in 1911, first-rate engineering, first-rate craftsmanship. I have been talking with him on the phone. His is the example of I think thousands of medium-sized, very able American contractors in this country. He says, without anything more than astonishment that it might be happening, if this bill does not pass, by July he will have laid off 110 of his employees, his entire hourly work force. And the economy of Akron will just simply go on hold as they wait for the Congress to do what clearly it can and ought to do.

I think that was a message we got from the House yesterday. I remind one and all that it is a bipartisan message, just as there will be a bipartisan vote today. Of the five leaders of the Republican Party in the House, four voted for this measure. I hope we might see the same good sense prevail in the Senate today. If it does, we will say no more and get on with other work.

Thank you, Mr. President. I yield the floor, reserving the remainder of my time.

The ACTING PRESIDENT pro tempore. The Chair recognizes the distinguished Senator from Vermont [Mr. STAFFORD].

Mr. STAFFORD. Mr. President, I want to assure my good friend from New York, Senator MOYNIHAN, the majority manager, that I appreciate all the hard work he put into chairing the conference and earlier chairing the subcommitee which produced the Senate bill that went into conference, because the Senate bill that we developed was a good bill and if it had been the substance of the conference report, I doubt we would be here today having to consider the question of whether or not we should be sustaining or overruling the veto of the President of the United States.

Personally, Mr. President, I support sustaining the veto of the President of the United States on the highway bill which is before us. I believe that we can very quickly produce a new bill and a better bill than the one which came out of the committee of conference.

Along with my good friend from New York, Senator MOYNIHAN, I worked on getting the conference report that was sent to the President and I voted for it when it was here before this body. But in the course of the statement which I made before the vote occurred, I did lay out in detail reservations which I had with respect to various parts of that conference report. So nobody should be surprised that the Senator from Vermont finds himself proposing to sustain the veto of the President on this matter.

There really is one basic reason why I find myself supporting the President's veto, and that basic reason, in addition to some others which I will not debate this morning, has to do with demonstration projects.

Let me go back in history a bit, since I have been on the Environment and Public Works Committee now for approaching 17 years, and say that in the past, as we have developed Federal highway programs in the Congress, there have been very few demonstration projects.

The first time any significant number of demonstration projects appeared on a Federal highway bill was in 1982, and at that time there were 13—13, Mr. President. Now in this bill, as it has evolved in the conference report which the President vetoed, there are 152—152. And so I have to feel that we have lost all sense of discipline as far as this particular question of demonstration projects is concerned; they have gone out of control, and if we do not sustain this veto, I have to wonder where will it stop.

If we override the President's veto and come out of this occasion with 152 demonstration projects in the bill, I have to wonder, Mr. President, what self-respecting Member of the House or the Senate can go home next time we have a highway bill unless he or she has a demonstration project in that bill. I certainly could not go back to the Green Mountains of Vermont without one.

At a minimum it would appear to me we would have 535 demonstration projects in the next highway bill if we have 152 in the one we are considering this morning.

Now, aside from the additional cost of some $900 million over the 5-year period beyond the obligation authority for regular highway programs, which is not an insignificant sum when you think about the size of our deficit and the size of the debt which this country now owes, what is the impact which 152 demonstration projects may have on the States of this Union? What will be the impact if in 1992 we have 535 demonstration projects instead of 152? And that seems very likely if we continue this undisciplined march toward more demonstration projects.

I believe demonstration projects in this magnitude will disrupt the orderly procedures of the 50 States to take care of their highways. I remember back in my career I had the privilege of serving my State as its attorney general and later its Governor, two events which occurred so long ago most of my constituents have forgotten I ever had the job. But at the time I held those responsibilities we were acquiring the rights-of-way to build the Interstate Highway System, and later when I was Governor of the State we were building the highway system. And so the State engineers and our secretary of transportation felt it necessary to educate their attorney general, later their Governor, in all the details of highway right-of-way acquisition and construction. In the course of that education I came to realize the State of Vermont, in common with the other States, maintained a status report on every mile of highway for which the State of Vermont was responsible.

We had a 5-year plan which indicated where the State's moneys, whether it was Federal money or State money or a combination of the two, ought to be spent to keep the highway system in as good shape as possible. I believe today every State in the Union follows a similar practice and has a status report constantly updated on each mile of highway within the State. They have at least a 5-year plan, some

States have a 10-year plan, as to how they want to spend money, whatever the source, as long as it is legitimate, that may be available to them to keep up their highways.

And so I fear, I have to say to my good friend from New York, that if we start 152 demonstration projects now and 535 or more the next time we have a highway bill, we will disrupt completely the States' orderly programs to keep their highways up as they see the necessity. What I really see is the Federal-aid Highway Program to be in jeopardy, and let me tell you why.

In recent years, we have seen a rebellion among the so-called donor States that contribute more to the highway trust fund than they get back in dollars to spend on highways. The donor States, the big States that do turn in a lot of money, have succeeded in requiring by statute that they get back 85 percent of the funds which they turn into the Federal highway trust fund.

Human nature being what it is, I know that those States want to get back 100 percent of what they are turning in. In other words, they like to keep their money at home, and I presume every other State would like to do so. If we have 500-and-some demonstration projects, I see the trend in the future developing until the Federal-aid Highway Program is at risk and likely to come to an end.

In conclusion, at this point in the debate, Mr. President, I say that we ought not risk the possibility that the Federal highway program will be put in total jeopardy by excessive, massive infusions of demonstration projects now and in the future. The time to stop this proliferation of demonstration projects is now, by sustaining the President's veto.

For that reason, I urge my colleagues to vote to sustain the veto of the President of the United States.

I yield the floor.

Mr. SYMMS addressed the Chair.

The ACTING PRESIDENT pro tempore. Who yields time?

Mr. MOYNIHAN. I yield the Senator 2 minutes.

Mr. SYMMS. Mr. President, I very rarely take the floor on highway matters and not be in agreement with the chairman emeritus, the distinguished Senator from Vermont, who has had a great deal of experience. I salute him for all his efforts this year and in past years to try to keep the Federal highway program one we can be proud of.

We should consider one fact: This highway bill is a 5-year bill. It is true that there is $890 million of new money in the bill for demonstration projects, which is a small price, in my view, to pay to have a 5-year highway program where there will be no opportunities for Representatives and Senators to offer demonstration projects for 5 years, if this veto is overridden. If the veto is sustained, it is not unlikely that we will end up passing 6-month extensions of the Highway Act, and each time we will have to fight the battle over demonstration projects with our colleagues in the other body and in the Senate.

If the Senator wants to avoid having 535 demonstration projects, in my view, the best way to do it is to override this veto, and then we will know what we have. We will have made a clear decision. It is a $69 billion highway bill, with less than $1 billion in demonstration projects. Later this morning, I would like to get time to read off some of the States and how they are affected.

Mr. MOYNIHAN. I yield myself 2 minutes.

First, Mr. President, I wish to make the point that I know my dear friend from Vermont will agree with—that the conference report was a unanimous report. Democratic and Republican Members in the House and the Senate, everyone, signed; and of course my dear friend from Vermont signed.

In the spirit of good humor, which he brings to all our proceedings, may I read a passage from the 1982 legislation, section (f)(1), and some other section. It says:

> The Secretary of Transportation, in cooperation with the State of Vermont, shall carry out a project to demonstrate the feasibility of reducing the time and cost required to——

Demonstration projects have been in legislation before, and life has gone on.

Mr. STAFFORD. Mr. President, will the Senator yield?

Mr. MOYNIHAN. I yield.

Mr. STAFFORD. Mr. President, I anticipated that at some time this might come up.

Indeed, in 1982 I did ask for a demonstration project for Vermont. Had I known the fate that that demonstration project would suffer, I probably would not have asked for it, since it still remains unbuilt. So it has only demonstrated that nothing happens, sometimes. But it was the last time, I say to my good friend, that I have ever asked for a demonstration project for Vermont; and that has embarrassed me back home, the way things have gone.

I realized in 1983—and as the Senator knows, I was then chairman of the committee—and I felt that we had to stop demonstration projects, that they were of future harm to the Federal highway program.

So I learned the error of my ways at that time, and since that time and through this year, I have not asked for a demonstration project.

Mr. MOYNIHAN. Precisely so.

Mr. President, I yield 8 minutes to the distinguished Senator from California, who wishes to speak on this matter and who will speak on behalf of the conference committee.

The ACTING PRESIDENT pro tempore. The Senator from California.

Mr. WILSON. I thank the distinguished manager, my friend from New York.

Mr. President, let me concentrate on some specifics from the veto message that I think require response.

The first of these has to do with the expressed concerns of the President that this legislation will violate the budgetary standards that we are seeking to adhere to. This is a quotation:

> The bill authorizes more spending than is brought in by highway user taxes. The bill represents a failure to exercise the discipline that is required to constrain Federal spending.

Let us take the second point first. Actually, this bill, H.R. 2, contains less in the way of spending than the two previous measures which the President has signed. In fact, in 1985, the highway measure spent $19 billion. In 1986, after the first Gramm-Rudman cut, we spent $18.1 billion. For this fiscal year, the bill authorizes less than $17 billion.

However, more to the point, let us deal with the complaint that "the bill authorizes more spending than is brought in by highway user taxes."

The reality, instead, is that, according to the Congressional Budget Office, unspent balances in the highway account and mass transit account of the trust fund will rise substantially over the 5 years of the bill. The highway portion rises from $9.7 billion in fiscal 1987 to $10.7 billion in fiscal 1989. The mass transit portion rises from $4 billion in fiscal year 1987 to $6.2 billion in fiscal 1991.

In other words, for the life of the bill, we will spend less than the highway trust fund can support, and less for mass transit than we spent before the penny gas tax was dedicated for mass transit in 1982.

This is not exceeding the provisions. It is, in fact, a measure than has been carefully calculated, as Senator SYMMS pointed out in his speech yesterday, to be revenue neutral in terms of the moneys that are spent and the projects that are authorized.

Now, let me also say that we are talking about a trust fund. We are talking about gasoline taxes that people pay at the pump with the expectation that they will be used to make highways safer, to build an Interstate System, to complete it. We are talking about commerce. We are talking about projects that have been needed for years. We are talking about a provision in more than one State, including mine, where those who seek to authorize toll roads in order to cure the road and highway deficit that threatens safety in those places will

indeed be threatened if this legislation is vetoed and that veto is sustained.

Let us talk about the kind of emergency road repair, speaking of safety, that has been occasioned over the recent years by tremendous storm damage in several States. In my State we have so far exceeded the cap that is permitted for reimbursement for emergency road repair because of an outmoded and outdated standard that it is required that we in fact update that to accord with reality. That provision is contained in this legislation.

Let me go now to the President's complaint about the Los Angeles metrorail system since he is concerned that we are distorting mass transit funding. He says, and I quote, "* * * to fund the Los Angeles metrorail project grossly distorts funding priorities."

The reality, Mr. President, is in 1986 his Department of Transportation, through the Urban Mass Transportation Administration, ranked the Los Angeles metrorial project as the most cost-effective proposed subway system in the Nation. They ranked it in terms of cost effectiveness, in terms of need, in terms of desert, merit. By every projection that I have seen, Los Angeles will overtake even New York City as the most populous city in the Nation some time around the turn of the century. We are indeed facing a crisis. New York, with great foresight, has had a subway system for years. So has Chicago. So have a number of other cities that have grown more gradually.

Los Angeles is experiencing explosive growth. It is only fair, Mr. President, that those who have chosen to live in high density be accorded the recognition of requiring a different kind of transportation than those who have chosen instead to live in the more sparsely populated rural areas.

To say that this bill unfairly distributes mass transit funds, that Grand Forks, NE, is not getting its share is a little bit absurd. There is not the same requirement. There has not been the same proportional contribution.

That is what was behind the allocation, the dedication of that portion of the gas tax increase in 1982 that was indeed dedicated to mass transit.

But let us come back to the ranking—the most cost-effective project in the Nation.

Also there is a complaint that no money should be allocated on this basis until there has been completion of the environmental impact assessments.

Someone has neglected to tell the President that by law not 1 penny of the Federal funds can be spent on phase II of the metrorail project unless and until the federally mandated environmental process is completed which it will be completed very soon.

Also, the statement is made that the very location of the corridor is yet undetermined. Apparently someone has neglected to inform the President that the general corridor of the system is not known but that Congress has mandated that a preferred local option be modified and that is also being done. The precise location of the tunneling is unknown only to the extent that we are not quite certain where within a couple of blocks the actual line will travel.

The President has been advised that "the provision would require up to 14 percent of the fuel taxes paid by motorists for the national transit program be spent in one city."

Mr. President, this is simply inaccurate. If the provision is fully utilized by Los Angeles and if the Federal Transit Program is reauthorized in subsequent legislation through the fiscal year 1994 at the same funding level as the conference report contains for fiscal year 1991, then only about 8.3 percent of the trust-funded program, not 14 percent, will go to Los Angeles.

The ACTING PRESIDENT pro tempore. The time of the Senator has expired.

Mr. WILSON. Mr. President, I ask unanimous consent that my time be extended by 2 minutes.

Mr. MOYNIHAN. Could I ask it be 1 minute, as we are in a time constraint?

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. WILSON. Mr. President, let me sum up in that final minute. The figures that have been given to the President are inaccurate. This program is one that is necessary, one that is justified by cost, by desert, by requirement.

Let me say that not only will we not get the 65-mile-an-hour speed limit raised, as the Senator from Idaho has correctly predicted but in the absence of a capital improvement program—the Federal Government is the only agency I know that does not have one—those that are required to look for their share of what is dedicated to mass transit funding for long-term projects I think can congratulate this committee for doing what it should have done a long time ago, engaging in multiyear authorization as the Department of Defense requires in the DOD authorization bill every year. If we can do it for airplanes, can we not do it for a subway system?

Mr. President, fair is fair. Someone has given the President bad information. I think we have a duty to our constituents to override this veto.

The ACTING PRESIDENT pro tempore. The Senator from Vermont.

Mr. STAFFORD. Mr. President, I yield 10 minutes to the very able Senator from Rhode Island, Senator CHAFEE.

Mr. CHAFEE. I thank our distinguished leader of the Republicans on the Environment and Public Works Committee.

Mr. President, first I wish to have printed in the RECORD at this point two editorials, one from the Providence Journal, "Pass a Highway Bill, But Skip the 'Pork,'" and one from the Washington Post, "Pork on Wheels," both of which recommend sustaining the President's veto on this measure. I ask unanimous consent those be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

PASS A HIGHWAY BILL, BUT SKIP THE "PORK"

President Reagan vetoed a popular highway bill Friday that contains $13 billion in funds needed to keep highway projects going in Rhode Island and other states. He labeled the five-year, $87.5 billion package "a textbook example of special-interest, pork-barrel politics." He's right. Congress should sustain the president's veto, and then pass forthwith the bill being submitted in its place by Transportation Secretary Elizabeth Dole.

Both bills would distribute federal gas-tax revenues according to an accepted formula for the states—including $100 million for Rhode Island. This is not pork. It should have been approved by Congress last October, but wasn't. Since then, the vetoed measure was loaded down not only with unnecessary spending, but with political implications that demand that this veto be sustained.

Regrettably, the highway veto has become a test of Mr. Reagan's ability to govern. If the veto is overridden, the president's critics will claim he no longer is a significant factor in the nation's governance. However untrue that may be, it could become a self-fulfilling prophecy, undercutting Mr. Reagan's attempt to "put the Iran affair behind him" and focus attention on the nation's business.

Aside from that, and aside from the bill's many beneficial aspects, it really is loaded with wasteful spending. Much of this is concentrated in "demonstration projects." For example, $58 million would go to road improvements in Los Angeles designed to "demonstrate methods of improving vehicular patterns relating to intermodal transportation of port-related activities," whatever that means. Some $8 million would go to replace a highway ramp in Cleveland that doesn't need replacing—"to demonstrate the relationship between infrastructure improvement and economic vitality."

Furthermore, the $1-billion allocated all told to these so-called "demonstration projects" would not be distributed on the same equitable basis as are the proceeds otherwise from the 9-cents-a-gallon gasoline tax that finances the Highway Trust Fund. Instead, such money would be gobbled up mostly by states and districts whose members of Congress wield the most political clout.

A case may be made for most of the spending in the bill, even some of that to which the president objects, such as mass transit subsidies apart from those items he considers pork. Did Mr. Reagan, then, have to make his stand against over-spending by vetoing so popular a bill? Maybe not. But he had to make it somewhere.

As important in this instance is the political issue the highway bill has become. Rather than kicking President Reagan as he climbs out of the Iran affair, Congress

should sustain his veto and pass the bill submitted in its place by DOT Secretary Dole.

That bill would delete the pork but retain most of the beef. If Congress disagrees, let it quickly work up an acceptable substitute. Funds designed for state projects should be released, not held hostage to power politics.

PORK ON WHEELS

President Reagan pegged it perfectly when he vetoed the highway bill Friday, calling the $87.5-billion package "a textbook example of special-interest, pork-barrel politics at work." The shame of it in this expensive case is that Congress has ground up and jammed all its pork into one indigestible sausage containing many serious, worthy and urgent road projects that should have been financed last year. Without a bill, the economy could stand to lose hundreds of thousand of jobs, most of which are linked to the legitimate projects that the state governments have approved. But the junk in this package, which also includes the 65-mph speed limit provision that deserves rejection, too, is as overwhelming as it is ill-planned: there are 121 "demonstration projects"—meaning ways for members of Congress to demonstrate their individual creativity and generosity with trust fund money, above and beyond what state governments have sought, and with no requirements for state matching money. It's hang the cost and take the credit. It also deserves the veto it generated.

Those in Congress who are urging an override of the veto point to damage that delay would do to the economy—but who wasted all the time banging this monstrosity together in the first place? Return with us now to those thrilling days of yesteryear '86, when the old 99th left a heap of highway ideas on the floor of a conference committee and adjourned. When business opened this year, who urged prompt action to avoid the damage to the states' approved projects and the jobs they generate? Transportation Secretary Elizabeth Hanford Dole called time and again for action, noting in January that the shortage of construction money was "a growing national emergency—one that affects every community in this country."

The whole process should be scrapped in favor of increased state control of this money. More and more governors are coming to this conclusion. For now, Congress should uphold the veto, take a good, quick look at the president's alternative proposal and come up with a sensible compromise that could keep things going for now and provide time for fundamental improvements in the federal highway program before a next round can begin.

Mr. CHAFEE. Mr. President, every day here in the U.S. Senate we hear about urgent social programs that require funding. For instance, in a couple of days, we are going to start on doing something about housing for the homeless. We are concerned about those folks out there who are sleeping on the grates and have no place to go, and I want to do something about them. I want to do something about the proper health care for American citizens where now we have a higher infant mortality rate than any of the 20 industrialized nations in the world.

What I am talking about here is a matter of priorities. What are we interested in? Are we interested in those folks on the grates? Are we interested in those trying to preserve the lives of young children and see that their mothers get proper prenatal care? Are we trying to do something about giving our young people a chance to go to college with college education grants and tuition grants and loans? Are we trying to do something about better job training for our citizens so they can go out and get the jobs that are there if they only had the training?

That is what I choose. I think, as to those of us who are voting to sustain this veto, that is the choice we are making.

Mr. WILSON. Mr. President, will the Senator yield?

Mr. CHAFEE. No, if I may continue. We are making the choice between having some extra concrete projects that are not included in the State's priority list. None of the States are prepared on their own to pay for these projects, these so-called demonstration projects in the various States. None of them are prepared to do it. That is why these Congressmen have inserted in these special projects, because they will not be funded by the States themselves.

Now, here is the choice: To do something about proper prenatal care, to do something about infant mortality, to do something about college education, or to pour extra concrete in various demonstration projects around the country.

I for one opt to do something to help our low-income and other students in America go to colleges and universities so they can get their education to improve the health of our citizens.

There are those who stand here and argue, "Oh, it is from a trust fund and a trust fund cannot be used if it is not used for highways; it cannot be used for anything else."

Everyone who has been in this Senate any length of time knows that we work under a unified budget and, whether we like it or not, an expenditure from the Social Security trust fund, from the airport trust fund, from the highway trust fund, counts as an expenditure, and that is outgo. That is what contributes to the deficit of the United States.

We have not any concern at all about these other social programs which have to be funded by the budget and thus will add to the expenditures. Unless we can some way make a savings such as in this highway program, the deficit will continue to go on and we will be constrained about doing something about those worthwhile human programs.

Is there an alarm system? Maybe it does not make any difference. Spend from the highways and in addition take care of all these other needs. Here is the ominous sign. We knew it was coming unless we mended our ways. The prime rate goes up a quarter of 1 percent, the first increase since 1984. And if other people cannot see a foreboding in that for the economy of this Nation and for the ability of the United States to compete abroad, and if they cannot see that this is a threat to American jobs all over, then they are not alert to what is taking place.

Second, we have had these dire warnings. Indeed, the distinguished senior Senator from New York has pictured a cataclysmic event occurring in the world, never mind a national recession. It appears there will be a worldwide recession unless the President's veto is overridden.

Well, rarely do I think that what the distinguished senior Senator from New York states on this floor is nonsense, but this comes perilously close to it. Is there anybody that suggests that there will be no highway bill whatsoever? Is the Senator from New York and others who sit on this committee saying: "All right, that's it. I am picking up my bat and going home. You didn't give us what we wanted so, therefore, that ends it."?

I have had the privilege to sit on that committee for some 12 years. I have sat on this conference and indeed on this highway bill, I signed the conference report and I voted for the bill on the floor. So I am for a highway bill.

But when I voted on the floor, I said if we get another chance to straighten out this legislation, I will take it. I voted every time in the conference, as the Senator from New York knows, against those special interest projects, those so-called demonstration projects. But in order to get a bill, as did others, I went along and I voted for it on the floor so we would have legislation.

But now we have another chance. The President, under the Constitution, has the right to veto legislation and he chose to veto this giving us a chance to straighten this out. I say to all here that we should seize this opportunity. It is not going to be this tremendous delay. If it is such a delay, the blame will rest right over there, right on the other side, because they have control. They are the majority. They can pass a bill if they want. If we sustain this veto at 11 o'clock, they can proceed immediately to new legislation and bring it before this body and have it passed, go to conference and produce something so that it would meet the requirements that are necessary to satisfy the President, as well as get going with this, proceeding with our highway construction.

So I do not believe in this Chicken Little proposal. "The skies are falling, the skies are falling; 800,000 Americans will be out of work." That, it seems to me, does not do justice to the ability of this body and the other body to arrive at a compromise and proceed

with a highway bill that will get us proceeding with the construction of needed roads in this Nation.

So there it is. First of all, we are threatening the prosperity of this Nation unless we do something about this budget. And this ominous note in the newspaper today about the increase in the prime rate threatens us all.

Second, we have to have a choice. We have to have priorities. The priorities of this Senator are to take care of the young people, see that they get an education, see that they remain healthy; provide housing for the elderly people, look after the elderly, not make cuts in Medicare. That is a proposal that is before us.

What is the choice here? Who is going to opt for cutting Medicare? Not this Senator. Who is going to opt for cutting Medicaid? Not this Senator. Who is going to opt for cutting into the WIC Program, or the Child and Maternal Health Program? Not this Senator. Who is going to cut college aid and tuition grants? Not this Senator.

I believe in every one of those programs and they have to be paid for. And if savings can be made, here is where the savings can be made right in this highway program we have before us, with over—I forget the exact number—I think it is something like 190 special interest projects.

Mr. STAFFORD. One hundred and fifty-two.

Mr. CHAFEE. One hundred fifty-two; all right. Who is going to quibble over 40?

Next year, you can be sure, as has been so well predicted, there will not be 150, there will be one for every Senator and Representative in this Congress.

Mr. SYMMS. Will my good friend yield for a question?

Mr. CHAFEE. If I could just proceed, because I have a time limit here, and then I would be glad to answer any questions.

So I hope we will get on with this, sustain the President's veto, come right back with a bill that is satisfactory to all Members, and get on with the continued construction of our highways.

I thank the Chair.

The ACTING PRESIDENT pro tempore. Who yields time?

Mr. MOYNIHAN. Mr. President, before yielding to our distinguished chairman, may I simply make a point that I wish the word "blame" had not been used. We have tried, the Senator from Vermont and I, to open this debate in an effort to state that there are well-founded disagreements on this matter. Every member of the conference signed the report. Blame is not the issue. Responsibility seems to me to be the issue.

But, in any event, a detail. We have heard much of 152 demonstration projects. Yes, they are there. But it might put the matter in perspective to know that at this moment—we just called the Federal Highway Administration—at this moment there are some 13,000 highway projects underway; 152 is less than 1.2 percent.

I yield 3 minutes to the distinguished chairman.

Mr. BURDICK. Mr President, today, Members of the U.S. Senate will decide whether or not to override the President's veto of the highway bill. For many of the Senators there is no difficulty in casting a vote to override the veto.

They have examined the merits, they have looked at the compromises that we made, and while they may dislike a few of the provisions, they have determined to support the bill. Other Senators have not yet made their decision.

For some Members It will be a choice between supporting their President and supporting the highway program. It is unfortunate that they have been placed in such a difficult position.

For others the issue has been clouded because of misleading and conflicting information that has been circulated regarding budget busting. For those of you who are concerned about budget busting, I offer the following comments:

First, highway bill authorizations have been set at a level that meets the Gramm-Rudman Budget Act requirements.

Contrary to what the President has said, the Congressional Budget Office has scored the bill, the Budget Committees of both Houses have reviewed that score, and both Budget Committees have determined that the bill does not exceed the Federal budget and does meet Gramm-Rudman.

I repeat, the bill does meet the Gramm-Rudman budget requirements. I want my colleagues to be aware that the Congressional Budget Office has studied the impact of the bill on the highway trust fund.

Their study concluded that during each year of the 5 years of this bill, the balance of the trust fund will increase. This is true for both the highway trust fund balance and the mass transit trust fund balance.

Therefore, rather than being a budget buster, this bill helps to offset the deficit by increasing the balance in the trust fund. However my colleagues may decide to vote, a vote based on the idea that this bill is a budget buster simply does not square with the facts.

I urge all Senators to vote to override the veto. To do otherwise is to risk losing much in the highway bill that is very good. The country will lose hundreds of thousands of jobs and the economic growth commensurate with that level of employment.

The 65-mile-per-hour speed limit amendment will be lost; 11 Members of the House who voted for that change have stated they will not vote for the amendment again. Eleven votes are sufficient to defeat the speed limit amendment. Indeed, House Members have stated that it will be their intent to reopen the entire bill and renegotiate the minimum one-half percent interstate construction provision, the 4R formula change contained in their bill and other Senate provisions agreed to in conference.

The resulting delay, even if work on a new bill begins immediately, will preclude a new highway bill for much of the construction season. The House has voted overwhelmingly to override the veto; I suggest that the Senate do the same.

Mr. MOYNIHAN. Mr. President, I yield 4 minutes to the able and distinguished Senator from South Dakota.

The ACTING PRESIDENT pro tempore. The Senator from South Dakota.

Mr. PRESSLER. Mr. President, this is one of the most painful speeches I have given in my 13 years in Congress. I love BOB and Elizabeth DOLE. In fact, I am spending much of my time supporting Senator DOLE for President. I also love and respect the President of the United States, Ronald Reagan. I have voted with him 78 percent of the time on a lot of difficult issues. After 13 years in Congress, I have come to believe that you get things done through working through your caucus.

So it is a very difficult decision for me. How does a Senator vote; how does he decide to vote? I think this perhaps could be a classic case of having different loyalties tugging at one as he agonizes. I just had a conversation with my party leader, Senator DOLE, in which I told him again that I would have to abandon him on this vote.

That was very painful. I arrived at that decision only after a lot of thought, prayer, and consideration because it is a very difficult choice for me. How does a Senator vote? On the one hand I come from the State of South Dakota. I serve on the Environment and Public Works Committee. Yes, we have demonstration projects for South Dakota in this bill. I am proud of them. They are all needed. One is in Todd County, and another in Kingsbury County, two economically depressed areas where jobs are needed but also where roads are needed. Another is in the Black Hills of South Dakota to help economic development.

We have a short construction season in my State. If things are delayed, we will not have construction this summer. Jobs will be lost and the much needed public roads that help

the economy will be lost. That is on the one hand.

On the other hand, I have a great desire to balance the Federal budget. But I have become convinced that most of these projects will be in other public works bills anyway. Based on my experiences, our large cities need and deserve public transportation. I go to my colleagues in New York and elsewhere and ask for help with the farm program. I go and ask for help with some of the economically depressed areas in my State. I cannot stand here and deny them urban mass transit projects that are very much needed. Our country must work together.

So, Mr. President, in this short time I wanted to say how painful this vote will be and how difficult it has been to arrive at my decision. My duties as a U.S. Senator with State and National interests have me torn between my party and certain friendships. Adding to the difficulty of this decision is how much I want to see our leader and our President win. But I believe after balancing all the factors that it is in the interest of my State and the United States that I vote to override my President's veto.

I ask that my statement be placed in the RECORD.

Mr. President, later this morning I will be casting one of the most difficult votes of my career. Over the past week I have been torn by conflicting loyalties and interests, both in my home State and within my party. But after much agonizing, I must vote to override my President's veto of the highway bill.

I have not arrived at this decision lightly, but finally decided that it is the only thing I can do in conscientiously representing South Dakota. We need to get on with the business of building our infrastructure. Our construction season is too short to delay the process any longer.

But I do not enjoy the necessity to vote against my President, for whom I have the greatest respect. I know he is doing what he believes is right, and I applaud his courage. I consider myself a strong supporter of Ronald Reagan. Indeed, I recently noted that a national Republican foundation report listed my support for the President at 80 percent on what it considered to be 18 key administration votes last year, which was well above that of the average percentage of Republican Senators overall. I believe that if all votes were counted, it would be even higher than that. Though I consider myself a strong supporter of the President, I must cast this vote for what I believe to be in the best interests of those who sent me here. My first priority is to South Dakota.

This vote is additionally painful to me because of my respect for the Secretary of Transportation. She has spent countless hours working to correct some of the admitted deficiencies in this bill. And there are problems with the bill. But, on balance, it is a good bill—and its timely passage is absolutely essential to my State and the entire country.

Perhaps the most difficult aspect of this vote is the fact that I shall have to vote against my good friend and party leader, BOB DOLE. I have discussed this issue with him on many occasions in the past week, and know he understands my position. But that does not make it any easier.

In any event, I shall be voting to override the President's veto. and I urge my colleagues to join me in that vote so we can complete this badly needed bill, and get on with other important issues facing the country.

The ACTING PRESIDENT pro tempore. Who yields time?

Mr. STAFFORD. Mr. President, I am very happy to yield 10 minutes to the very distinguished and able Senator from Texas, Senator GRAMM.

The ACTING PRESIDENT pro tempore. The Senator is recognized.

Mr. GRAMM. Mr. President, I thank our distinguished ranking member for yielding. I rise in support of sustaining the President's veto, Mr. President, and I would like to make several points. A number of people have said that as pork-barrel bills go, this is a little pig, that we have passed a lot worse bills in the past, and we may pass worse bills in the future. And I think basically that is true. In fact, were it not for a commitment that we have in place today to hold the Federal deficit this year to $108 billion, I think everybody might have looked the other way on this bill. But when we have so many Members in this body who have concluded after looking at the budget problem that there is more fat in the family budget than there is in the Federal budget and therefore are crying out for tax increases, I do not see how we can in good conscience override the President's veto on a bill that spends more than $11 billion from general revenues for mass transit while leaving the mass transit trust fund relatively untouched.

There are a lot of other reasons that we ought to sustain this veto. No. 1, we are about to get on a fast track toward doing all of our highway bills on a demonstration basis. The last time we passed a highway bill we had 13 "demonstration" projects. We have had fewer than 30 in the entire last decade of the Highway Program. In this bill, we have 152 "demonstration" projects. We are spending over $1 billion on a demonstration project in Boston, MA. We closed out the Interstate Highway System for everybody else in 1981, but not for those who have the political power to do it on a demonstration basis. I do not think that is right. I am opposed to it. And if we do not act here to sustain this veto, I am willing to predict that the next time we write a highway bill virtually every project in it will be a demonstration project, and we, not the people of our States, not the State highway commissioners, not the local Federal highway authorities, and not the Governors, will be setting priorities for our Federal highway system.

I do not think that is the way we ought to be running the Federal highway system of this country.

I would like to say something about the mass transit funding. Not only are we talking about twice as much as the President requested but look at the biggest pork barrel project of them all in this bill, the Los Angeles project. For the first time in the history of mass transit, this bill mandates that the Federal Government sign a contract. It is no longer a matter of setting priorities. In this bill we say that the Federal Government shall enter into a contract. Not only is that the first time we have ever done it, but Los Angeles has not even produced a final plan for locating or building this much-touted monorail or people-mover.

And in granting this privileged treatment to Los Angeles, we are allowing that project to bleed funds from Houston, Dallas, and every other city in the United States with a mass transit program.

Second, I am amazed that when so many Members are so particular about environmental impact statements any time any private sector employer wants to create a job or build a factory, that we are mandating in this bill that the Federal Government sign a contract to pay for a project before the environmental impact statement is completed. I do not think that is the way we ought to be running programs.

Mr. President, that I am going to vote to sustain the veto for a lot of reasons. No. 1, this is not good law. These demonstration projects represent an abuse to the system. They cheat Texas and 42 other States that do not have demonstration projects as big as their allocation formula would be. They reward those who have engaged in the old-fashioned pork-barrel politics that we tried to get away from in the Highway Program. We have overfunding on mass transit, and we are for the first time mandating that a program be undertaken not on its merits, but on the basis of raw political power. This is only a problem that is going to grow.

I am going to vote to sustain the veto because if we let this bill get through with this much lard, the next bill is going to have more lard, and the bill after that is going to have still more lard, and so on until we give the whole Nation trichinosis, until we bust

the budget, until we send inflation back up, until we send interest rates back up, until we slip back to the position we were in 6 years ago, and all the readjustment and all the pain to bring inflation under control will have been for nothing.

Mr. President, I deeply resent all the people who are saying, "Take the highway bill larded, or you are not going to get a highway bill." I reject that because the Nation needs a highway bill. What kind of an argument is it that, if you do not do it our way, we are not going to do it, we are going to hurt America, we are going to hurt your State unless you take our pork barrel. I reject that. We are going to bring a highway bill back to the floor and it is going to be voted on again and again and again until it becomes law. If we can sustain this veto today, it is going to become law without all these "demonstration" projects, without the pork barrel, and without the lard.

Finally, I am going to vote to sustain the veto not because it was Ronald Reagan that vetoed this bill, not because this is some test for the President, but because the President is right. The President is right because in the current budget environment, this bill, which might have been acceptable last year or the year before and which might have passed with virtually no controversy, is not acceptable when we have to lower the deficit to $108 billion this year and down to zero in 1991.

So I urge my colleagues to vote to sustain the President's veto. If we do not do it here, then the next bill will have more pork and the next more and the next more until finally, in revulsion, we will sustain a veto.

When Ronald Reagan stands up for what is right for America, whether it is popular or not, he will not be standing alone because I am going to be standing with him and I am hopeful that 34 Members of the Senate are going to be standing with him today.

Mr. President, I yield the floor.

Mr. MOYNIHAN addressed the Chair.

The ACTING PRESIDENT pro tempore. The Senator from New York.

Mr. MOYNIHAN. Mr. President, might I once again quietly state what I did in my opening remarks, that if we should fail to override the veto, fail to support the conference report today, I will convene a hearing, a meeting, of the Subcommittee on Water Resources, Transportation, and Infrastructure tomorrow morning and we shall proceed to do the best we can.

I will ask to have placed in the RECORD at this point a chronology of a very special effort to bring this matter, a major 5-year bill, to the floor in the third month of the Congress. How we can do it in lesser time I do not know. Mr. President, I ask unanimous consent that this chronology be printed in the RECORD.

There being no objection, the chronology was ordered to be printed in the RECORD, as follows:

January 6: H.R. 2 introduced in the House; S. 185 introduced in the Senate.

January 21: S. 387 reported out of EPW Committee; H.R. 2 passed House by a vote of 401-20.

January 27: Senate Conference Report 100-4 filed.

February 2: S. 387 laid before the Senate.

February 4: Passed Senate as H.R. 2 by a vote of 96-2; Senate Conferees named.

February 5: Further Senate Conferees named.

February 19: House Conferees named.

February 24: Conference Committee met.

February 26: Conference Committee met.

March 4: Conference Committee met.

March 5: Conference Committee met.

March 10: Conference Committee met.

March 17: Conference Report Approved; House Rules Committee granted Waiver.

March 18: Conference Report on H.R. 2 passed House by a vote of 407-17.

March 19: Conference Report on H.R. 2 passed Senate by a vote of 79-17.

March 27: President vetoes H.R. 2.

Mr. STAFFORD. Mr. President, will the Senator yield?

Mr. MOYNIHAN. I yield.

Mr. STAFFORD. Mr. President, I want to assure my good friend, who was the manager of the conference and is chairman of the subcommittee that prepared this bill, that if the veto is sustained, I will join him tomorrow in an effort to report a bill out as quickly as possible.

Mr. MOYNIHAN. As quickly as possible has been 3 months this time. We will see what it is the next time.

Mr. President, I yield 5 minutes to my friend from Idaho, who was also a member of the unanimous conference.

Mr. SYMMS. Mr. President, I normally would be on the floor in agreement with my good friend and very, very capable Senator and colleague, Senator GRAMM of Texas. He may think that this bill is going to give the people trichinosis, Mr. President, but I would submit that some of the statements that were just made about the budgetary aspects of this legislation by my good friend from Texas are nothing more than a bunch of hogwash.

First off, the Boston project is not a demonstration project. I do not know where that erroneous information came from. It is part of the Interstate System. It has been on the map since 1956.

Second off, the trust fund has $10 billion in it right now and if this bill is passed it will have $11.7 billion in it at the end of a 5-year cycle.

If I have ever heard a good argument for taking the trust fund off budget, what I have heard here this morning is a good argument. We hear Senators coming in saying, "We want more money for the homeless, more money for this, more money for that," for different projects that are not even associated with the highway trust fund. I think that is a point that needs to be made.

Mr. President, I would also like to make the point that I reminded Senators yesterday that important provisions in the conference report are going to be put at risk.

We may talk about demonstration projects. Senator GRAMM of Texas just made the statement again that the next year they will have a bill in here and they will have 500-and-some demonstration projects. The truth is if the veto is overridden, there will not be a highway bill for 5 more years—5 more years.

Mr. President, we did have some demonstration projects as a compromise. Here is what the compromise is:

In fiscal year 1987, the one-half of 1-percent States will receive $13.1 million in interstate construction apportionments under the conference agreement. Many of those States would have received no interstate construction apportionments and all of those States would have received less than the $13.1 million if the House had prevailed on this point in conference. Frankly, the tradeoff we made in return for preserving the one-half of 1-percent program was to provide some new Federal money (the $178 milion per year) for demonstration projects. I can tell my colleagues that the House conferees see a strong relationship between the one-half of 1-percent minimum program and the Federal funding for demonstration projects, and this will be another difficult issue to resolve if we have to return to a highway conference.

For the information of Senators, the 34 States which will benefit from the one-half of 1-percent minimum program over the life of the bill are as follows: Alaska, Arizona, Arkansas, Delaware, Georgia, Idaho, Illinois, Indiana, Iowa, Kansas, Kentucky, Maine, Michigan, Mississippi, Missouri, Montana, Nebraska, Nevada, New Hampshire, New Mexico, New York, North Dakota, Ohio, Oklahoma, Oregon, Rhode Island, South Carolina, South Dakota, Tennessee, Utah, Vermont, West Virginia, Wisconsin, and Wyoming.

I also mentioned yesterday, Mr. President, that the House bill would have changed the Interstate 4R formula dramatically to reflect population factors only. There are 29 States which would lose Interstate 4R funds if we accept the House formula in a new conference. Those States are as follows: Alabama, Alaska, Arizona, Colorado, Delaware, District of Columbia, Montana, Nebraska, New Mexico, New Hampshire, Oregon, North Dakota, Hawaii, Idaho, Iowa, Kansas, Maine, Minnesota, Mississippi, Missouri, Oregon, Rhode Island, South Caro-

lina, South Dakota, Utah, Vermont, Washington, West Virginia, and Wyoming.

Mr. President, I hope all Senators will consider very seriously what a vote to sustain the veto may mean to their States if we have to return to a highway conference. Of course, there is also the very real possibility that a new highway conference will take long enough that the Northern States will miss our 1987 construction season.

I also want to note that while I was in Idaho last week, I stopped at Quinn's Restaurant in Boise and had a great conversation about the highway bill and other issues with two loyal, young fans of Ronald Reagan. Matt Frantz, a waiter at a steak house in Boise, and Jeff Beamguard, the manager of the Idaho Youth Ranch Thrift Store in Boise, both have been following the progress of the highway bill for some time. Matt and Jeff both told me they have voted for Ronald Reagan every time his name has appeared on the ballot in Idaho, and they said if the Constitution would let him run again, they would like to keep him in the White House for the rest of their lifetimes. They figure the President looks fit enough to last at least that long. But they said, "Senator, the President's wrong on this one and you're right. We hope you'll stick to your guns and get us a new highway bill and a new speed limit between here and Pocatello."

Mr. President, as I said, the House conferees see a strong relationship between the one-half percent minimum program and the Federal funding for demonstration projects. In my view, in view of the fact that the money is coming out of the trust fund, we are going to actually be accumulating money in the trust fund. There is no plausible argument for colleagues on the Republican side of the aisle to come in and say this is a budget buster.

Mr. President, I think it would be appropriate at this time to review the history of the Interstate and Defense Highway Programs for our colleagues.

It started in 1922 when Captain Eisenhower was ordered to take a column of 135 trucks from an Army base in Maine to Fort Ord, CA. It took well over 6 weeks for Captain Eisenhower to get there with that truck column.

As he was crossing dirt roads in Wyoming, it occurred to him that this country could not move troops from one side of the continent to the other in time of national emergency.

In 1944, in December, when the Germans hit the United States forces in Belgium and Bastogne, it made a real impression on then General Eisenhower because he could not believe that the Germans could move the troops, trucks, tanks, and equipment as fast as they did.

When he came back after the war and became President, he pushed this program through. It was his leadership that got us started on this interstate program, a Republican President, which made it possible for Americans to have a good road system to drive from Maine to California with no interruptions on a good, safe highway.

Followed on by that, President Reagan, deserves everlasting credit for taking the heat to restore and renew the commitment so we could, A, complete the interstate, and, B, maintain it.

We wear out these roads every 20 years. Every 5 years a section of interstate wears out. What that means is that you have 20 percent of your interstate every 5 years needing to be redone.

We have to maintain this. I hear my colleague from Texas talking about the demonstration projects. If this veto is sustained, we may have a highway bill in here every 6 months because we will extend it and then it will have demonstration projects they want in the bill.

I would urge my colleagues to vote to override this veto and put it behind us. It is not a budget buster. I believe in the longrun we will have done a much better job than we will do if we continue to have a hopscotch, unfunded highway program to deal with every 6 months for the next 5 years.

Mr. MOYNIHAN. Mr. President, I regard the Defense Highway Program as the most important domestic achievement of President Eisenhower's Presidency.

Mr. President, this is a 5-year bill. We have so much to do in Congress. In 5 years, we will not see a highway or transit program if we do not accept this one today.

Mr. President, I yield 4 minutes to the able and distinguished senior Senator from Nevada.

Mr. HECHT. Mr. President, this is one of the most difficult decisions on a vote I have cast as a U.S. Senator. It is with great reluctance that I have decided to cast my vote in opposition to President Reagan's veto of this legislation.

The highway authorization bill places many of us who care about government in a tough position. I would prefer a less expensive bill, and this bill is a good example of why the President should be given line-item veto authority. However, many projects certainly can be justified and are necessary to maintain America's highway system.

Mr. President, I am convinced that the consequences of killing this bill would be more harmful to the American economy than enacting it. It will create many jobs, in time for the construction season. The three projects in my State are good ones, and since the money will come from the highway trust fund and not from the General Treasury, I cannot buy the argument that this bill is a "budget buster."

The 65-mile-per-hour provision is another reason I am going to vote to override the President's veto. I have worked extremely hard over the past 4 years to get the speed limit changed. I cannot cast a blow to States rights. I cannot cast a vote against my State.

Mr. President, I do not believe this vote is a test of Presidential leadership. The leadership that Ronald Reagan has provided this country does not need confirmation by this Senate on this issue. On the whole, this highway bill has enough good in it to justify enactment over a Presidential veto.

Mr. President, I yield the floor.

Mr. STAFFORD addressed the Chair.

The PRESIDING OFFICER (Mr. SANFORD). The Senator from Vermont.

Mr. STAFFORD. Mr. President, I am prepared to yield 8 minutes to the able and distinguished Senator from New Mexico, Senator DOMENICI.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I say to the Members of the Senate, from the first day I arrived in the U.S. Senate until this year, I served on the Environment and Public Works Committee. I have participated in most of the highway bills. I participated in a number of most interesting conferences wherein the great disparities between the House-passed bill and the Senate-passed bill were resolved. I have been there when we watched the House develop formulas clearly favoring one section of the country, and, by the time we resolved it, we seemed to have a fair and equitable bill. With the exception of the 1 year in 14 years, I have been on the committee. So I know these issues.

Mr. President, the President is right on this veto. Some might say the Senator from New Mexico is going to talk budget issues here. I could do that. I could tell you why, on budgetary grounds, the bill is not a solid bill. But I prefer to talk about the highway program, and what is going to happen if we continue down the path that begins in this bill. I need not report to the Senate on the history and evolution of the highway program of this country. But it is obvious that it has had a history that was salutary, centered on the States.

If there is one thing the States of this Union have done because of the highway program, it is to develop healthy, strong, well-planned professional highway construction programs, from State engineers who are professionals to various and sundry varieties of State commissions that determine priorities within each State.

I really believe it is fair to say that the national highway program has

prompted the States of the Union to handle construction of roadways in the right way. There may be, from time to time, a highway commission or a highway engineer or a Governor who is accused of being less than professional or playing politics with highways. But for the billions and billions of dollars spent for the American people on roadways, it is probably the best single success story of States creating a capacity to do the job right.

We resisted for almost two decades the desire to go into each of these States and say, "You are not building the project that I want, so I will put it in this bill. After all, I am a Senator or I am a Representative, and I want this road." For almost two decades, we resisted that. We did a few, a very few, of that kind. And we needed a name for it, so we called them demonstration projects.

I am not even going to look at those few, I am going to guess that maybe one or two of them were actual demonstrations, trying something new, trying to prove a point about highway building or about some new way to do things. That is what a demonstration is.

Now, we have decided in this conference report, after weeks in conference with the House, in my humble opinion, that we are about to abandon that thesis and take another route.

Why in the world would we do that unless the program was a failure? Why would you allocate to the States and then come along in this bill and say, "Well, let us do 160 demonstration projects?"

We ought to drop the word "demonstration." It really begins to be kind of a joke. These projects are special selected projects by Members of Congress who say, "The highway program is great in my State, but I just think the highway fund ought to be used to build something very special that the highway engineers, that the professionals in that State, are not going to build. So I am going to put these projects in the bill, and we are going to start taking the money out of the highway fund to pay for it."

I know my good friend from New York is going to say we did the best we could with the House. They had an even worse bill. They wanted to pay more for the special projects, and they wanted more of them. That is irrelevant.

What will happen is that the next time we have a highway bill—the President may well lose and in 5 years, we may have another one—there will not be 160 special projects. I guarantee that. To the wonderful new Senator occupying the chair, who used to be a Governor, I say, Mr. President, there will be one for every Member who needs one. And there may be two, if that person is powerful enough. There may be five for that Senator or Representative who is really powerful and in the right place.

What we are about to do, is take the most successful highway program in the world, the most successful State-administered program in the world, and we are about to say we are going to dismantle it. We are going to have two, side-by-side programs. One is going to be the special choices of Congress; the other is going to be the allocation formula that the States have been doing so well with on the interstate, the primary, and the other systems.

I lived through an era here when we did exactly the same thing to the water projects of this country, exactly the same thing. We decided in Congress that every time a Member had a water project, be it flood control or some other kind of water project, we got them started. The States paid nothing. There was no marketplace test. As a consequence, they became parochial. They became centered upon power structures here, or they were geared to one section of the country, because of the Bureau of Reclamation, and not the other.

And you know what happened, Mr. President? Instead of getting more water projects, we just about killed the program. For 6 or 7 years, we had zero projects because we had decided how to pick them ourselves, from clear up here in Washington.

That is what is going to happen here. Some people are going to have more for highways; some are going to end up with less. We are going to end up with special projects all over the place. And you know what that ends up doing? It ends up, very simply, causing public support to dwindle, rather than to increase.

Instead of going up, it is going to come down. We are about to put this wonderful program on the skids, where it need not be.

Mr. President, we should sustain the President's veto.

Mr. President, President Reagan is right. The Senate should sustain the veto of H.R. 2, the bloated highway and transit bill.

We will hear laments about how this veto will hurl the economy into recession; how it will destroy millions of jobs. We will be told that we will never have another highway bill if we miss this opportunity.

I do not believe a word of it. Nor should any other Member.

We are told the House will not bargain over this bill, unless it can be assured the bill will be chock-a-block with special projects for special Members.

If that is so, let's be honest and tell the American people why this important program may be threatened.

This bill can be rewritten and on the President's desk by tax day, April 15, if the will exists to do it. To pretend otherwise is to deceive the America people.

Now, why is this a bad bill? Wh should we sustain the President's vet and take a chance that petulance wil prevail?

We could debate the bill's relation t the budget resolution. The bill is ove the budget, and that is one soun reason to vote to sustain.

The bill spends much more than i raises in taxes. That is unsound polic for a program that is justified as a user-based program. That is anothe reason to vote to sustain.

But the real reason—the vita reason—to vote to sustain the President and reject this bill is this:

H.R. 2 impales what has been the most successful Federal public works program in our history, a user-financed program. It impales a sound policy and proclaims that from now on, more and more road projects and road alignments and road decisions will be made by 535 Members of Congress, not by the highway experts back in the States.

This bill siphons cash out of a national program and pumps it into the pork barrel that is called demonstration projects, 160 of them, some of which involve roads never studied by any highway administrator.

That is wrong. Why? Because, in the long run, that shift will undermine a program that is absolutely essential to America's economy and welfare. If we want to bust the budget, let's at least give the money to the States for priority work, not to construct a congressional wish list.

We saw what happened to the water-projects program when it began to drown in special-interest projects: Construction spending fell 80 percent over the past quarter century. We nearly killed off that program before it was saved last year with new cost-sharing approaches.

To force this bill into law will inflict the same kind of damage—with an erosion in public support—onto the highway program.

The great strength of the Federal-aid highway program since its early days has been its nonpolitical distribution of money. We have a gas tax—now 9 cents per gallon—that is collected nationally, then distributed among the States for the States to utilize according to priorities they set.

The States decide how that money is spent. It is a direct shift, from users back to benefit the users.

But what does this bill do? It skims $5.5 billion off the top, and deals that money out to this special Member, to that favored project.

Sure, I have a project in this bill. It is a project that, when it was included in the Senate's bill originally, gave the State of New Mexico greater flexibility, not more cash. New Mexico will

build that road, with or without this pork-barrel approach. At least it will be built so long as the general program remains solid and continues to attract public support.

The thing that most threatens the viability of the Santa Fe to Los Alamos road will be a discrediting of the entire Federal-aid highway program. And that is precisely what this bill does.

Some may ask me: "Senator, aren't you powerful enough to get your road?" Maybe; maybe not. But with 5 Members of the U.S. Congress—5 out of 535—New Mexico is unlikely to do as well, over the long term, after we convert this program into one where road selections are made here, instead of in our State capitals.

Mr. President, this has been the week of the college basketball championships. That was a great game Monday night. But I fear that some of my colleagues have gotten too deeply into the spirit by saying they want to slam-dunk this bill, and show the President and the highway contractors who is in charge.

The unfortunate part is they may, in their enthusiasm, end up destroying public confidence in one of the best Federal infrastructure programs that exists.

Mr. President, I urge my colleagues to vote to sustain President Reagan's veto.

Once we accomplish that task, then we can—and will—get back to work and send a bill to the White House that the President will sign. We can achieve that in 2 weeks, and we can, in the process, preserve this essential program.

Mr. MOYNIHAN. Mr. President, may I say to my good friend from New Mexico, he knows that the two of us worked for almost a decade on exactly that problem of water policy that he described. Last year, after 17 years, we produced a water program bill, a responsible one. And as I vouched for that then, I vouch for this today.

May I say with the greatest of friendship that not 13 days ago, when this conference report came to this floor, my good friend from New Mexico voted for it.

Mr. DOMENICI. There is no question about it. And I said clearly to my people in New Mexico, if the President suggests that we should do this another way, and has another formula, I said publicly right then, I am going to support him.

Mr. MOYNIHAN. Fair enough.

Mr. President, I yield 4 minutes to the distinguished Senator from Maine, who labored indefatigably in the 99th Congress.

Mr. MITCHELL. I thank the Senator.

Mr. President, I would like to call to the attention of the Senate, for what I hope will be the final time, the difference between fact and fiction concerning this conference report.

The President has repeatedly referred to this legislation as a budget buster. That is simply inaccurate. Both budget authority and outlays for the highway title of the conference report are $1 billion lower in fiscal year 1987 than in fiscal year 1986. Compared to the amount originally authorized for fiscal year 1986 under the Surface Transportation Act, the conference report reduces highway spending by 14 percent.

Both the Senate and the House Budget Committee have scored this conference report and have determined that it meets the spending limits of the fiscal year 1987 budget resolution and the deficit reduction goals under Gramm-Rudman-Hollings.

Let us take a close look at the highway trust fund. In his veto message, the President claimed that the highway bill spends more than is brought in by highway user taxes. That is misleading because it ignores the effect of interest earned on the trust fund. Currently, the highway trust fund has a surplus of $9.74 billion. The Congressional Budget Office has estimated that the surplus will continue to grow throughout the 5-year reauthorization contained in the conference report so that by fiscal year 1991, the highway trust fund will have a cash balance—a surplus—of $10.73 billion. This is an increase in the trust of $1 billion, after the funds authorized in the conference report have been expended.

In his weekly radio address on Saturday, the President reiterated the claim that the conference report is $10 billion over budget. This is based not on the deficit reduction targets under Gramm-Rudman-Hollings, but on the President's budget proposals which called for ending all general revenue support for mass transit, a proposed cut of almost 60 percent from 1987 levels. The President has made that request for the past 3 years and Congress has rejected it each time.

In fact, during the last session of Congress, Senator SYMMS offered the administration's mass transit funding proposal as an amendment to the fiscal year 1986 budget resolution. That amendment, considered by a Republican-controlled Senate, was overwhelmingly defeated by a vote of 25 to 72. Yet the President's current use of the phrase "budget buster," and all the talks about quickly passing an alternative bill, is based on the assumption that the Senate will now simply accept a provision which it has rejected 3 years in a row, that last time by an overwhelming recorded vote, and all three times when the Senate was under Republican control.

The fact is that the mass transit account had a cash balance of $3.29 billion at the beginning of fiscal year 1987. The Congressional Budget Office has estimated that the authorizations under this conference report will leave a cash balance of $6.17 billion at the end of 5 years. Also between fiscal years 1987 and 1991, the user fees coming into the account amount to $6.26 billion and the interest earned on the account amount to $1.86 billion for a total of $8.12 billion. During the same 5-year period, authorizations for mass transit amount to $6.247 billion. Therefore, the mass transit account will increase by nearly $2 billion after the amounts authorized under the conference report are expended.

It is clear that the administration opposes funds appropriated from general revenues for mass transit. But it is equally clear that Congress has again and again rejected that position. This is not a partisan issue. During the last several years, bipartisan support for mass transit has remained strong.

When he vetoed the bill last Friday, President Reagan said he did so because it is too expensive, $10 billion too high. He said he would send an alternative, much less expensive bill to Congress. Just a few hours later, the minority leader stood here in the Senate and, obviously based upon information provided him by the administration, urged Senators to support the alternative because he said:

> As I understand the compromise that the President is sending up which will be introduced later today, 43 States are better off than they are under the bill that came out of the conference report.

So the President was telling the American people that the conference report was too expensive, he was vetoing it and sending a less costly bill to the Congress, and at almost the same time the minority leader was urging Senators to support the President's alternative on the ground that it would provide more money to 43 States.

Many Senators have asked how that can be. How can the President's alternative be $10 billion less than the conference report and still provide more money to 43 of the 50 States?

The answer, of course, is that it cannot be, and it will not be. While the President has repeatedly stated that the conference report is, in his words, "$10 billion overboard," the budget he submitted Friday reduces spending not by $10 billion, but rather by about $4.4 billion. While the conference report authorizes $87.5 billion, the new administration bill would authorize $83.16 billion. The difference between the two bills for highway spending amounts to $2.6 billion. The difference between the two bills for mass transit amounts to $1.8 billion. The amount authorized for safety programs would remain the same at $861,000.

The table distributed by the administration to which the minority leader referred is yet another misleading

table. That table shows 43 States receiving more funds under the new administration bill compared to the conference report. The table does not take into consideration that 16 of the States have received interstate discretionary funds as of March 5 this year. The table also does not take into consideration the fact that allocations have not yet been made for bridge discretionary funds and Interstate 4R discretionary funds.

Once allocations to the States are made in these categories, it is highly likely that most States will receive more money under the conference report than under the new administration bill. However, the table was designed to mislead those without detailed knowledge for the Federal-Aid Highway Program into believing that 43 States would receive more funds under the administration's proposal than under the conference report. They would not.

This is not the first time during the debate on this conference report that the administration has deliberately circulated misleading tables containing half-truths. I hope it will be the last time. The complexity of the Federal-Aid Highway Program readily lends itself to the use of tables. However, those tables should be accurate and complete. To give half the story is misleading and wrong.

In the administration's bill submitted on Friday, the President claimed to have pared down the waste in the conference report. He further claimed that if he received it within a week, he would sign it within an hour. That is totally unrealistic. It wholly ignores everything that has happened on this subject in the past 2 years. It assumes that all of those individuals and groups who have an interest in this bill will suddenly stop being interested, and there will magically occur prompt agreement on a new bill.

Have the Senators from New York and Illinois and Pennsylvania and Connecticut and New Jersey and other States interested in mass transit agreed to simply accept the President's proposal to reduce mass transit from $17.9 billion in the conference report to $16.1 billion under the administration's new bill?

Have the Senators from California agreed to drop the provision in the conference report which provides funds for the Los Angeles metrorail project?

Have the Senators from Massachusetts agreed to drop the Boston central artery from the Interstate System?

As of March 5, 16 States had received fiscal year 1987 interstate construction discretionary funds. Have these 32 Senators, and others who might benefit from interstate discretionary funds beyond fiscal year 1987, agreed to terminate the program as requested by the administration?

The answer to each of these questions is, of course, no. These are important, contentious issues on which there have been and continue to be very strong feelings. It is pure fantasy to suggest that if the veto is sustained, this matter can be quickly resolved.

I ask these questions only of the Senate. This does not yet take into account the fact that any bill passed by the Senate must also be approved by the House. Does anyone believe that the House Members from California, New York, Pennsylvania, Illinois, Massachusetts, or those on the House Banking Committee, would ever agree to the administration bill? Does anyone believe that those 189 House Members representing the 16 States that have received interstate construction discretionary funds this year would agree to terminate the fund beginning next year?

I have not even yet mentioned the fact that if the veto is sustained we will be reopening the whole debate on the highway program. There were literally hundreds of disagreements on which we were able to reach fragile agreement. Each of these issues would be reopened.

Many of you may remember the debate on highway beautification. With regard to billboards, the conference report retains current law. There is no assurance that any future bill would treat highway beautification similarly.

Many of you may remember the debate on the buy America provision, an amendment offered on the Senate floor by Senator COCHRAN that would have required the use of American clinker and cement on Federal-aid highway projects. That amendment was tabled by a vote of 65 to 33 and therefore the Senate had no American cement provision. But, the House bill did contain such a restriction. It was no easy agreement to get the House to recede on that provision.

In the Senate, the one-half of 1-percent minimum allocation is very important for those of who represent States that placed a high priority on completing their Interstate Systems. It was no easy feat to get the House to retain this provision.

The conference report retains the current Interstate 4R distribution formula. Senate conferees had to fight hard to get the House conferees to drop their Interstate 4R formula provision which would have changed the formula to reflect population factors only. Some 38 States would have lost Interstate 4R funds had we acquiesced on that one.

Over the last year, the Senate voted three times on whether to allow States to raise the speed limit on rural interstates. This issue could not be resolved in conference. Chairman HOWARD of the House Public Works Committee f nally agreed to let the House member ship itself decide. I am sure you al know that in the House the increase i the speed limit was approved by an 11 vote margin. Since then, more than 1 House Members have said publicl that if the veto is sustained they wil not vote to increase the speed limi again. Therefore, if this veto is sus tained, the proposed increase in th speed limit is gone, dead, buried. I any Senator feels strongly about in creasing the speed limit, there is onl one way to get it. That is to overrid the veto. Any other course, any other means no increase in the speed limit.

Another provision in the administra tion bill on which it is extremely un likely that the House and Senat could agree is funding for demonstra tion projects. The House bill provided 100 percent Federal funding. The Senate bill provided no new Federal funding, but permitted States to divert their other Federal apportionments to fund the construction of projects. After many, many hours of debate, the conferees finally settled on funding up to 50 percent with new Federal funds. Up to 30 percent would be allocated from the Secretary's discretionary funds, but would not represent new budget authority. This was a major compromise. In addition, 20 percent or more of each demonstration project would have to be matched by either the State or local government. While these projects may be authorized, they won't get a dime without the State or local match.

One of the most important and one of the most contentious provisions involved the 85-percent minimum allocation, which is very important to donor States. After much disagreement, the 85-percent minimum allocation was the very last agreement made prior to adoption of the conference report by the conferees. The conference report alters the formula and expands the base on which the 85-percent minimum is allocated. The 85-percent minimum provides donor States a return closer to the amount they contribute to the highway account of the highway trust fund. Currently, in calculating the return of the 85-percent minimum to the States, only apportioned programs are considered. The conference report adds allocations as well as apportionments to the calculation and makes the provision permanent law. This was a difficult and delicate agreement. Only by excluding some discretionary allocations during the first 2 years could we reach agreement. There is no assurance that this provision will be included in any subsequent bill. If that occurs, all donor States will suffer significant reductions below what they otherwise would have received.

Under the conference report in fiscal year 1987, the following are donor States affected by any changes in the 85-percent minimum allocation: Arizona, Arkansas, California, Florida, Georgia, Indiana, Kentucky, Michigan, Mississippi, Missouri, North Carolina, Ohio, Oklahoma, South Carolina, Tennessee, Texas, and Wisconsin. If the veto is sustained and the conference report provision regarding the 85-percent minimum is not included in any subsequent bill—which may well be the case given the hostility to the provision by the House conferees—those donor States will suffer enormously under this program in future years. Senators from those donor States who vote to sustain the veto are playing Russian roulette with their State's future funding under this program.

Altogether, the administration bill submitted on Friday includes 30 major policy changes. In many cases, these are policy changes that we already know will not be accepted.

The resolution offered by the distinguished minority leader on Friday may have been good politics. It allowed Senators who vote to sustain the veto to say that they voted to have the Senate act on a new highway bill within 7 days. The only trouble with it is that we all know it is not true. It will not happen. Perhaps some of our citizens will be fooled. But we cannot fool ourselves.

The conference report has been approved by the House and the Senate by overwhelming margins. Just 12 days ago, 79 Senators voted for this conference report. They did so because they knew that there are many controversial issues involved. They knew that many of the agreements made were not easy and may not be made the next time. They knew that the conference report is the result of many long months of hard work and literally hundreds of compromises.

If the veto is sustained, we do not know when there will be agreement or what it will contain. But we do know that our States are running out of highway funds fast. I ask, based on what we all know to be the facts, is it worth the risk to the States to lay aside the conference report?

The President has changed the debate from one based on the merits of the conference report to one based on support of the President. So the question really is, Should Senators support their constituents or their President? That is a tough choice. But we represent the people and our allegiance belongs at home.

I urge the Senate to vote to override this veto. In the last few minutes, I have addressed some of the many, many misstatements that have been made regarding this legislation. I mentioned that in his weekly radio address last Saturday, the President reiterated his claim, often stated, that the conference report is $10 billion over the budget. There is no basis for that assertion. Indeed, the bill that the President sent up the day before he made that statement reduces the conference report by only about $4 billion. So if we use the President's standard, his bill is a budget buster by about $6 billion.

Ironically, at almost exactly the same time that the President was saying that the conference report was $10 billion too high, the minority leader was standing here, on the Senate floor, urging Senators to support the President's alternative because, he said, and I quote the minority leader again, "As I understand the compromise that the President is sending up which will be introduced later today, 43 States are better off than they are under the bill that came out of the conference report."

In other words, the President was saying that the conference report was too expensive and he is sending up a much smaller bill. The minority leader at the same time is standing on the Senate floor urging people to vote for the alternative because he said 43 States will do better.

Well, many Senators have asked how can that be, how is it possible to have a less expensive bill and yet have almost all the States get more money. The answer, of course, is that it cannot be and it will not be. The two arguments are mutually inconsistent. The reality is that the overwhelming majority of States will do better under the conference report.

I would like to address briefly, if I could, the argument that has been made over and over again that if this veto is sustained we can turn out a bill in 2 days or 7 days.

That is totally unrealistic; it ignores everything that has happened on the highway bill over the past 2 years. It assumes that the Senate will accept the President's alternative with regard to mass transit, a proposition which has been before the Senate in each of the last 3 years, during which time the Senate was controlled by Republicans, and each time was overwhelmingly rejected. Senator SYMMS well knows; he proposed the President's proposal last year, and it was rejected 25 to 72 in a Senate controlled by Republicans and a clear majority of Republicans rejected the President's proposal.

Now, obviously, it is not going to be accepted, and for people to say that this will be enacted simply ignores the whole history of the past 2 years and is inaccurate.

Now, there are many, many controversial areas. There are many important provisions. I would like to address just one. One of the most important and contentious provisions in this bill, and the very last subject of agreement, was the 85 percent minimum allocation to donor States. Donor States are those large, fast-growing States which send more money into the highway trust fund than they get back from it. We put into this bill a provision that they cannot get back any less than 85 percent of what they have contributed. That is an absolutely critical provision, absolutely critical provision to 13 States. I would like to identify those States here. They are Arizona, Arkansas, California, Florida, Georgia, Indiana, Kentucky, Michigan, Mississippi, Missouri, North Carolina, Ohio, Oklahoma, South Carolina, Tennessee, Texas, and Wisconsin.

If the conference report provision regarding the 85-percent minimum is not included in a subsequent bill, which may very well be the case because there is tremendous hostility to this provision in the House, those donor States, those 13 States I just read off, will suffer grievously under this program in future years, and Senators from those donor States who vote to sustain the veto are playing Russian roulette with their States' future funding under the highway program. They should understand that. This was a very contentious provision. I have been on both conferences, last year and this year, and after 7 months of negotiating that was the very last subject on which agreement was reached, and the House relented only under enormous pressure.

This conference report was approved by the Senate just 13 days ago with 79 Senators voting for it, and many of the Senators who have stood here today telling us what a terrible bill this is voted for it just 13 days ago. If it is such a terrible bill, how could they have voted for it? The fact is, of course, it is not a terrible bill.

The Senator from Texas—and I am sorry he left the floor—said, criticizing those of us who want to override the veto, "What kind of argument is it that if you don't do it my way, you are not going to do it?"

I simply point out that is the President's argument. That is precisely the position in which we find ourselves. I do not agree with anything else the Senator from Texas said in his comments, but I do agree with that. That is not a very good argument.

Concluding, the President has changed the debate on this bill from one based on the merits of the conference report to one based on support of the President. The question then really is, should Senators support their constituents or their President? That is a very tough choice. But we represent the people and our allegiance belongs at home.

Thank you, Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Vermont.

91-059 O-89-17 (Pt. 6)

Mr. STAFFORD. Mr. President, I am pleased to yield 5 minutes to the very able Senator from Washington.

Mr. EVANS. Thank you, Mr. President.

First let me congratulate both the chairman and the ranking member of this committee and all the members of the committee for the excellent work they have done in attempting to bring the House to its senses. It is unfortunate that we have not come as far as we should.

Forty years ago, my father was nominated as King County engineer. That was just after World War II. Very shortly after taking office as county engineer, he put his job on the line in a highly political office by saying to the three county commissioners of that time, "It is time in a postwar era to start building roads and building a highway system based on priorities and based on need and not based on whose house and what street the county commissioner happens to live on."

He won that battle, and 40 years ago that county and successively in succeeding years other counties throughout this Nation have gotten away from the pothole filling, I will slap your back if you slap mine, political kind of roadbuilding that typified America in pre-World War II days.

Senator GARN, in a conversation with me just a couple of days ago, I think put it pretty well when he said, "We in the Senate are being asked to pay $1 billion, or close to it, for a 65-mile-an-hour speed limit." That is precisely what we are faced with, the House demanding almost $1 billion worth of demonstration projects and then grudgingly giving the 65-mile-an-hour speed limit, which is desired by many Senators. That $1 billion comes from taxpayers in my State, taxpayers in your State, taxpayers in every State.

As a one-time engineer, Mr. President, I am outraged, frankly, that we substitute logrolling and pork barreling for determinations we could have made and did make a long time ago as to how we build highways and the priority and wisdom with which we spend that highway money.

As a Governor for 12 years, I worked with our State legislature. Early in that 12-year period we passed a detailed bill on highway priorities, and we set forth for the primary highways of the State and the secondary highways and the collector highways a system of priorities that brought the agreement not only of the legislators but of local officials so that we would end the practice at that time of doing just what we are about to do today.

We ended pork barreling in the State more than 20 years ago. We ended it in King County more than 40 years ago. Why in the world, in the National Congress, we have to be the very last ones, the last bastion of highway pork barreling, is beyond me.

Mr. President, we have extraordinary priorities in front of us. We have an international banking crisis, with major nations of the world incapable of paying their debts to the United States. We have a trade imbalance that tends to engulf us all. We have a budget deficit and priorities ahead of us in dealing with that budget deficit that ought to utilize the time and the efforts and the talent of Members of this body. We have a remarkably important role to play as a Congress, in conjunction with the President of the United States, in bringing control over nuclear arms and bringing about a more peaceful world for ourselves and for all mankind.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. EVANS. Mr. President, I ask for 2 additional minutes.

Mr. STAFFORD. I yield the Senator from Washington 2 more minutes.

Mr. EVANS. Mr. President, we are a nation in peril, and what do we end up doing? We end up acting not like statesmen, not like the great Senators of years past, but we act like county commissioners. We do not even act like good county commissioners or wise county commissioners, but old-time road barons, long since passed away, in most of the counties of this Nation.

The question before us is not which States do better under this bill or any substitute which might come forth. The real question is, will the Nation do better?

The President is part of the legislative process, constitutionally and in every other way. He is part of the legislative process in his decision to sign or to veto legislation.

As Governor, I used that veto pen liberally. But having used it and having been sustained for 10½ years without fail, I immediately sat down and worked with the legislature and with legislative leaders to develop appropriate answers.

It is not whether the President prevails over Congress or Congress prevails over the President; but, rather, it is a matter of the President sitting down with the legislature—in this case, Congress—and working together to build an answer that is not the President's answer, not Congress' answer, but a joint answer, a better answer.

Mr. President, I believe we can and should do better, and the only way we can do that is to sustain the President's veto.

Mr. MOYNIHAN. Mr. President, the Senator from Washington knows the esteem and regard in which I hold him and what he stands for; but I just make, not in rebuttal but in clarification, a specific point.

The conference committee agreed on a conference report that would be voted up or down in the House, and thereafter would be a free vote on the speed limit. The House agreed to take that vote, win or lose. We agreed to take that vote, win or lose. It passed by a mere 11 votes, as a matter of fact. But in no sense did that put one nickel into this bill in return for the 65-mile-an-hour speed limit.

Mr. EVANS. Mr. President, will the Senator yield briefly?

Mr. MOYNIHAN. The Senator will have to ask the Senator from Vermont.

Mr. STAFFORD. I yield 1 minute to allow the Senator to respond.

Mr. EVANS. My reference was to the fact that we are now facing a veto override, and it is quite clear from the word coming from the other body that if we do not override the President's veto, we will have seen for the very last time a 65-mile-per-hour speed limit. It is that to which I refer, and I reiterate what I said in my remarks.

The PRESIDING OFFICER. The Senator from New York.

Mr. MOYNIHAN. Mr. President, I observe the distinguished Senator from Washington [Mr. ADAMS] on his feet. He is the former Secretary of Transportation. I yield him 2 minutes.

Mr. ADAMS. I appreciate the manager of the bill yielding to me.

Mr. President, I rise as a Senator from the State of Washington, as a former Secretary of Transportation, and as a former House Budget chairman to urge my colleagues to override the President's veto today.

The people in our State will not be riding on safe, decent roads, and neither will the people of other States, if this veto is sustained, because there is no way the Congress of the United States can move a new highway bill before the construction season starts.

For over 20 years, I have supported the program known as the Interstate System, or the Federal Highway Defense System, as a Congressman, Secretary of Transportation, U.S. attorney in condemning the road sections, and I have seen a number of these bills.

Mr. President, this is a good bill. There are never perfect bills. But the people in my State, and I suspect the people in all the other States, are looking toward not just the jobs that will be created but also the safety that will result, and having a highway system that will move forward over a 5-year period.

Many political pundits are saying this is a political battle over the Presidency, but it is not. If the President wins a victory, it will not be shared by 4,000 people in my State who will not work in the spring and summer, or 700,000 people throughout the country who will be in unemployment lines

rather than working on a better transportation system. It will not be shared by millions more who would share in the dollars that are built up through construction spending. It certainly will not be shared by those of us in the Foreign Relations Committee and elsewhere who care about starting to rebuild a better economic future for our people. We become competitive as we build an infrastructure.

This bill is not a budget buster. It uses tax money to pay for taxpayer highway needs.

So I urge my colleagues that this bill be passed, notwithstanding objections of the President, and I hope we will put an end to making a charade of a highway policy on a political basis. Let us vote on the merits, as we did before. Let us override this veto, and let us move on with the country's business.

I thank the manager of the bill for yielding time.

Mr. STAFFORD. Mr. President, at this point, I yield 6 minutes to the very able and distinguished Senator from Delaware [Mr. ROTH].

The PRESIDING OFFICER (Mr. ADAMS). The Senator from Delaware.

Mr. ROTH. Mr. President, when the highway bill left the Senate this year, I voted against it because of the excessive amounts of money it devoted to mass transit, a provision I had hoped would be corrected by the conferees. Unfortunately, it was not. I questioned rail projects that might not attract all the potential riders it was designed for, and felt it was unfair that 20 percent of the population should receive 80 percent of mass-transit dollars. And, as my distinguished colleague and good friend Senator ARMSTRONG from Colorado stated, "While there is a need for mass transit, and while it can do much to revitalize this country and local communities, this is not the way to go about it."

Next came the conference report, and I voted against it. In short, I felt the conference report amounted to highway robbery, and I urged my colleagues to save the victim—in this case the taxpayer.

So here I am again Mr. President, to speak in strong support of our President's veto of H.R. 2, the Surface Transportation and Uniform Relocation Assistance Act of 1987, and when I vote to sustain the veto, I will have voted against this bill for the third time, I guess the only Senator to have done so. A lone speed trap on an uncontrolled freeway.

Mr. President, I have placed a mock citation on the desk of each of my colleagues. These citations which express violations of failure to yield to the taxpayer's interest and failure to reduce the deficit, I hope will help me convince some of my colleagues not to vote for this big-spending bill.

And I stand today to urge my colleagues to join me, to see the folly and waste within this legislation—legislation that in no way can be called fiscally responsible—legislation that spends our taxpayers' hard-earned money on futile parking lots, unnecessary roads and tunnels, projects that cannot be justified on any reasonable cost-benefit basis and are for the direct benefit of a few. These programs are in this bill only because Uncle Sam's deep pockets will pay for them.

Not only my opinion, Mr. President, but just let me read for the RECORD what the Washington Post had to say:

> President Reagan pegged it perfectly when he vetoed the highway bill Friday, calling the $87.5-billion package "a textbook example of special-interest, pork-barrel politics at work." The shame of it in this expensive case is that Congress has ground up and jammed all its pork into one indigestible sausage containing many serious, worthy and urgent road projects that should have been financed last year.

How can we support this legislation when Congress will be faced with tough, and I mean really tough budget decisions in the upcoming months. I do not need to remind my colleagues that we have to reduce our Nation's deficit from $170 billion to $108 billion this year. How are we going to accomplish this if we do not stop needless spending? Our course is clear. We must exercise fiscal restraint and vote to sustain the President's veto of the highway bill.

Mr. President, the Wilmington News Journal in a recent editorial stated: "Uncle Sam simply must stop being Uncle Sugar." To insert specific frivolous demonstration projects in 36 States and the District of Columbia is unwarranted and unnecessary.

We must face our large looming budget deficits with candor, and I submit that those people whose favorite pork is in this budget busting legislation will be the first to come out in favor of a tax increase. They will have to. There will be no other way to pay for their special interests and the ever increasing deficit. As a matter of fact, we have some Members already talking about an increase in the gasoline tax and an oil import fee.

The charge has been made that Congress supports spending, spending, spending, and then tax, tax, tax. I think that this bill is a perfect example of that.

I can say that as one who is going to vote to sustain the veto I shall strongly oppose any effort to raise the taxes on the American people.

I understand and am very concerned about those States that will soon see their highway funds depleted, especially now that the construction season is almost here. But, the requirement that this bill must pass legislation, is no reason to paste it with pork. It is a tragedy when we are willing to hurt some constituents to advance the special interests of others.

I keep asking myself what has happened to our fiscal mindset? Why cannot we be fiscally accountable? Is it because we are more concerned with bringing home the bacon—making our constituents feel that we can micromanage in Washington, outside the responsibilities of the States transportation departments. The irony is, the only bacon fried is our constituents. We do not pay the bills—they do. The Congress must shape up, the Congress must end these economic shenanigans now, and get down to real business. We cannot afford to continue to play this game any longer. To do so will most surely damage our country.

I have a letter of the Governor of the State of Delaware, who urges me to support the President. I ask unanimous consent that the Delaware letter be included in the RECORD in its entirety, at the end of my statement.

I suggest that the concerns we hear about the loss of the construction season is because people are sick with the Washington politics with demonstration projects. Each State should have the option to decide which project should be funded. This is an idea brought forward by the Senate and the administration. Not to mention the Founding Fathers who once called their idea federalism.

Mr. President, I urge my distinguished colleagues to face these times of large budget deficits with fiscal constraint and consciousness. We cannot allow everybody's pet project back home to get the best of us at the expense of the unsuspecting taxpayer. We must sustain the veto, and immediately pass a fiscally responsible measure.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

STATE OF DELAWARE,
OFFICE OF THE GOVERNOR,
March 25, 1987.

Hon. WILLIAM V. ROTH, Jr.,
Hart Senate Office Building, Washington, DC.

DEAR BILL: The President has announced his intention to veto the highway/transit reauthorization bill and to seek passage of a "clean" highway bill devoid of such demonstration projects. We recognize the urgency of obtaining a highway funding bill as soon as possible; however, because of the added cost and the overall detriment to the program which such projects represent, we support the President's position on this matter.

I want to personally urge you to support the President's position on this subject which, in the end, we believe to be in the best interest of the State of Delaware. I would also encourage you to support new legislation providing for highway funding without the demonstration projects. In my opinion, this would serve the interests of this country and Delaware far better.

Sincerely,

MICHAEL N. CASTLE,
Governor.

Mr. STAFFORD. Mr President, how much time remains to the minority?

The PRESIDING OFFICER. The minority has 5 minutes remaining and the majority has 10 minutes and 13 seconds.

Mr. STAFFORD. I thank the President. I reserve the remainder of my time.

Mr. MOYNIHAN. I yield 2 minutes to the distinguished Senator from Oklahoma.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized.

Mr. BOREN. Mr President, I thank my colleague from New York.

Mr. President, it is with more disappointment and sadness than with anger that I rise to oppose this veto by the President of the United States. I am disappointed because the President's action, if sustained, will mean that 11,000 people in my State which faces a desperate economic situation will have to go a longer period of time without jobs and remain on the unemployment rolls. I am disappointed because this is money that has been paid into a trust fund by the people of my State that they are simply wanting returned to our State to spend on badly needed projects. It is money that cannot be spent for other purposes.

Mr. President, I am even more disappointed because I believe that the President vetoed this bill for the wrong reason. I believe that he vetoed this bill to try to demonstrate that he is in charge and that he is exercising leadership. But how sad that action is and what a mistake it is from that point of view, Mr. President.

We are here engaged with serious problems facing this country. We are not engaged in a childish game of king on the mountain on some playground. We are dealing with serious matters. We do not demonstrate leadership as we try to teach our children by macho confrontations. We demonstrate true leadership by patient and quiet cooperation.

Mr. President, we do not demonstrate true leadership by criticism. We demonstate true leadership by constructive action. We do not demonstrate true leadership by partisan gamesmanship. We demonstrate true leadership that this country so badly needs through bipartisan statesmanship. We do not demonstrate leadership by cosmetics. We demonstrate true leadership by substance.

This country needs the President to demonstrate true leadership. I hope he will do so. I hope he will sit at the head of the table and bring us together in a bipartisan fashion to solve the budget crisis and lay out a budget blueprint and to lay out a bipartisan approach on Central America and other places where it is so badly needed.

It is time for true leaderhip, Mr. President, and not this kind of cosmetic action.

Mr. MOYNIHAN. Mr. President, I yield 3 minutes to the very able and learned Senator from Connecticut.

The PRESIDING OFFICER (Mr. KERRY). The Senator from Connecticut.

Mr. WEICKER. I thank the distinguished Senator from New York.

Mr. President, I rise to advocate overriding the President's veto of the highway bill. First and foremost is the fact that as an alternative to this bill there is indicated a huge slash in transit funds. At least insofar as the Northeast is concerned, whatever we need, we might need some highway improvements, but we do not need more highways; we do need more bus and rail systems that work and work well.

So there is a basic conflict in policy. Those who feel that the transportation future of the Nation is on the highways, those of us who believe that both in terms of mobility and in terms of conservation more emphasis should be placed on transit rail and bus.

Second, this legislation has already occupied an overly protracted period of time during which highway improvement projects vital to many parts of the Nation have been held in abeyance.

Very succinctly, this spring, not next fall, is the time for such work.

Then last, I received the President's veto message and the one aspect of the bill that he approves of, that is, the 65-mile-per-hour speed limit is something that I have fought long and hard against. This Nation is going to have another energy crisis. All we have to do is put all our money on the highways, go ahead and up the speed on the highways, forget the fuel efficiency standards, and we are going to be right back where we were several years ago.

So in the sense of these major policy issues, I deem it appropriate to oppose the President on this issue.

I yield the floor and I thank my colleague from New York.

Mr. MOYNIHAN. I thank the Senator.

The PRESIDING OFFICER. Who yields time?

Mr. MOYNIHAN. I yield 1 minute to the Senator from California.

The PRESIDING OFFICER. The Senator from California has 1 minute.

Mr. CRANSTON. Mr. President, I thank the Senator from New York for his very great leadership on this issue.

What is at stake here is not a political matter, really. It is not the prestige or power of the President or the new Chief of Staff in the White House.

This measure is very important, I know, to my State and I believe it is important to every other State, important in terms of moving along our transportation infrastructure so that people do not waste time on freeways that are collapsing, deteriorating, or not yet built so that they cannot even get on freeways.

It is important also in terms of the rapid transit opportunities in my State, in Massachusetts, demonstration projects elsewhere, programs elsewhere.

If we do not enable our people and our produce to move around in our economy we will face some severe strains and quite possibly a catastrophe.

I believe the Senator from New York is correct in saying that failure in terms of overriding the veto could lead to a recession for our country. So let us vote the merits. Let us vote to override.

Mr. BYRD. Mr. President, I ask unanimous consent that there be an additional 5 minutes to each side.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. MOYNIHAN. Mr. President, I yield 3 minutes to the able and distinguished Senator from Texas.

The PRESIDING OFFICER. The Senator from Texas is recognized for 3 minutes.

Mr. BENTSEN. Mr. President, I rise today in support of the highway bill that the Congress passed only a few weeks ago. I urge my colleagues in the Senate to override the President's veto.

The President calls this bill a budget buster, and that description has been widely reported in the press. It has only served to mislead the people. What we are talking about here is money that the people have already paid into a trust fund to finish building the Interstate System. The money is already there. It is just sitting there waiting to be put to proper use. The user tax that our citizens pay daily as they fill up at the gasoline pumps around the country is collected for the very purpose of this bill. We have made a contract with the people. It is well past the time when we should honor it. Thus when I hear the President lambast this bill as a budget buster, I can only think that he is gunning for the headlines, not the people. The people deserve to get what they pay for. This bill would do that.

Mr. President, I think that in vetoing this bill that the President has miscalculated the difficulty in crafting another bill. I participated in this conference which was difficult enough, but nothing like the one I played a pivotal role in during the last Congress. I do not think the President realizes how hard it is to put together an acceptable bill—not a perfect bill, but an acceptable one. I worked in the last days of the last Congress until midnight to put together a bill. We did not agree. And it is important to realize that we did not agree because we wanted to disagree. Rather, it is be-

cause people in both Houses of Congress and on both sides of the aisle—and sometimes on the same side of the aisle—have strong views about things. Politics is a give and take business. This bill, like so many others, is not exactly as anyone of us would like, but as we have all agreed together is the best compromise we could develop. Those are the political facts of life, Mr. President. That is democracy in action. It works. And it worked in this case. I only wish that the President understood that. Playing politics with important national legislation is not the way to govern a nation or to satisfy the transportation needs of our citizens.

The very sad reality of this action by the President is that he seems to have ignored the many victories achieved during the negotiations over this bill. One such victory, which the President says that he plainly supports, is the close vote in the House allowing the States to raise the speed limit to 65 miles per hour on rural parts of the interstate. Historically, this issue has been one of the most contentious in conference. It will no doubt remain so. This issue finally got settled. I believe that if we do not override this veto that this issue is lost. For the 65-mile-per-hour speed provision, it is either now or never. I do not want to chance that.

Another victory that this bill achieves is the formula changes for minimum allocation. I cannot overemphasize the importance of this provision to Texas and other big donor States. When I worked on this bill last year, we toiled all night to find a compromise. We did not. It is not an issue that ought be reopened at this point, but if we fail to override the President's veto, it may well be back on the table. The resolve of the House and the Senate on this issue ought not be tested. We finally agreed on something that satisfies the concerns of the most affected States. What has been done ought not be undone.

The message accompanying the President's veto indicates that his basic dissatisfaction stems from two sources: demonstration projects and distribution of transit funds, two of the hardest fought, passion generating measures in the bill. I am afraid that if we do not join the House in overriding this veto, we will see one of the most difficult conferences on a highway bill that we've seen in the history of the interstate program. That road is not the one to travel down. I prefer that we take the high road and override the veto.

The demonstration projects, while many might prefer that they were not in the bill, are only a fraction of the total cost of this 5-year highway bill. The criticism about the inequitable distribution of the transit funds is, in my judgment, a bit disingenuous. The transit funds go where they are most needed. The urban areas, of which there are several in my State, need these funds as badly as some rural areas need agricultural funds. Transit funds are efficiently directed, and they help millions of people.

Mr. President, I do not believe that this veto is warranted. As Senator SYMMS has pointed out in his thoughtfully analyzed "Dear Colleague" letter, the President does not adequately perceive the political facts of life. The risks involved in sustaining the President's veto far outweigh any potential benefits. While we all would agree that the highway bill is not without its flaws, it is not the "budget-buster" that the President paints it to be. I dislike when we have to override the President, because I believe that cooperation between the legislative and executive branches is one of the hallmarks of our democracy. But we have a responsibility to the Nation to do what is needed. The highway bill is needed. Jobs are hanging in the balance. The Interstate Highway System is 97-percent complete. The States have gone for over 6 months without highway aid. It is time for economic punishment and suffering to cease.

I will vote to override.

Mr. MOYNIHAN. I thank my distinguished friend and would want to record the extraordinary efforts that came to final conclusion last year and note that this is a unanimous bipartisan conference report we bring to the floor today.

I yield 30 seconds to my able friend from Florida.

The PRESIDING OFFICER. The Senator from Florida is recognized for 30 seconds.

Mr. GRAHAM. Mr. President, I appreciate the Senator from New York allowing me to correct one brief misstatement that had been made about this bill.

Whatever you may feel about the concept of demonstration projects, at least judgment on their inclusion in this bill should be based, Mr. President, on reality.

Last week, the spokesman for the White House, Mr. Marlin Fitzwater, made this statement relative to one of the demonstration projects. He stated:

> In Miami, We spent $23 million in 1982 to build a bridge. This bill wants to spend $31.9 million to replace it with a tunnel.

Mr. MOYNIHAN. I yield 30 more seconds to my friend from Florida.

Mr. GRAHAM. Item: no bridge was ever constructed with the $23 million which was appropriated in 1982. Item: the amount in this bill is not $31.9 million, but it is $5.1 million over a 5-year period for design and preliminary construction work for a tunnel to one of the major ports in the United States, a port which is our primary link to commerce of the Caribbean and Latin America, a port which will have substantial national security importance in the event of a national emergency in that region.

Mr. President, if there is a reason to vote against the bill, it is not because of this project.

I ask unanimous consent to have printed in the RECORD a news account and an editorial on this project.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Miami Herald, Mar. 26, 1987]

REAGAN AIDE ERRS ON PORT BRIDGE PROJECT

(By Tom Bowman)

WASHINGTON.—The Reagan administration has once again cited a Miami public works project as a prime example of government waste.

But the administration got its facts wrong, again.

The target this time is a proposed tunnel to connect the Port of Miami to downtown. White House spokesman Marlin Fitzwater said during a Tuesday press conference that Miami's port tunnel project is a primary reason why President Reagan will veto the $88 billion federal highway bill this week.

"In Miami we spent $23 million in 1982 to build a bridge," Fitzwater said "This bill wants to spend $31.9 million to replace it with a tunnel."

No bridge was ever built and the amount appropriated for the tunnel, which the author of the amendment says is much less, is only for design and preliminary work.

Congress did approve $23 million for five-lane, 65-foot-high bridge to replace the current two-lane bridge. But Metro officials and the Miami City Commission later started feuding about the design of the bridge. The city and county reached a compromise after the bridge design was scaled down and the county agreed to pursue a tunnel as the permanent solution.

The office of Rep. Claude Pepper, D-Miami, who pushed for the tunnel amendment, was unsure where the Reagan administration got the $31.9 million figure. The bill authorizes only $5.1 million over a five-year period for design and preliminary construction work, a Pepper spokesman said. The federal share of that amount is about 50 percent.

The project, which would cost $100 million to $150 million, calls for construction of a tunnel from the Port of Miami on Dodge Island to Interstate 395 to relieve the crush of traffic on the existing two-lane bridge, the only link between the port and the mainland.

Both houses passed the highway bill by more than the two-thirds vote necessary to override a veto. The Senate endorsed the measure, 79-17, and the House backed the bill, 407-17.

Two years ago, Reagan attacked Dade's Metrorail project at a National League of Cities meeting and said "it would have been a lot cheaper to buy everyone a limousine."

In his comments, Reagan got the number of people who ride Metrorail wrong—he said 10,000 a day when it was 15,000—and the amount of the federal subsidy to the project—he said $1 billion when it was $700 million.

[From the Miami Herald, Mar. 28, 1987]

A MISTAKEN VETO ON HIGHWAY BILL

By yon rude bridge that ne'er arched the Bay, there the embattled President stood

yesterday, and fired the shot heard 'round the Beltway: He vetoed the highway-money bill.

Mr. Reagan had disclosed his intentions during a Wednesday meeting with House Republicans. He told them there's too much waste in the $87.9-billion bill. It passed the House 407-17 and the Senate 79-17 after months of wrangling about secondary issues such as billboards and the 55-mph speed limit.

As evidence of waste, however, Mr. Reagan's aides cited erroneous data. Spokesman Marlin Fitzwater: "In Miami we spent $23 million in 1982 to build a bridge. This bill wants to spend $31.9 million to replace it with a tunnel."

That bridge doesn't exist. It fell victim to a squabble between Dade County and Miami officials.

Had Mr. Reagan or his aides inquired into the merits of the tunnel project, they would have found that the Port of Miami is a vital link in U.S. commerce with Latin America and the Caribbean. It's also one of the few American ports that regularly registers a U.S. trade surplus.

This island port's slender lifeline to the mainland is an antiquated two-lane bridge that must be raised frequently to let vessels pass under it, thus disrupting vehicular traffic to the port. The vehicles already face obstacles enough as cruiseship passengers rush to board and heavy trucks hauling cargo must wend their way through congested downtown streets to reach the port bridge.

Meanwhile, a bridge-ship collision such as the one that destroyed the Sunshine Skyway would leave this busy port cut off. That's why planners wisely have decided on a tunnel linking the port with the expressway system.

No doubt any bill appropriating $87.9 billion will have some examples of waste and pork-barreling. That's politics.

Yet the overwhelming support for the highway bill in both houses suggests that most congressmen now want to get on with it. State highway programs that rely on Federal aid have been too long in limbo. Even the House Republican leaders made that clear on Wednesday.

So if Mr. Reagan wanted to pick a spot to make a stand reasserting leadership after his Iranscam setbacks, this wasn't it. Indeed, anyone making a stand on a highway risks being overridden in more ways than one.

The PRESIDING OFFICER. Who yields time?

Mr. MOYNIHAN. Mr. President, I yield 1 minute to the distinguished Senator from Louisiana, who was an able member of our conference, bringing his skills from both bodies in helping us in this unanimous agreement we have before us.

Mr. BREAUX. I thank my chairman.

Mr. President, highways are not Republican and highways are not Democratic. Unfortunately, the next team of advisers down at the White House have decided to make this a political issue, and it should not be. Highways are part of the transportation system of this country.

The President is advised to say that this is a budget buster. It is just the opposite. The money has already been paid. As the distinguished Senator from Texas has pointed out, the people have already put the money into the trust fund and are waiting to get it out. Yet the President, unfortunately, decided: "This will be my political recovery legislation."

Instead of honoring the commitment we have to the establishment of a trust fund to build the roads and the mass transit systems of America, they have decided that his political career is more important than the safety of the people of the United States of America.

The PRESIDING OFFICER. The Senator's time has expired.

Who yields time?

Mr. CRANSTON. Mr. President, I yield 2 minutes to the distinguished Senator from Iowa.

The PRESIDING OFFICER (Mr. FOWLER). The Senator from Iowa is recognized for 2 minutes.

Mr. HARKIN. I thank the distinguished Senator for yielding me this time.

Mr. President, I would just like to make a couple of points about the highway bill.

First of all, it is not a budget buster. We all know that the trust fund will be taking in more money than we will be spending.

Second, the President criticized the demonstration projects contained in the bill. The fact is, all of the highway demonstration projects in this bill amount to less than 2 percent of the total cost.

Third, the President takes the view that demonstration projects are just pork barrel projects selected by Members of Congress by whim. Nothing could be further from the truth.

That is not the way it worked for the demonstration projects in my State.

One, providing for the widening of a highway in Dubuque and south to connect the city with Interstate 80 is crucial to the economic development of the area. Without widening that highway to four lanes, the entire economy of a multicounty area will suffer. That project was the highest priority goal of not only the local community officials but of the Iowa Department of Transportation as well. My staff went to Ames, IA, and met at length with the State highway department and discussed the options and Highway 61 was their top priority.

I spoke with members of the committee about the project and they placed it in the bill. And I believe that it is a very sound project, as sound as any that Iowa will undertake. However the President may characterize it, I am proud that I was able to work with the committee and its senior members, Senator BURDICK and Senator MOYNIHAN, and Senator STAFFORD to include this worthy and important project in the bill.

I can also say that the other Iow project that was placed into the Hous version of the bill was also a priorit of the Iowa DOT.

In speaking with my colleagues, find that they also worked with thei state departments of transportation t decide which projects to propose.

The President has proposed his al ternative to this highway bill. I not that my State would lose $5.3 million year under that bill according to th Iowa Department of Transportation.

But that is less important than th Congressional realities. The Presiden proposed a bill that is fairly close t what the Senate originally passe before we went to conference with th House. The President's staff kne that he had no chance to override i the House. So, it seems, that the wanted to propose a bill that would b acceptable to the Senate with no con cern about how the House felt.

But we all know that it takes tw Houses to agree before legislation i passed.

In the bill that the Congress passed the House wanted and received som of their demonstration projects. The Senate wanted the 65 miles-per-hou speed limit. Those were the items that were in the headlines.

But the Senate also won on some important formula provisions that are very important to this body and to most of the States.

For example, the Senate supports a formula for interstate highway construction requiring that at least one half percent of that fund go to each State which was in the agreement that we are considering. The House opposed it. That provision means about $65 million for my State of Iowa.

A lot of the members on the House conference strongly oppose the half percent provision in the interstate formula.

Who here thinks we will be able to say to the House: Just give us what we want because we need to get a new bill passed quickly. Let us just take what the President proposed. We are sorry that none of the controversial items that you want are in the President's proposal.

It will get a good laugh and no new bill to send to the President.

The President's bill may be good to wave on TV. But as a legislative proposal designed to pass the Congress, it must be given an F.

Perhaps those who are thinking of supporting the President on this override believe that the Senate should give up on the one-half-percent minimum requirement in the interstate formula.

If they do, they may see a lot of resistance from the Senate Conferees.

The bill that is now before us that the Congress passed by an overwhelming majority in both Houses is not per-

fect, but, it is a complex and delicate compromise. If we say that we will not override the veto, I fear that we will be here just before the August recess trying to get a highway bill passed and we could be fighting for passage in November. That is the political reality.

If we do not get money to the Northern States soon, there will be no construction season this year.

Ten thousand people will be unemployed in Iowa. About 800,000 will be unemployed in the Nation.

Roads that are desperately needed will not be built. Bridges in real need of repair will not be repaired.

I urge the Senate to override the veto.

Mr. KERRY. Mr. President, we are here this morning because the President has vetoed one of the most important domestic economic measures Congress has passed in several years—the Federal highway bill. This legislation is essential to completing the Interstate Highway System, providing funds for highway maintenance and improvements, funding transit programs, and in so doing creating a great many jobs which would certainly improve our economic and competitive standing. To stop the Federal highway bill at this time would have a devastating effect on our economy.

It is important to trace the odyssey that has brought us to this day. We began the process of reauthorizing the highway and transit titles of these bills nearly 2 years ago. The committees held hearings and markups and bills were reported and subsequently passed by very wide margins in each House. The Senate, for its part, responsibly completed its work by October of last year at around the same time the last highway bill expired. Unfortunately, the committee of conference was unable to reach a compromise bill before the 99th Congress ended. However, both House and Senate committees quickly produced new bills that were sent to conference very early in this Congress. Through a painstaking process, the conference produced a delicate, but very intelligent piece of consensus legislation which was overwhelmingly embraced here and across the way.

To listen to the President, you'd think enactment of this bill would have a disastrous effect on the country. Nothing could be farther from the truth. The only disaster that would come of enactment is one for this administration and is the result of his insistence that this vote be a vote of confidence on Presidential leadership and prestige. This vote is about some very different issues.

The $87.5 billion authorized in this bill, 86 percent of which will be collected through a user fee, will be spent to provide much-needed road and transit construction throughout the country. The President says he vetoed this bill because it is a "budget buster."

However, this bill has been accepted by the House and Senate Budget Committees as falling within the limits of the fiscal year 1987 bipartisan budget resolution. This bill is consistent with GRAMM-RUDMAN, consistent with the priorities of Democrats and Republicans alike in the House and Senate. As anyone with a rudimentary understanding of the Federal budget process knows, the Interstate Highway System has been built almost exclusively out of funds from the highway trust fund, a dedicated trust fund that has been raised through a gasoline tax and which can only be used for highway purposes.

The President also finds fault with the number of so-called demonstration projects that are in this bill. On some of them, he may be right. But the way the administration has been carrying on about the demos, you'd think they were a major part of this bill. The reality is the demonstration project spending ends up concerning 1.3 percent of the total funding authorized in this bill. It is easy to jump up and down about excessive spending, but it is important to keep a perspective about the share that these demos have in the process.

Another project that the administration has cited in this bill is the Boston Central Artery project. My senior colleague from Massachusetts and I have a clear interest in this. This project will complete two Interstate Highways, I-93 and I-90. In the process it will relieve traffic on the most congested piece of highway in the country. Anyone who has visited Boston in the last several years knows that without this work we will soon have one of the largest elevated parking lots in the world. Far from being "pork," this is absolutely essential to our future survival as a region. In addition, the State has agreed to fund a major section of the project, over $800 million, on their own.

The President has created a monumental no-win situation for the American people. Here is a case where if the President wins, we all lose. He knew that out of 535 Members of Congress, 34, or 7 only percent, agreed with him on this issue when this bill came before the Congress for a vote; 501 Members of Congress realize that spending trust fund moneys on desperately needed projects, for the purpose they were raised, makes sense. Good, reasonable, bipartisan sense. They realize that without this legislation roads won't be built, transit programs will not be adequately funded, and many jobs will not be created. They realize that an effective highway system saves consumers billions of dollars in transportation costs and helps get our products to market at more competitive prices. Democrats and Republicans overwhelmingly agree on all of this. But not President Reagan.

The President may tell us that the Congress could easily pass new legislation that meets his desires, but the reality is that the chairmen of the authorizing committees have made it abundantly clear that they have completed their work on this issue for this Congress. I believe that the many months that the committee has devoted to creating this delicate compromise is enough and it is time that the only person standing in its way stand aside and not become a roadblock. It is clear that if this veto is sustained, at least for the foreseeable future, we will not have a highway program and the consequence will be bad for the economic health and safety of every American, with the possible exception of the one who begins and ends his trips from the backdoor of his mansion on Pennsylvania Avenue in his own helicopter.

Mr. President, a recent column in the Boston Globe by Bob Turner makes an eloquent case for Boston's Central Artery project and for overriding the President's veto of the highway bill. I ask unanimous consent that the column appear in the RECORD.

There being no objection, the column was ordered to be printed in the RECORD, as follows:

[From the Boston Globe, Mar. 31, 1987]

CENTRAL ARTERY PLAN LONG OVERDUE, DESERVES GREEN LIGHT

(By Robert L. Turner)

Last Friday, in San Francisco, the radio traffic reporters went nuts when repair crews closed off one outbound lane of the San Francisco-Oakland Bay Bridge, funneling the traffic from five lanes into four.

How could the public-works people be so stupid, they wanted to know, and a hangdog public works official was soon on the air, conceding that a mistake had been made, that commuters should not be forced to squeeze into four lanes, even at midday.

At the same time, in Washington, President Reagan was vetoing a highway bill that would enlarge one end of Boston's Central Artery from two lanes to four.

Reagan tossed out accusations of "pork-barrel politics" and said he found Boston's desire for a $3.1 billion third harbor tunnel and Central Artery overhaul one of the worst features of the $88 billion bill.

Reagan was latching onto aged, outworn criticisms that tried to portray the Boston plans as an overgrown beautification project dreamed up to decorate local political reputations.

But this view has been overwhelmed in recent years by the clear evidence that this is, above all else, a traffic project, long overdue and desperately needed to mitigate one of the worst—possible the worst—bottleneck in the interstate highway system.

Some of the smaller projects in the bill may be of questionable transportation value and chiefly of local interest. But the biggest projects generally have strong arguments in their favor, and Boston's is probably strongest of all.

If enough senators join House members in this view, the cork will finally be pulled.

By now, opposition has virtually disappeared to a third harbor tunnel, which would siphon traffic from the Southeast Expressway and the Massachusetts Turnpike and carry it directly to Logan Airport.

The Central Artery overhaul has been more controversial, though with little more reason.

The proposal is to depress the artery, running it underground while street traffic operates unfettered and the ugly elevated superstructure is finally ripped down.

Depressing the artery originally seemed like do-gooder's dream. Barney Frank said years ago it would be cheaper to raise the city.

There is no doubt that the operation would be expensive. But what had become increasingly clear is that all the other options are worse, much worse.

One suggestion is that the tunnel be built, but the artery be left alone, in hopes that the new tunnel would ease traffic sufficiently on the artery.

But this would have little impact on the worst constriction of all—the two-lane connector at the northern end of the artery—and, besides, it is impossible.

The artery is slowly crumbling. If another roadway is not provided, the artery will have to undergo nearly complete reconstruction within the next decade. If this were done, the result would not be much of an improvement, since capacity would not be increased, and the construction period would be a years-long disaster.

The beauty of depressing the artery is two-fold: It is the only proposal that would substantially increase capacity, and its construction, underground, could be accomplished with relatively little disruption to present traffic patterns. The elevated would be torn down only when the depressed artery was ready to open.

Advocates on the issue find themselves in strange camps.

Reagan, a booster of free enterprise, has put himself in the position of supporting a two-lane bottleneck in the interstate highway system. Also, some Republicans are abandoning the legacy of Dwight Eisenhower, who promoted the interstate system largely for national security reasons.

Locally, a few North End residents who opposed construction of the elevated artery in the first place are now fighting its removal. But the number seems small, by several measures. Rep. Joseph Moakley said yesterday his mail is running 80-85 percent in favor of the project, including neighborhoods like the North End and South Boston that are directly affected.

Back in San Franciso, another traffic proposal was in the news last week. A plan to celebrate the 50th birthday of the Golden Gate Bridge with a five-hour rock concert on the bridge was scuttled because officials wouldn't close the bridge.

If the highway bill veto is sustained, Boston, could invite the rock bands to play on the Central Artery here. On an average day, the motorists parked in traffic wouldn't even notice.

Mr. DIXON. Mr. President, I ask unanimous consent to submit, for the RECORD, an editorial I wrote which appeared in today's St. Louis Post-Dispatch.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

OVERRIDE THE REAGAN VETO

(By Senator Allan Dixon)

The Senate will soon vote on whether to override the president's veto of the highway-transit bill. The president argues that the bill is a budget-buster, and the White House says the Reagan presidency is endangered if the veto is not sustained.

These arguments sound persuasive. The TV pictures of the president supposedly holding the line against unaffordable congressional pork make great theater. Only one small thing is wrong with this story: It's not accurate.

The last time major highway-transit legislation was enacted was in 1982. That year, the president signed a four-year, $71 billion bill. This year, the president vetoed a five-year, $87.5 billion bill. Now $87.5 billion is certainly larger than $71 billion. However, if the 1982 act is put on a five-year basis, this year's legislation is actually about $2 billion smaller.

I managed the transit portion of the bill on the Senate floor. It authorized $17.9 billion over the next five years. That's almost 20 percent smaller than the 1982 bill on an annual basis. Yet the president signed the 1982 bill and vetoed this one.

But what about all those "pork-barrel" projects? One answer is that the money for all the demonstration projects—many of which are sound and greatly needed—is only about 1 percent of the bill's total funding, less than $200 million a year. This answer might not satisfy a lot of Americans who say that Congress should remove even the smallest amounts of pork.

The real answer involves the administration's role in the House-Senate conference on the bill. The president included a new highway-transit bill along with his veto message. That bill is very close to the legislation passed in the Senate, which had no demonstration projects. Yet in the conference, when the administration's influence could have shaped a settlement closer to the Senate bill, the administration was nowhere to be seen.

This year neither I nor any other conferee was ever called by an administration official who was willing to negotiate. We actually contacted the administration and told officials of the opportunity to help shape an agreement. Their reply was silence.

The simple truth is that this veto was unnecessary. The administration could have helped the Senate get a bill that the president could sign. Because the Department of Transportation refused to do so, the highway construction season has been irresponsibly jeopardized. The administration failure leaves the Senate with only one choice; to override the veto.

Mr. STAFFORD. Mr. President, we have traveled a long road during the last 2 years in attempting to reauthorize the Federal-aid Highway Program.

Reauthorizing the Highway Program has never been a particularly easy task as my colleagues who were here in 1982 remember. At that time, after long hours of debate, Congress and the President agreed to legislation which increased highway user fee revenues by over $5 billion per year. The result of those additional user fees can be seen throughout the country in improved transportation facilities.

The process to reauthorize the Highway Program began almost 2 years ago when the Subcommittee on Transportation began a series of 10 hearings in July 1985. On May 6, 1986, S. 2405, the Federal-Aid Highway Act of 1986, was introduced. I very much regret that House and Senate conferees were unable to reach agreement before Congress adjourned last year. The fact that agreement was not reached, even though this meant that States would not receive much needed transportation funds until the middle of the fiscal year at the earliest, was an indication of the difficulty of the conference and the deeply held differences of opinion.

Both the House and Senate moved quickly this year and passed legislation in the first few weeks of the 100th Congress. We completed a difficult conference which involved five committees in the Senate. As I stated when the Senate considered the conference agreement, it is not a perfect bill. There are specific provisions in the conference agreement which I did not support. These include the 55-mile-per-hour speed limit and the large numbers of demonstration projects.

However, it did represent one compromise to resolve the differences between the House and Senate bills and make highway funds available to the States that was already 6 months late. It appeared to be the best we could do under the circumstances. On that basis, I voted for the conference report and urged the President to sign the bill.

The President is not willing to settle for this bill. He believes we can do better, and I agree with him and support him in that endeavor.

Mr. President, the greatest concern I have with the highway title of this bill is the explosion of demonstration projects that has occurred. It is only fair to say that there have always been a handful of what have come to be known as demonstration projects in the highway bill. These kinds of projects appear not only in highway legislation but in most bills passed by Congress. But we have lost all discipline in this bill with regard to the number of these projects.

The disturbing issue to me is the dramatic proliferation of these projects that has occurred in this highway bill. There are 121 subsections in this bill consisting of approximately 160 discrete projects. This represents a dramatic departure from longstanding policy in the wrong direction.

Demonstration projects have, I believe, brought the most controversy to reaching agreement on highway legislation during the last few years. They have delayed agreement on the Federal-Aid Highway Act of 1987, and they have delayed the release of interstate construction funds since 1982.

If demonstration projects become the established policy of this program, every Member of Congress will have to have projects to protect his or her district or State. They will be presumed to be inept and derelict in their duties if they do not have a demonstration project. I can almost guarantee you that the next major highway bill will have 535 projects. This will turn the program into a project-by-project authorization rather than a national program with national priorities. I believe this issue, more than any other, threatens the support for and the future of a national highway program.

One of the greatest strengths of the Highway Program has been that it has really operated as a Federal-aid program. It is one of the best examples of a Federal program with a successful Federal-State-local partnership. The States own these transportation facilities. The States, not the Federal Government, are liable for anything that happens on these facilities if they are unsafe.

The States have monitoring programs in place that tell them the condition and performance of every mile of road and of every bridge. Most States, if not all, have a minimum 5-year transportation plan which they are required by their State legislature to follow. Many States have a 10-year plan in place. There must be an orderly process in the State to address transportation needs. States, in consultation with their localities, have put a great deal of time and energy into developing these plans, and to make certain that scarce resources are equitably distributed throughout the State to meet the most urgent and critical transportation needs.

Mr. President, I am also concerned about the preferential treatment demonstration projects receive regarding obligational authority. Since 1979, States have been limited each year in what they can collectively spend during a specific year.

The obligation ceiling on the Federal-Aid Highway Program for fiscal years 1987 through 1991 in this conference report is $12.35 billion. Authorizations for the program exceed this amount for each year. The obligation ceiling was reduced in response to concerns raised by the Senate Budget Committee regarding outlays in the fiscal years 1988-91. This means that States will not be able to spend all the apportionments authorized in the major categories such as interstate construction, Interstate 4R, primary, bridge, urban and secondary. The result of lowering the obligation ceiling is that spending in these regular programs will be squeezed downward.

However, the new Federal money made available for demonstration projects is outside this obligation ceiling and will not have to contribute anything to these savings. Only the regular Federal programs will have to contribute to the savings that must be made. And if more savings have to be made in the future due to budgetary constraints, Congress will most likely make these savings by reducing the obligation ceiling even further. This means that once again the demonstration projects are protected from any reductions while regular program spending will be cut.

Mr. President, I continue to be concerned about the increased speed limit. I am aware that the Senate voted overwhelmingly to permit States the option of increasing the speed limit up to 65-miles-per-hour on rural interstates. As a conferee on title I of this legislation I supported and upheld this position. However, I am personally still convinced that the 55-mile-per-hour speed limit has contributed significantly to saving lives and conserving fuel. Increasing the speed limit will save some people a little time, but it will also cost some people their lives.

Mr. President, it is my hope that no matter what the outcome of the vote is today, the bipartisan support for the Highway Program will continue. That kind of support for the Highway Program has been a longstanding tradition in the Environment and Public works Committee regardless of which party was in the majority. And I believe it will continue to be the case.

If the President's veto is sustained today, which I believe it should be, it is extremely important that the Congress and the President work together immediately to work out a compromise that is acceptable to everyone concerned. I strongly believe that this can be done very quickly because where there is a will there is a way.

The President has submitted legislation which modifies the conference agreement to reflect his concerns. I have cosponsored this legislation along with several of my colleagues. While I personally can not endorse every provision of this legislation, particularly the 65-mile-per-hour speed limit, it is a good starting point. It shows the President's willingness to compromise and move quickly to enact legislation. It deserves our serious attention.

I pledge my support to working with my colleagues on the Environment and Public Works Committee and in the House to find a satisfactory compromise.

Mr. BINGAMAN. Mr. President, I rise to vote to override the veto by President Reagan of the Surface Transportation and Uniform Relocation Assistance Act of 1987. I believe his veto demonstrates this administration's lack of commitment to the important task of rebuilding and improving our Nation's highways. Any delay in approving this legislation only postpones the urgent task of dealing with our deteriorating infrastructure. The President's veto message offers little substantive justification for rejecting this important legislation.

If the highway bill is not enacted soon, we will lose a great deal of the 1987 construction season. According to a report of the American Association of State Highway and Transportation Officials [AASHTO], failure to enact a new authorization by May 1 will result in the postponement of 1,900 projects nationwide, valued at $2.9 billion. New Mexico is targeted to receive over $109 million for fiscal year 1987 highway projects. Additionally, the Associated General Contractors, using data supplied by the Federal Highway Administration, estimates that if no bill is enacted in time for the 1987 construction season, there will be a loss of approximately 800,000 jobs nationwide.

Among the projects in New Mexico that are delayed are improvements on I-10 in Luna County, I-40 in Guadalupe, Bernalillo, and McKinley Counties, I-25 in Colfax and Mora Counties, and Highways 264 and 4, as well as preliminary work on a new road from Los Alamos to Santa Fe.

Aside from the important highway projects that await funding, this legislation also includes an important provision that raises the speed limit on most Federal highways in New Mexico to 65 miles per hour. I strongly support this provision and would like to see it enacted as soon as possible.

Given the urgent need to enact this legislation quickly, I urge my colleagues to vote to override the President's veto.

Mr. ARMSTRONG. Mr. President, the question before the Senate today on whether to sustain or override the President's veto is simply: "Does the Senate want to help the President control Federal spending?"

Mr. President, let there be no question this bill is a budget buster.

The bill exceeds the President's request for highway and mass transit programs by $10 billion.

The bill exceeds Congress' budget resolution from last year by $1.7 billion in just the first 3 years of the bill. If spending continued at the levels in the budget resolution, the excess spending in this bill would reach nearly $3 billion, according to OMB.

The Nation's annual Federal budget deficit stands at $150 billion annually, and the Nation is over $2 trillion in debt. The highway/mass transit bill will cost $87 billion over 5 years. This is no time for business as usual. The President's veto sends a clear signal to Congress that he intends to rein in Federal spending, and Congress should now stand up and support the President.

Not only does the $87 billion highway/mass transit bill ignore the budgeting realities of the times we live in, but it ignores it in the worst, most parochial way. The highway bill is rid-

dled with 152 blatant, pork-barrel demonstration projects for 37 States. The bill provides $1.4 billion as the Federal share on these demonstration projects, but another estimated $3.8 billion in Federal funds will be required to complete the projects. Of the original $1.4 billion, $890 million will be new Federal funding taken from the Highway Trust Fund and the remaining $535 million will be taken from other discretionary highway accounts.

President Reagan explained in his veto message that none of these demonstration projects has been selected through the established Federal-aid Highway Program mechanism that relies on the expertise of State and local officials. The projects reflect simply the strength of various States in the committees which worked on the bill. Why else would 13 projects be for access roads to public recreation areas at lakes in North Dakota? Certainly not to relieve traffic congestion.

The bill even adds pork to the Interstate Construction Program—the 95-percent complete, 42,000-mile road system connecting the Nation's major urban areas. The Interstate System should be complete in the next several years, but a provision in the bill allowing Boston to dig a $1.1 billion tunnel under Boston Harbor will delay completion of the interstate. The Boston project will be the first project added to the interstate since 1981 when further additions were forbidden.

What does Colorado receive in this lavish bill? Not much. In fact, the State will lose $10 million next year in allocations under this bill compared to the bill passed earlier in the year by the Senate. Demonstration projects will be competing with the discretionary funding necessary to complete C-470 and rebuild bridges over the South Platte River Valley in Denver. The Boston project will drain funding available for completion of essential, unfinished, transcontinental routes on the interstate, such as Glenwood and DeBeque Canyon in Colorado.

I might contrast the parochial approach in the highway bill to efforts in my own State of Colorado to meet its highway needs. Colorado, as much as any State, has tremendous highway construction requirements to meet the traffic congestion from fast population growth in the past decades. Yet, Colorado has not petitioned Congress for demonstration projects. Instead, in the counties surrounding Denver where the transportation needs are most urgent, Coloradans have actively been seeking alternative mechanisms to finance and build a beltway around Denver. In fact toll road authority, the one provision Colorado needs to assist with citizens self-help approach is not granted to Colorado in this bill.

The first time the Senate considered the highway bill, I voted against it in large part because of the $5 billion increase in mass transit spending over the President's budget request. This ante was upped further in the House/Senate conference when an extra year of funding was added, and the $17.7 billion in funds for the transit portion of the bill now exceeds the President's request by $9 billion. Congress, even, in last year's budget resolution assumed a 25-percent cut in operating subsidies for transit, but this bill fails to make that cut. After spending $50 billion in the last 25 years on mass transit, ridership is declining, the fare box is relied on less and less to cover costs, transit workers wages keep increasing, and productivity in mass transit is declining. This bill does nothing toward alleviating continued dependence by mass transit authorities on Federal funds.

The mass transit portion of this bill is loaded with special interest provisions, too. The bill specifically requires the Federal Government to fund a metrorail project in Los Angeles. So far, the Federal Government is providing $700 million for a 4.4-mile segment system. This bill would require Federal funding for a second segment of the project where the route is not yet determined, the cost unknown, and the environmental review process incomplete. If the bill becomes law, nearly 15 percent of the fuel tax paid by motorists for mass transit will go to one city—Los Angeles. The priority for the LA rail project will directly compete with funds for other transit projects around the country, including the bus/HOV lane proposed on I-25 in Denver. And supporters of this bill say it needs to be passed to return the taxpayers their money.

Despite the extravagancies of the bill, we are told that unless we override the President's veto there will not be another chance to pass a highway bill this year and no other chance to raise the speed limit. Yet, Congress is clearly on record in favor of raising the speed limit and the reauthorization of the highway programs. Both could be accomplished in a day.

We are also told the highway trust fund is in surplus and the money should be returned to the users. What they forget to tell us is that for 7 of the past 8 years spending from the highway trust fund has exceeded revenues. There is a widespread impression that the year-ending balance of $9 billion in the trust fund is surplus, but the Federal Government has commitments for every cent of that balance. It would actually take another 2 years worth of gas tax collections to meet all outstanding Federal commitments from the highway trust fund.

We are also told to believe the bill does not affect the deficit because all the spending comes from the highway trust fund. Wrong again. Mass transit will take $9 billion directly from general revenues and spending from the highway trust fund will exceed revenues in this bill.

This bill is loaded with pet projects and excessive spending. The President wisely rejected such demands and is insisting the Congress uphold his fiscal responsibility. I urge the Senate to vote to sustain the President's veto of the highway/mass transit bill.

Both the Rocky Mountain News and the Denver Post have editorialized against this bill, and I ask unanimous consent that their editorials be printed in the RECORD.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Rocky Mountain News, Mar. 30, 1987]

NEW HIGHWAY BILL PREFERABLE TO OVERRIDE OF REAGAN VETO

The bloated interstate highway construction bill passed by Congress deserved the veto President Reagan gave it on Friday.

The measure is loaded with an unprecedented number of pork-barrel "demonstration projects" that have little to do with completion of the interstate highway system.

It offered a big going-away present for former House Speaker "Tip" O'Neill. O'Neill had a $2.1 billion Boston harbor road-tunnel project put in a bill that got bogged down in Congress last year. The Massachusetts congressman has retired, but his pet project was put on life support in the legislation that passed the Congress.

There also is money in that bill for parking lots and garages in Chicago suburbs, for improved access to a parking lot at Georgetown University in Washington, D.C., for a new bridge in Savannah, Ga. to replace one that is relatively new and still structurally sound.

These are examples of 150 "demonstration projects" that would receive total federal financing and are in addition to regular allotments of highway funds to the states. Almost all of them have been given low priority by state and federal highway officials, who ordinarily decide where interstate highway funds should be spent.

Sen. Gordon Humphrey, R-N.H., complained that his state was being shortchanged in order to fund such demonstration projects as "improved access to an amusement park" in Toledo, Ohio. Instead of using federal money for such a purpose, Humphrey suggested that people of Toledo "come to Washington and watch some of the world's biggest clowns for free."

The result of the congressional three-ring circus is this $88 billion highway bill—$9 billion more than President Reagan said he would approve. He has now put his veto where his mouth was.

The action puts Congress on a spot. Since it failed to enact a highway bill when it should have last year, the states (Colorado included) are badly in need of money as the road construction season gets under way. Supporters of the puffed-up bill argued that it would be months before another bill could be approved if Reagan vetoed this one and the veto holds.

That's baloney. Congress can pass another bill in a week if it wants to do so.

Reagan was on solid ground in vetoing this one. Congress would be better advised to write new legislation, though it probably

will go for an override. If so, its responsibility for overspending will be impossible to deny.

[From the Denver Post, Mar. 25, 1987]

VETO THIS HIGHWAY HOG TROUGH

Transportation Secretary Elizabeth Dole reports that President Reagan has promised to veto an $87.9 billion highway and mass transit bill that would propel America further down an eight-lane highway to bankruptcy. We applaud the president's decision—and urge every member of Congress, regardless of party, to uphold that veto.

The decision is a politically tough one for the president, because no one doubts the need for the $70 billion in highway user taxes that are divided among the states by a standard formula. The bill even includes a rider that we definitely support—allowing states to raise their speed limits to 65 miles per hour on rural interstates.

But Democratic majorities in both chambers—who apparently find the nation's $200 billion dollar annual deficits a hilarious joke—didn't stop with these necessary projects.

Instead, they loaded up the highway bill with another $10 billion of useless pork and 152 cynical "demonstration projects" to benefit local special interests.

Unfortunately, about all these projects "demonstrate" is that certain members of Congress are adept at raiding your taxes. As a "demonstration" of the clout of former House Speaker Tip O'Neill, for example, overburdened Coloradans are being ordered to build a third harbor tunnel through Boston. Coloradans must also help pay for mass transit systems in Miami and Los Angeles—without getting a dime back for our own needs.

In particular, every Western legislator should uphold the president's veto—or explain why he or she treated the interests of the nation as a whole and the West in particular with such contempt. After such a veto is upheld, a more affordable bill can be passed to release the highway funds—and raise the speed limit.

It's bad enough to see a necessary bill turned into a political hog trough. But it becomes unbearable when the West isn't even offered a fair share of the slops.

Mr. NICKLES. Mr. President, I rise today in support of sustaining the President's veto of this highway bill. The Washington Post, with which I do not often find myself in agreement, recently characterized this bill as "a classic illustration of the blurring of public works, the pork barrel, politics and polemics in the days of 12-digit deficits."

If you want to know where the pork is, let me tell you. It is in more than 152 highway projects at a cost of $1.4 billion. It is in areas like Chicago, where over $1½ million is to be spent to build parking lots beside an unbuilt transit project. It is in Boston, where $3.3 billion is to be spent to complete the central artery and the third harbor crossing as part of the Interstate System; $1.1 billion of this amount is special additional funding provided by the Federal Government. As the President pointed out, this increase is unfair to all other States since the Interstate System was closed to such add-ons in 1981.

It is in Toledo, OH, where $16 million is to be used to build an access road to an amusement park. It is in Clarinda, IA, where $7.2 million is to be spent to reconstruct and rehabilitate a little used highway in a sparsely populated rural area. It is in Union County, IL, where one-half million dollars is to be used to reconstruct a road to a landmark that attracts less than 50,000 people a year.

It is in Los Angeles, where over $870 million is slated to be spent on a subway system that is still on the drawing board. This amount is significantly beyond that agreed to by the Federal Government. Moreover, as the President pointed out in his veto message, the $870 million represents 14 percent of the total funds collected through the fuel tax for mass transit. The Department of Transportation tells me that the initial cost is about $300 million per mile. It is unfair that any one city receive this amount of money, especially when 34 States, including Oklahoma, pay into the transit account and receive no section 3 moneys.

Because these special interest projects are funded out of the highway trust account before the funds are apportioned to the States, States like Oklahoma are literally a victim of highway robbery. Each State on the average will lose $17.8 million. The Department of Transportation estimates that Oklahoma will lose more than $22 million.

For States with demonstration projects, that loss is regained. But in those instances, Congress becomes the highway planners instead of the States since these projects represent ones already rejected by the States. Oklahomans are angry, as a donor State we have been taken advantage of for too long. We continue to receive less money per capita than most States for our highways. We continue to pay into the mass transit account yet receive no section 3 moneys. And now, to top it off, we are being forced to contribute from our allocation of highway funds in order to allow certain selected States to build unnecessary and costly projects.

During the Senate consideration of this legislation, I fought to help my State receive a fair share of the tax money that we pay in for transit purposes. Unfortunately, the conference committee dropped the provision that would have done this. The President's proposal is much more fair in its distribution of mass transit funds and would benefit the 34 States that currently receive no section 3 funds.

Like everyone here, I am concerned about the need to release highway funds to the States. Oklahoma, like every State, has urgent highway projects that need to be completed. However, I am not willing to sacrifice our need for deficit reduction to pass a highway bill that is irresponsible.

If the veto is sustained then let's work together to pass a new bill as soon as possible that is responsible. We owe the American public no less.

Mr. JOHNSTON. Mr. President, in his 1986 State of the Union Address, President Reagan borrowed a line from the movie "Back to the Future" and told us: "Where we're going we don't need roads."

I had no idea he meant it literally until he vetoed this bill.

Where I come from, we do need roads. Louisiana's Interstate 49 is one of the very last segments of the National Interstate System to be undertaken and we need to finish it. This legislation authorizes two extensions of that interstate to make it of practical use to motorists at the highway's two termination points, Shreveport and Lafayette.

There are other new projects that are also very important to Louisiana. But beyond the improvements this bill will bring to transportation, the economic and employment benefits associated with the highway construction program are absolutely critical to my State.

With a 14.7-percent unemployment rate, the highest in the Nation, with actual unemployment exceeding 20 percent, and with some of our parishes suffering unemployment above 30 percent, we simply cannot afford the additional economic stagnation that would result from a watered down highway bill or a long delay in highway funding.

I know most of my colleagues also have compelling reasons for supporting this legislation. If this measure is judged on its merits, rather than on the rhetoric we have heard about pork barrel spending or the high stakes involved for the President's leadership, the veto will be overridden.

Mr. DECONCINI. Mr. President, I have struggled over the past week trying to decide whether or not to vote to sustain the President's veto on H.R. 2 or to vote for the override. Reauthorization of our Federal highway programs is, in this Senator's mind, one of the most important measures that will be considered by the Congress this session. In past years, when congressional action on the approval of the interstate cost estimate has stalled, very important transportation projects have ground to a halt. In Phoenix, AZ, for example, where construction on a high priority gap closing interstate project, the Papago Freeway, is slowed, costs increase, and the State slips further behind in its efforts to finish this important interstate segment by 1990. Arizona has been the recipient of large sums from the interstate discretionary program

and it has allowed us, in the past, to make up for some of the lost time.

H.R. 2 is of particular interest to this Senator because it contains a provision which allows the States to raise the maximum allowable speed limit on the rural interstate highway system to 65 miles per hour. I support this provision and feel it is long overdue. Nevertheless, I am very distressed by the large number of special demonstration projects contained in H.R. 2 and the costs of these projects. I do not believe we should be in the business of setting aside hundreds of millions of dollars to fund projects which would otherwise not qualify for Federal funds. This results in funds being taken away from existing Federal aid program categories which are important to all States to fund those projects which may or may not have merit. It also encourages further diversion of funds from the highway trust fund for projects which are not necessarily considered in the Federal interest.

Over the past week, I have been contacted by many, many groups and individuals in and out of Arizona on the veto override. Communities like Phoenix and Tucson have contacted me to express their concerns about the impact the veto will have on their transportation plans. Mayor Lew Murphy of Tucson and Mayor Terry Goddard of Phoenix have been very vocal in their support for H.R. 2. Arizona does not have any special demonstration projects. But, they support the override of the President's veto because 8,800 jobs in Arizona alone are at stake and because we may not see another Federal aid to highway bill for some time if the override fails. Tucson is concerned that important interstate substitution projects will not be completed. Phoenix is worried that timely completion of the Papago Freeway will be jeopardized. I have also heard from many national organizations like the Association of General Contractors, the National Association of Counties, the Building Trades, Bechtel Corp., and many others voicing their support for a veto override.

There are accusations that bill is full of pork. But, I have found that if the demonstration projects of approximately $890 million over 5 years were, in fact, totally eliminated and all of those funds were returned for use in the regular formula programs, as a result, Arizona would receive a net gain of $3 million. Arizona's regular apportionment for fiscal year 1987 will be in the range of $146 million. This represents a reduction of approximately $32 million from the fiscal year 1986 apportionment. I am advised, however, by officials at the Arizona Department of Transportation, that most of this reduction is due to the fact Arizona's interstate construction needs have declined. Because Arizona has been so successful in its efforts to see the Papago Freeway completed, we have reached a point where our apportionment has decreased as a result of those achievements.

Mr. President, I do not want to be associated with a so-called budget buster highway measure. That charge is simply not true. The funds used for highway construction projects are generated from the gasoline taxes paid by all U.S. citizens and placed in a trust fund dedicated for Federal highway use. These projects are not funded by general revenues. As a matter of fact, over the years, we have seen a substantial reduction in the Federal funds obligated for highway programs because of growing concern about Federal deficits. These taxes are collected for a dedicated use and the highway trust fund should not be held hostage to deficit reduction efforts.

I have become convinced that the Nation's highway programs are much too important to hold up any longer. The loss of hundreds of thousands of jobs which will result from considerable delays in the passage of a responsible highway program is unacceptable. The gas taxes which constitute the highway trust fund are generated from the American traveling public. Those funds should be spent here to create jobs in this country. Wasting additional time will only see jobs exported to other countries. The administration's so-called compromise legislation would eliminate the interstate construction discretionary program, and make substantial reductions in the funds available for the interstate substitution and Federal lands highways programs. These changes are unacceptable from my perspective. All three of these Federal highway programs are very important to Arizona. I do not support the demonstrations in H.R. 2, but the changes proposed in the administration's bill are even more egregious. Based on the input I have received from Arizona interests and national interests in support of the highway program, I have decided to vote in support of the veto override. It is time we got on with the Nation's transportation business and not spend additional time arguing about so called budget busting exercises.

Mrs. KASSEBAUM. Mr. President, I think I speak for many Senators in saying that I regret we have come to this vote on the highway bill, a bill that is vitally important to each of our States.

I voted for this bill last year. I voted for it again this year. I had hoped the President would sign it. However, he chose instead to veto this legislation and send in its place a substitute bill.

Up until a few days ago, I was prepared to vote to override the President's veto for one simple reason—time is running out if the funds in this legislation are to be transformed into the better and safer roads and bridges that our States critically need. April i here and we still have not moved thi bill.

In Kansas, as in nearly every othe State, bids for some road projects al ready have been delayed. Contractor and workers are sitting idle. Road im provements are still waiting on the drawing boards. The longer we delay the worse this situation will become.

Given these circumstances, the simplest and easiest thing to do would be to approve this bill and get on with the work. After all, this bill is neither a budgetary outrage nor a totally irresponsible compromise. However, the President was not persuaded by this argument, even though it was made to him quite forcefully.

Instead, the President has raised what I believe to be a serious and legitimate complaint about this bill—so-called demonstration projects inserted by various Members of Congress in both parties.

The President believes that these demonstration projects, costing nearly $1 billion over the next 5 years, represent bad transportation policy and an unwise use of public funds. On that point, I must agree with him.

What we have done in this legislation is to decide that some road projects should not be subjected to the traditional process of review and priorities established by the States. Instead, we have plucked these projects from our wish lists and moved them to the head of the line for funding. Some of these projects have strong merits, others are dubious at best. What all of them have in common is strong political backing by a Member of Congress.

In short, Mr. President, what this bill does is inject a large dose of politics into setting our transportation priorities, and I think that is good cause for concern. In the past, we have dabbled in the retail highway business. Now we are getting into the wholesale business with more than 120 projects.

In his veto message, the President listed his objections to this bill. While I do not agree with all of those reasons, I do agree that these demonstration projects represent a serious problem. I therefore will vote to sustain the veto.

Mr. President, I will conclude with one additional comment. I have heard remarks that, if this veto is sustained, it will be months before a new bill can be approved, that we may lose the current construction season entirely, and that this could trigger a national recession.

I, for one, hope these prophecies do not become self-fulfilling. One does not have to be a very astute observer to see that this issue has gotten the partisan juices flowing. It would be more than unfortunate if the result is a new round of foot-dragging and finger-pointing.

I doubt that a new bill could be approved in 7 days, but I see no reason why it should take 7 months or even 1 month. We have been debating this issue for more than a year. At this point, the issues are pretty straightforward.

If this veto is sustained and the Congress fails to act promptly and responsibly on a replacement, then the public will blame not only the President but all of us. There will be plenty of blame to go around.

Mr. ROCKEFELLER. Mr. President, it is now more than 6 months that the country has gone without a highway authorization bill in place. Regrettably, the President has chosen to turn this bill into a political issue—a vote of confidence in his leadership. While the President postures, America's roads and bridges continue to deteriorate and thousands of jobs are being lost. If we do not vote to override this veto, we will be right here 6 months from now considering the same issues, but we will have missed this year's construction season.

If we do not have a highway program this year, there will be severe and prolonged disruptions in the construction and repair of our highway system and hundreds of thousands of workers will be unemployed. Already, the lack of a bill has meant that 1,400 highway projects have been lost for this year. In addition to the disruption of the transportation system and the devastating effect on the economy, the President's position reflects the shortsightedness of this administration in planning for the needs of our country's economic future.

My State of West Virginia will very soon exhaust all of the Federal funds available for highway repair and construction. The $100 million plus in highway funds for my State breaks down as follows:

Category:	*Millions*
New construction	$13
4R	19
Primary	23
Secondary	7
Urban	3
Bridge	35
Hazard elimination	1.4

West Virginia has two demonstration projects which are very desperately needed: the Chelyan Bridge and the New River Parkway. The Chelyan Bridge, which is very important to the area's coal and chemical industry, is 56 years old and badly in need of replacement. Just last week the wheel of a coal truck went completely through the pavement of the bridge. There were no injuries, fortunately, but traffic was tied up for several hours.

The New River Parkway is vital to the economic viability of southern West Virginia. This highway bill will provide a tremendous boost to the economy of the area by greatly increasing the number of tourists. These demonstration projects, which are so vital to West Virginia, have been targeted by the President as pork barrel, budget busting projects, when in fact all the demonstration projects amount to a little more than 1 percent of the total authorization for highways. I should point out that the Secretary's discretionary funds included in this bill total approximately 6 percent of the total authorization. If the President and his Department of Transportation are really serious about examining the costs of this bill, let them put their own house in order.

In addition, the South Side Bridge in Charleston and the Sixth Street Bridge in Huntington have been targeted as high priorities under the Secretary's discretionary fund. There is a provision that gives the State of West Virginia the flexibility to transfer Federal highway money to benefit the Route 22 Bypass in Weirton. This bypass is integral to the continued vitality of Weirton Steel, the largest employee owned corporation in the country.

The highway bill is not the "budget buster" the administration makes it out to be. As a matter of fact, no funds from the general fund will be expended on the highways portion of the bill. The highways portion is totally funded by the 9-cent-per-gallon tax on fuel that highway users have been paying into the highway trust fund, a fund which currently has a $10 billion surplus. The bill meets the budget target of Gramm-Rudman-Hollings. The funding level is $1 billion below that of 1986. In fact, at the end of the fifth year of authorizaton of the bill we are voting on today, the highway trust fund will have another $11 billion surplus. Increasing the balance over $200 million per year is hardly "budget busting."

In vetoing the highway bill, the administration is again demonstrating a lack of regard for far-sighted economic development. Numerous studies have documented the fact that a substantial portion of the Nation's basic publicly financed infrastructure is grossly inadequate. A report completed for the Joint Economic Committee concluded that the single most dominant need in this area is for investment in highways and bridges. This study entitled "Hard Choices" estimated that $720 billion would be needed by the year 2000. We cannot sustain economic growth when our highways and bridges are falling apart, and it is time to begin attacking this problem. As President Reagan once said in another context: "if not us, who? If not now, when?"

Mr. McCONNELL. Mr. President, it is often said that timing is everything. Timing, in the instance of the highway bill, clearly dictates that we should and must release designated highway user fees to the States. The construction season is upon us. An override, albeit distasteful to me, must occur. This is the resounding call of my constituents and I will heed their request.

Let me just say to my colleagues, however, that I take no pleasure in refusing the request of my President. Let me further say, that I am more than a little disgusted with inferences that it is the President, and the President alone, who has jeopardized highway construction, mass transit projects and the attendant jobs by vetoing H.R. 2. A veto is the President's prerogative and he believes he has acted in the public interest. Furthermore, I have heard no Member say that this is a perfect bill. Under different circumstances, perhaps the veto would have laid the foundation for getting the two Chambers back to the bargaining table to formulate a better bill. But we don't have enough time. That is not the President's fault. That is the fault of this Congress who, by its very obstinance, failed to act last year and present a bill to the President for his signature.

There is no doubt in my mind that, if this veto were sustained, the Congress could present an acceptable bill to the President in short order in time for the construction season. We could, but it is unlikely that we would. It would be high stakes poker to wager that it is sheer posturing of some who pledge that we wouldn't have a bill until next fall. You would assume that those who have raised the hue and cry over the need for highways and the construction jobs would make every attempt to get a new bill quickly. But in this very expensive game of chicken, I cannot gamble the desires of my constituents on the hopes that reason and cooperation would prevail.

Notwithstanding the objections of the President, this bill is on a fast track because the Congress, willingly or not, passed a bill with the inference that this is a "take it or leave it" measure. Notwithstanding sufficient lead time, we didn't act until the 11th hour and it is now high noon for the construction season. I will override this veto because timing dictates that we must and because based on previous performance, I don't believe the Congress could get its act in order quickly enough to get an acceptable bill to the President for his signature.

Mr. HATFIELD. Mr. President, it is with some regret that I vote today to sustain the President's veto of H.R. 2. I had hoped that the Congress could produce a workable and responsible highway reauthorization bill. My disappointment with our effort caused me to vote against the conference report last week and no new evidence has convinced me to change that vote.

There can be no excuse for the dilemma we find ourselves in today. We all knew that the authorization for Federal highway programs was due to

expire last October, but as is too often the case with Congress, we have allowed a crisis to develop. Because conferees failed to reach agreement during the 99th Congress, we have been held hostage by the threat that a new construction season soon would be upon us. In our haste to beat the deadline set by "Mother Nature," we have produced bad legislation.

Much has been made of the so-called demonstration projects contained in this bill. Mr. President, I have no problem with Congress earmarking funds for particular projects which truly demonstrate unique transportation systems. This bill, however, has few projects which meet that criterion, and instead is loaded with costly projects which, in this era of dangerous deficits, represents fiscal madness.

I also cannot overlook one mass transit project authorized in the bill. The downtown Los Angeles to San Fernando Valley metro rail project is a boondoggle of mammoth proportion. The nearly $1 billion we will spend on this project could better be spent on mass transit alternatives in the Los Angeles area and elsewhere in the country. Members of this body know that I long have supported responsible spending for mass transit projects. The new light rail systems in other locations in the country have proven to be popular and cost effective. This will not be the case, I fear, with the Los Angeles project.

The section of H.R. 2 with which I find particularly troublesome is the raising of the speed limit to 65 miles per hour on rural interstate highways. As a Western Senator, I understand the concern of many constituents and colleagues who wish to have the speed limit raised. The lonely stretches of I-5 and I-84 in Oregon were designed for higher speeds than the current speed limit. But the reason we established the national speed limit still is as compelling as it was in 1974. Our Nation now is importing 40 percent of our petroleum needs, the same level as when the law was enacted. We still have an energy crisis in this Nation and conservation efforts still are in order. Beyond that, the matter of saving lives should draw our attention. The most conservative figure I have heard is that a minimum of 500 lives will be lost per year if we allow the speed limit to rise. I cannot vote for any measure which would allow 500 lives to be lost on our Nation's highways anymore than I would vote for legislation which would end the lives of Americans in the jungles of Central America or the deserts of the Middle East.

Some, including the President's own advisers, claim that today's vote is a test of Ronald Reagan's ability to govern. I do not share that conviction. If the President wants to show that he will lead the Nation for the next 2 years, I call upon him to negotiate meaningful arms control agreements with the Soviet Union and to convene a budget summit with congressional leaders to work out a responsible compromise on taxing and spending.

I am mindful of the economic effects our action will have if 34 Senators vote to sustain the veto. Construction companies and their employees have made that point very clear to me. Oregon Gov. Neil Goldschmidt, the former Secretary of Transportation, has written to remind me of those consequences as well.

I am as committed as any Member of this body to reauthorizing Federal highway programs. No Senator has worked harder to rebuild the infrastructure of this Nation. But I cannot vote for legislation which would result in the loss of American lives and the paving of congressional districts with pork. Therefore, with my vote comes an offer to help my colleagues quickly enact a new highway bill in the event the President's veto is sustained.

Mr. GRASSLEY. Mr. President, I would like to share with my colleagues some concerns regarding this transportation legislation and the President's veto.

I am troubled by the apparent direction this legislation is taking our transportation policy. Since 1973, there have been only 30 demonstration projects nationwide. This bill alone includes 152.

This means money that should be spent based upon formula and merit, is instead being spent on projects determined by political interests.

Perhaps some of this is nothing new, but this legislation takes a giant leap away from fairness and equity.

My colleagues should know that during my 16 years as a member of the Iowa House of Representatives, we never took it upon ourselves to play highway engineer. We left the important task of determining transportation priorities to our department of transportation.

You can be certain, Congress makes a lousy highway engineer, too. Congress should not usurp the right and authority of States to determine their own priorities. To do so on such a large scale undermines the integrity of this program.

We face today other serious issues in addition to fairness and the propriety of Congress usurping the right and authority of States determining their own transportation needs.

We face the serious concern of budget deficits. As we vote today, the Senate Budget Committee of which I am a member, is struggling with the deficit problem and how we can bring this deficit under control.

The difference between the conference bill, and the President's plan is about $2.6 billion. Most of this difference is money from general revenues, not from the highway trust fund. And of course, general revenue spending adds to our deficit problem.

Here is our opportunity to draw the line on unnecessary spending and to work to get the budget under control.

One other point, that is of very serious concern to me, is the impact of further delays in passing this legislation. The fact is, it should have been passed long ago.

But we live in the real world and must realize that time is running short. Jobs around the country could be jeopardized. In Iowa, it is estimated that about 8,500 jobs rely upon passage of highway legislation.

These jobs concern me greatly. But yesterday, I spoke to the director of Iowa's Department of Transportation. He informed me that Iowa should not lose any jobs. Presently, the Iowa General Assembly is considering legislation that will allow Iowa's construction season to proceed on schedule. Therefore, our jobs should be secure. Nevertheless, it is incumbent upon Congress to move quickly ahead with a more equitable transportation bill.

Mr. President, we have an opportunity here today to make a difference, to take a stand. When Congress voted on this legislation previously, it was the only game in town. We were told we had to accept the questionable provisions, or we wouldn't have a bill. It was the best we were going to get.

But now it is a different game. The President is weighing in heavily on this issue. He is a key player. He is calling on Congress to back its rhetoric with action. He is calling on Congress to take a stand for a fair, responsible transportation policy guided by formula and merit—not special parochial interests. He is calling on us to keep transportation planning in the hands of the States, not armchair congressional engineers. And he is calling on us to get our fiscal House in order.

We have an opportunity to draw the line today, and to take a stand for what is right. It may not be popular, but that is often the case.

I urge my colleagues to join me in sustaining the veto and in working on a more equitable, fiscally responsible bill.

I do not always agree with the President. In fact, 9 out of 10 times I have voted to override the President's veto. But this time Congress is wrong, and that's why I support sustaining the veto.

Mr. D'AMATO. Mr. President, I rise to offer some observations regarding today's important vote on whether to sustain the President's veto of H.R. 2, the Surface Transportation and Uniform Relocation Assistance Act of 1987.

By a vote of 350 to 73, the House decided to enact this legislation notwith-

standing the President's objections. It is now is up to the Senate to cast the deciding vote to sustain, or to override, the President's veto.

I regret that the President's advisers have persuaded him to veto a bill so vital to the safety of our Nation's highways, bridges, and transit systems. Moreover, I am disappointed that the President's steadfast supporters in Congress—on critical issues of world security and national defense—are now being asked to prove their loyalty by killing this desperately needed bill. At a time when our Nation's infrastructure is crumbling, we must not further postpone the authorization of these critical funds.

The consequences of failure to enact this legislation will be severe. In New York City alone, further delay in repairs to two major bridges serving nearly one-half of a million people per day, may cause these bridges to be closed to protect the public.

I am compelled to vote to override this veto. I do so not because I think that this bill is perfect—clearly it is not—but because I know that it is necessary. If the President had available to him the "line-item" veto, he would not have found it necessary to kill this entire bill. As a conferee on the transit portion of this legislation, I know of the long hours and weeks that went into forging the compromises needed to report a bill out of conference. H.R. 2 would have been a better bill if the President could have used the surgical precision of a line-item veto to delete those portions most objectionable to him.

Make no mistake about it, this bill contains some provisions that I opposed; however, given the varying and sometimes conflicting needs that required resolution by the conferees, I think that H.R. 2 reflects the best compromises attainable. Remember, we began conference with a Senate bill costing about $81 billion—if extended from 4 years to 5 years—and a House bill costing about $90 billion. The final bill contains about $87 billion in authorizations.

Along with the veto message, the administration has sent Congress a $82 billion substitute bill. This substitute would be only $5 billion less expensive than H.R. 2, which was produced by Congress after months of legislative stalemate, followed by weeks of tough conferences. To reiterate the objections made by my good friend and colleague Senator DIXON when he spoke on the Senate floor last week: Why did the administration wait so long to come to us with a bill? No official overtures were made to the conferees before the bill was approved. No efforts were made to work with us to produce a conference report that would satisfy the President. Now, after the fact, we are presented with a substitute bill which would provide only about 6 percent less than H.R. 2. I ask: How can OMB tell the President that H.R. 2 is a "pork-barrel" bill when OMB's own substitute is 94 percent as costly?

We do not have the luxury of time to further debate and refine H.R. 2. The Federal Highway and Transit Programs have already expired, as of September 30, 1986. Should we really attempt to reopen the entire bill, in order to make savings of 6 percent? Is it realistic to think that this could be done quickly given our experience in conference with the controversial nature of many of the provisions involved—for example, raising the speed limit; strengthening Buy-America; altering funding formulas; et cetera. I simply do not think that it can be done without months of further delay.

Failure to have a highway-transit bill enacted into law will lead to the loss of hundreds of thousands of jobs and lack of needed safety projects. The safety of the people of the State of New York as well as elsewhere throughout the Nation cannot safely abide any further delay in billions of dollars of projects.

I object to the use of the long-delayed $87 billion highway-transit measure as a vehicle for OMB to make its own statement. I continue to be a firm supporter of our President on significant issues of national and international policy. Under this administration, we have enjoyed an economic renewal that has produced hundreds of thousands of new jobs. Moreover, President Reagan's leadership has enabled this country to reaffirm its position as the world's leader, and as its guardian and defender of freedom.

Thus, Mr. President, I cast my vote in support of the Nation's need to move forward with the repair and construction of its surface transportation infrastructure. American taxpayers, who have contributed the taxes that fund these vital programs, deserve to see their hard-earned dollars put to work for them. We simply cannot afford to postpone this bill any longer.

If Federal highway and transit funds are further delayed, the impact in the State of New York alone will be devastating. While New Yorkers continue to contribute about $12 million per week in Federal taxes earmarked for transportation projects, New York State has already run out of Federal transportation funds.

Over the 5-year life of the legislation, New York State anticipates receiving more than $6.3 billion for highway, bridge, transit, and other needed transportation projects. However should this veto be sustained, the ensuing delay will prevent worthwhile and needed projects—not pork barrel, make-work projects—from going ahead.

As of March 1, the failure to approve Federal funds for $150 million in highway projects has cost 4,000 jobs. By April 1, we will lose 250 million dollars' worth of projects and 6,700 jobs. If a bill is not enacted by May 1, $375 million in projects will be lost along with 10,000 jobs.

Mr. President, I ask unanimous consent to have the following list of New York projects included in the RECORD at this point. This list will illustrate typical transportation projects that H.R. 2 was crafted to assist.

There being no objection, the list was ordered to be printed in the RECORD as follows:

HIGHWAY PROJECTS

$7 million rehabilitation project on the Northway between Exits 2 & 6, in Albany County.

$3.5 million Route 30A, bridge replacement project over the Mohawk River and Barge Canal.

$6.7 million reconstruction project on 2.9 miles of Route 146 in Saratoga County.

$1.73 million resurfacing project on Routes 13 & 69 in Camden Village.

$1.359 million bridge rehabilitation project on Route 81 in Syracuse.

$2.65 million bridge replacement project on Route 204, Brooks Ave. Bridge over the Barge Canal, Town of Gates, in Monroe County.

$422,000 project for safety work on Route 31F in the Town of Perinton, Monroe County.

$19 million for bridge work on a Wantagh State Parkway Bridge in Nassau County.

$22 million for construction of 1.4 miles of the Nassau Expressway in Nassau County.

$2.8 million for repairs and safety work on Route 434, the Vestal Parkway in Binghamton.

$3.2 million in rehabilitation work on 10 bridges on Interstate 81, Bevier St. to Minman's Corners, Town of Chenago.

$3.1 million bridge replacement project at Hillside Ave. and Snake Hill Road in Rockland County.

$9.6 million reconstruction project for Route 9 in the Town of Poughkeepsie in Dutchess County.

$1.7 million bridge replacement project at Route 11 Watertown Bridge over the Black River, Jefferson County.

$1.83 million for bridge rehabilitation on Madison Ave. over the Chemung River, City of Elmira.

$329 million (OVER 5 YEARS) to repair the East River Bridges in New York City. Includes continuing work on the following:

$150 million project for the Manhattan Bridge ($54 million already spent);

$240 million project for the Williamsburg Bridge ($16 million already spent);

$220 million project for the Queensboro Bridge ($128 million already spent); and

$150 million project for the Brooklyn Bridge ($81 million already spent).

$6.9 million line safety project on the Belt Parkway System, Gowanus Exp.

$4.8 million construction project on Route 33, the Kensington Exp. in the Town of Cheektowaga.

TRANSIT PROJECTS

About $507 million per year in transit formula and discretionary funds for New York MTA projects.

About $10 million per year in transit projects for the Niagara Frontier Transportation Authority in Buffalo.

About $6.8 million in transit projects in Rochester.

About $5.6 million per year in transit projects in Albany.

About $4.8 million per year in transit projects in Syracuse.

Mr. GORE. Mr. President, I rise to support the veto override of the highway reauthorization bill. This urgent highway bill has cleared some tough hurdles over the past 8 months. But one more obstacle remains to these much-needed highway construction, maintenance, and safety programs. I urge my Senate colleagues to join me in voting to override the President's misguided veto.

I was an enthusiastic cosponsor of the original highway bill. In the last Congress I supported this legislation, but unfortunately we did not take it up in time. Because of last year's stalemate over divisive issues like billboard amendments and the speed limit, this year's bill took on a new sense of urgency. The House and Senate rose to the occasion by burying their differences and devising compromises to create a coherent and complete package. I congratulate my colleagues in both Houses for their diligence and persistence in crafting this legislation. Congress clearly recognizes the desperate need for action now. We need to release trust fund revenues so that States will not miss the construction season and workers are not laid off.

The President attacks the bill as a "budget-buster" and "full of pork." I would like to counter those claims with a few facts. Since several of my fellow Senators have already addressed this particular charge, I will be brief. First, the highway and mass transit appropriations are drawn from the highway trust fund, money collected from highway users across the Nation. To restrict spending of these funds would not directly affect the Federal budget deficit. The highway trust fund must be used solely for highway and mass transit programs and projects. Vetoing the highway bill does not release that money for other uses. Yet, by bottling up those funds. the President jeopardizes hundreds of thousands of jobs in construction and related industries.

While the President is preoccupied with bookkeeping niceties, I would like to point out some of the hidden costs of his veto. This veto directly affects the safety of everyone who travels on highways, city streets, and country roads. Failure to pass the highway bill will eliminate many worthy safety projects, and equally important, slow down the rehabilitation of roads and bridges in desperate need of repair. Without highway funds, our interstates, overpasses, streets, and bridges will deteriorate. The cost in human terms is impossible to gauge.

This crucial legislation also contains provisions to reauthorize highway safety programs and make funds available to the States for safety improvements. It would authorize several National Highway Transportation Safety Administration safety research and development programs including a study and a pilot program to improve older driver safety and mobility. In addition, this bill would direct the Transportation Safety Research Board of the National Research Council to study certain truck safety measures, and it would direct the Secretary of Transportation to improve safety at rail-highway crossings.

In Tennessee, there are several projects, totaling over $90 million, which are long overdue to secure the safety of travelers within and across our State. The same is true for most of the projects in the bill. Highway 68, for example, winds through Monroe County, TN, near the Cherokee National Forest and the Appalachian Trail. Substandard roads—those narrow shouldered, curving, hilly stretches of pavement—in that area cannot satisfactorily handle current traffic demands. This presents a real hazard to drivers. The highway bill will provide funds to improve this route. That is not "pork"—it is common sense. There are countless projects, highway repair programs, and bridge rehabilitation projects that we must have in order to guarantee the safety of the public. There are even provisions to study schoolbus safety. Our citizens and our children must have the safest roads possible.

The highway bill allocates funds for scores of worthy and necessary projects. The safety and economic prosperity of the Nation will be directly affected by this legislation. I encourage my colleagues to join me in voting to override the veto and enact this important legislation. Let us cross this final hurdle. Thank you.

Mr. WARNER. Mr. President, I rise today to oppose H.R. 2, and to indicate my intention to vote to sustain President Reagan's veto of this legislation. I urge my colleagues to join me in this vote.

Mr. President, we all have a stake in the outcome of this vote, although some have a greater stake than others.

One of the main reasons I wanted to serve on the Environment and Public Works Committee was to work on this highway bill. The members of that committee received me graciously, listened to the concerns of my State, and addressed them.

I took part in the markup of this important bill, and commend the leadership of the committee for the speed with which the panel moved.

As with most Members of the Senate, I was pleased to join the majority when the Senate passed its highway bill on February 4 by the overwhelming vote of 96 to 2. Despite having to deal with several controversial issues, the Senate acted quickly to meet the needs of the Nation. We were all mindful of the losses to the highway programs in our States which would result if we delayed in passing a highway bill.

Had the bill which the House-Senate conference produced borne a significant resemblance to the bill the Senate passed in February, our States would be advertising for bids and letting contracts under a new law.

But the conference agreement that came back to the Senate was far different than the bill the Senate worked so hard to produce. For Virginia, that difference was a critical one.

Lest any Senator be left with the wrong impression, I want to make it clear that I am respectful of my Senate colleagues on the conference. Inded, Conference Chairman MOYNIHAN worked diligently.

Mr. President, the quality of the Senate bill notwithstanding, the conference agreement fell far short of what the Commonwealth of Virginia requires to pursue its highway construction program. Somehow, between a House bill which provided $105 million for Virginia's interstate program, and a Senate bill which provided $100 million, Virginia wound up with only $65 million a year in this funding category.

This cut is directly attributable to other projects in the bill of dubious merit. Virginia has devoted much care and concern to meeting its transportation needs, and this bill would not allow Virginia to pursue that initiative.

Thoughout every step of this process I have been in close consultation with Virginia Gov. Gerald Baliles. Governor Baliles has shown exceptional leadership in the field of transportation in our State as well as nationally.

The Virginia General Assembly met in special session last September solely for the consideration of transportation issues and produced a package of revenues and highway construction which has become well known throughout the 50 States. Much of our State action was predicated on a fair and equitable Federal highway bill.

Our Governor, despite his early and continuing vocal support for quick passage of a highway bill, urged the Virginia delegation to uphold the President's veto of H.R. 2.

An excessive amount of the money in this bill is for demonstration projects and discretionary funds which we just do not need. As tempting as those demonstration projects and discretionary funds are, in the end they only reduce the total amount of money available to the States for its programs. Let there be no misunderstanding: Virginia, too, has demonstration projects in this bill. But "demo"

projects are merely a symptom of the overriding issue here.

In this bill, there are over a hundred demonstration projects. What is there to prevent the next highway bill from containing 535 projects, at least one for each Member of Congress? Or even more? The answer is, there is nothing to prevent this bill for setting a precedent to do just that!

If passed, this bill would set a precedent for the next highway bill, when every Member would feel compelled to add his or her demonstration project, capsizing the whole bill. We are losing sight of the purpose of the Federal highway bill.

This program has functioned well as a State-Federal partnership. This partnership has been usurped by Congress' insistence of adding expensive and unnecessary spending.

This legislation includes criteria for the discretionary programs which directly penalize some States. It's bad enough that there are multimillion dollar discretionary programs in the bill at all, but when States cannot compete equally for those funds, its worse still.

Another issue here is how this bill will affect the Federal budget. Our President has led the fight to reduce Federal spending. He has taken aim at the extraneous and unnecessary spending in this legislation. We must support him in this effort.

The PRESIDING OFFICER. Who yields time?

Mr. STAFFORD. Mr. President, I yield the remaining time to the distinguished Republican leader, Senator DOLE.

The PRESIDING OFFICER. The Republican leader is recognized.

Mr. DOLE. Mr. President, how much time do we have on this side?

The PRESIDING OFFICER. The Senator from Vermont has 10 minutes remaining.

Mr. DOLE. How much time on the other side?

The PRESIDING OFFICER. Twenty-five seconds remain to the Senator from New York.

Mr. DOLE. Mr. President, if I may, I yield 5 minutes to the distinguished majority leader from our time.

Mr. BYRD. How much time remains on this side?

Mr. DOLE. You have 25 seconds and we have 10 minutes.

Mr. BYRD. Fine. If the distinguished leader would, or we could extend the overall time.

The PRESIDING OFFICER. The Senator from Kansas, Senator DOLE, is recognized.

Mr. DOLE. Mr. President, let me thank all Senators for this debate. I am not certain at this point whether anything anyone says is going to change any minds, but since somebody prepared this for me, I thought I ought to give it.

Mr. President, in a few moments the Senate will cast a vote, important to the American people and important to the President. Let us face it, it is a simple, straightforward test: Will the Senate of the United States match the courage of the President to say no to a bad bill.

And make no mistake about it, our effort to sustain the President's veto reflects our strong commitment to Federal aid to highways—not against it. The President wants a highway bill. This Senator wants a highway bill. The people want a highway bill. And we can give the people the kind of highway bill they deserve, if we sustain the President's veto and then get down to work on a new package starting today.

HISTORY

We have imposed a Federal excise tax on gasoline, diesel fuel, and trucks, with the understanding that it will help provide for a Federal Interstate Highway System and also help ensure that the American motoring public—the people who pay for the program—will have adequate and safe primary and secondary highways and bridges.

All the Congress had to do was to pass a bill that equitably divided the money that is paid expressly for this purpose. Yet, we have not.

Last year, the Senate did its job, passing the Surface Transportation Act on September 24. At that time, we requested a conference with the House to resolve differences in our two bills. On October 2, the House agreed to meet with us in conference, but the House never showed.

The simple reason is because some on the conference were opposed to the 65-mile-per-hour speed limit, and if they could not get their way, they were willing to sacrifice highway construction and maintenance programs throughout the country.

The consequences of that position are already showing. Contractors, equipment manufacturing and sales outlets, sand and gravel operations and asphalt refineries have suffered. So have concrete and steel manufacturers, suppliers of other highway construction needs—and employees of all these companies.

In addition, States and local governments which have budgeted for these funds—based on our agreement to collect the money and equitably distribute it—are now out of money and missing deadlines for signing contracts.

DEMONSTRATION PROJECTS

The bill contains 152 special interest highway projects and will siphon at least $1.4 billion from the trust fund to benefit a few and penalize the vast majority of States. To fund these projects, money is taken right off the top of the trust fund, before an equitable distribution formula is implemented.

Even worse, the true cost to complete all of these demonstration projects is now $5.5 billion, and climbing. If you vote to override the veto, be prepared to be visited next year and every year thereafter by those representing the uncompleted projects until all these projects are completed.

I will not make a judgment about the merit of each and every demonstration project in the bill—I am sure some have merit and some may not. The important point is that we have promised to establish and fund an Interstate Highway System, which allows the States to decide how and where to construct and maintain interchanges and the primary and secondary systems to compliment the interstates. The bill breaks that agreement with the States, and attempts to have the Congress run roughshod over the States and micromanage highway construction.

BUDGET BUSTING

I have heard it suggested that there is no budget argument against the bill, that it is all trust fund money. Regrettably, it is not all trust fund money. In fact, over $2 billion would be spent in each of the 5 years during the life of the bill from the general fund at the Treasury. This is not trust fund money, it's straight deficit spending.

The only reason this funding scheme was devised is to help disguise the fact that only 20 States received any money from the penny per gallon mass transit gasoline tax last year. Yet the other States are expected to pay nearly $2.4 billion into the fund under this bill.

TIMING

Mr. President, the fear being spread by the proponents of voting to override the veto is that this is the only chance to get a highway bill. I have even heard that if the veto is sustained, no other bill could be considered this year. That is flat not true!

When my party was in the majority last year, we passed a bill and were ready to go to conference. Many of those who say we cannot get another bill are the very ones who refused to even attend the conference last year. Now these handwringers cry that time is of the essence.

Mr. President, it is time to separate those who support Federal aid to highways from those who would use this program to serve some other agenda.

ADMINISTRATION'S ALTERNATIVE

Mr. President, we do have an option, an opportunity to right the wrong which would be inflicted by overriding this veto. Last Friday, I introduced S. 878, the administration's alternative.

Basically, the bill will provide more money to 43 States for highway projects by eliminating funding for the demonstration projects from outside the formula program. even the vast majority of those States with

demonstration projects in the vetoed bill will be better served.

In addition, the 30 States which did not receive one red cent from the penny per gallon mass transit fund last year will be given money from the trust fund through the mass transit formula program.

The alternative is a better deal while remaining fiscally responsible by reclassifying the demonstration projects to priority projects, by reducing the amount allocated to discretionary accounts, by giving more back to the States through the formula, and allowing all States to receive some of the mass transit trust fund.

Before any of my colleagues vote on this veto, I urge them to take the time to look at the alternative. It preserves the States' discretion to set 65 miles-per-hour speed limits, and upholds our agreement with the States.

ADVANCE CONSTRUCTION

The administration's alternative also contains the advance construction provision. This would allow States to begin construction projects now, and be repaid following the enactment of the bill. Several States have already begun to use this authority in anticipation of receiving money that they are rightfully due. This provision does allow construction to get underway.

SUMMARY

Mr. President, I have heard just about every story imaginable about the bill the President vetoed. There seems to be some sort of law against approving another bill, yet we have turned around continuing resolutions—which fund the entire Federal Government—in a day or two following a veto. Why is it that we cannot do the same with a highway bill?

I have heard that voting to sustain this veto will bring about the second Great Depression of this century. But, the real threat is continuing to allow the Government to spend as if we had unlimited resources.

I think it is fair to say that this is a very important vote.

Mr. BYRD. Mr. President, may we have order in the Senate? I am sure everyone would like to hear the distinguished Republican leader.

The PRESIDING OFFICER. The Senate is not in order. The Senate will be in order.

Mr. BYRD. I ask unanimous consent that the time not be taken out of the Senator's time.

The PRESIDING OFFICER. Time will not be charged. The Senator from Kansas, the Republican leader, Senator DOLE.

Mr. DOLE. I thank the majority leader, and I thank the presiding officer.

This is a very important vote. It is not a vote for or against highways, or whether or not those who vote to sustain the veto are somehow against highway construction. We were for it last year. We passed a bill last year. It went to conference. It got hung up on the House side because of the intransigence of someone on the House side over the 65-mile-per-hour provision.

Now we are up to April 1 of this year, as far as I can tell through no fault of anybody who will vote to sustain the veto.

I must say that this is a rather unique position for me because I do know the Secretary of Transportation quite well. [Laughter.]

I do not know the President that well. [Laughter.]

But I get a lot of good advice on this program, even more than I want. [Laughter.]

I would just make it clear for the record that if this veto is sustained, and I hope it will be sustained, we are going to have a highway bill just as quickly as we can muster people on both sides to do it. So the record should be clear that those of us who vote to sustain the veto are not voting against highway construction. I think we can give the people the kind of highway bill that they deserve.

Until a couple of years ago we had about 10 or 12 special demonstration projects. In this bill alone, there are 152. I think my distinguished colleague, the Senator from Vermont, has said that the next time we probably will have 535 demonstration projects.

So I just suggest for many, many reasons of merit that the President's veto should be sustained.

Let me make just one other plea to my Republican colleagues, and my Democratic colleagues. Some say this is a test of loyalty. Some on the other side say it is a test of loyalty to the majority leader, and some say it is a test of loyalty to Howard Baker, BOB DOLE, or more importantly, the President of the United States on this side. That may or may not be accurate. But it is a very critical vote for Ronald Reagan. He has looked at the merits. He decided to veto this bill. He has made a judgment. I would hope that we could sustain that judgment.

If we are going to be busting the budget with this bill, I am not certain that it is not going to happen again next week or the next week or the next month. The President may decide to veto additional legislation.

So I urge my colleagues, if you are in doubt, if you are in doubt on this side of the aisle, keep in mind that Ronald Reagan is a Republican. Ronald Reagan is our President. Ronald Reagan never asked us to do very much around this place. But he has asked us to sustain this veto.

I would say to many of my colleagues that he came along in 1980 and pulled us off the street, made us chairmen, put us in the majority.

I just suggest that it ought to be bipartisan, and so does the President. The highway bill has been bipartisan in the past. Most of us voted for the highway bill, and will vote for the next highway bill. We are not quarreling about Democrats or Republicans or highway construction.

So as far as the test of loyalty, if someone perceives it as a test of loyalty, it ought to be easy to cast a vote for Ronald Reagan. I would hope that some of our Democratic colleagues would join us. This may be a historic vote. This may determine the strength of the President for the next 21 months.

I do not believe anyone on either side of the aisle is looking for a weak and ineffective leadership in the White House. But I would conclude my making a point that I made at the outset.

There will be another highway bill this year. There is going to be a highway bill signed into law. There could be a highway bill yet in the next week—in the Senate or in the House next week.

The construction period is starting. We know it will cause a hardship for some States. If they do not have advance funding, they will need authority to issue bonds, or issue notes. Many States will have to do that. It will be a real crisis. We know people will not go to work. Suppliers and others want this bill passed.

There is no question about whether or not there will be a highway bill. So I would just urge my colleagues that in this rather critical moment that we think long and hard about what we are about to do. Some say that we are not going to pass another bill. We know that is not accurate.

So I urge my colleagues to support the President, to vote to sustain the veto.

I yield whatever additional time I may have to the distinguished majority leader.

Mr. BYRD. Mr. President, I thank the distinguished Republican leader.

Mr. President, how much time do I have?

The PRESIDING OFFICER. The majority leader has 5 minutes and 25 seconds.

Mr. BYRD. I thank the Chair.

Mr. President, we have heard that we should sustain the President for a number of reasons: That this bill is a budget buster, and others have debunked that idea; that there is pork in this bill; that another bill can quickly be passed; and that the President must be rehabilitated.

Mr. President, if this veto is sustained it will not be because of pork in the bill. It will be because of politics; not pork, as the White House asserts, but because the White House has put it on that basis. I am sorry to say that.

Another argument is that there is another bill sitting there, and that all

we have to do is call it up, send it down to the White House, and the President will sign it the same day. Mr. President, that is not very realistic. We know all of the thorny problems that have to be resolved.

This measure was 2 years in the making. It involves the 20-percent minimum, the one-half percent minimum, the 4R formula, the demonstration projects, the 65-mile-an-hour speed limit, and all of these things are very complicated and thorny issues. There are very contentious elements in this equation. We are not just talking about two Houses here. We are talking about three Houses. We are talking about this House, and the House of Representatives, and also the conference that must occur between the two Houses. That is the third House. And it is there where most of the problems have to be finally resolved.

Mr. President, it is misleading to the people of this country to have them believe that another bill can be passed this week or next week or this month. It will not happen. It cannot happen because the legislative realities are such that it will not happen. All of these issues are complicated matters.

My distinguished friend, the Republican leader, has said that this ought to be bipartisan. It was bipartisan. It passed this Senate on the final conference report by a vote of 79 to 17, with 4 Senators not voting. That was a bipartisan vote.

All of a sudden now the White House is putting on the pressure. I was amused to read in this morning's paper that our good friend, Howard Baker—and nobody loves Howard Baker more than I do [Laughter.]

But here is what Howard Baker is reported to have said in the Republican conference yesterday: "I told them it was not just the President's hide," and that is in brackets—"that the Democrats were trying to nail to the wall. But it is mine, too." [Laughter.]

So Mr. Baker was talking about Howard Baker's hide, not just the President's hide—but Howard Baker's hide. BOB DOLE's hide? No. He did not say that. [Laughter.]

I will tell you whose hide is really being nailed to the wall if this veto is sustained. It is the hide of every householder, every wage earner out there among the 800,000 persons, the individuals whose jobs, whose bread on whose table depends on this vote that is going to occur within the next 5 minutes.

That is the guy whose hide is going to be nailed to the wall, his hide.

So let us not get confused about whose hide is going to be nailed to the wall here.

We have projects waiting to go in my State and every other State. We have over 6,000 jobs at stake in my State. Every Senator here can say the same thing with respect to projects that are ready to go in his or her State. These people can be put to work as quickly as we can cast this vote to override the veto.

But, Mr. President, there are no Republican highways in this country; there are no Democratic highways in this country. Potholes know no party. [Laughter.]

The highways in this country are for the American people, and the vote that we cast today is going to be for the American people or against the American people.

Mr. President, my good friend, the Republican leader, says this is a test of loyalty to the President.

Mr. President, this President is not going to rise or fall based on this vote. There will be other vetoes coming down the road. This is not the final battle of Armageddon. This is not the lay of the last minstrel.

Some Senators would have us believe that this President will rise or fall on the basis of this vote.

Mr. President, we all know this is really not the case.

Isabella in "Measure for Measure," pleading with the Lord Deputy to the Duke of Vienna for her brother's life, said, "Oh, it is excellent to have a giant's strength, but it is tyrannous to use it like a giant."

Mr. President, every President has the constitutional power of the veto. He has the authority to use it. But, Mr. President, think of what the veto is being used for in this instance, if what we hear is the case, that it is a test of loyalty to the President. The veto here is used to show that the President is rehabilitated.

Mr. President, I ask unanimous consent that each side may have an additional minute.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, they say it is a test of loyalty. Surely, the President's veto is not going to be used in that context. Surely, that is not the case to be made for this veto, that it is a test of loyalty, when it involves so many households, so many family budgets that will be busted if this veto is sustained. And every month that passes is a month out of each householder's budget.

There are those who say, "Well, we can pass it tomorrow." Suppose it were passed a month from now or 2 months from now?

That much of the construction season will be gone and that much of each jobholder's budget is down the drain and lost forever.

Mr. President, in closing, may I say to my good friend, the job you lose may be your own. You can do a favor for a dozen voters out there and they all may go fishing on election day. But you take one man's job and he will remember it, his family will remember it, and he will make sure that his friends will remember it.

Let us cast this vote on the basis of merit, jobs, highways, bridges, lives, safety, the national economy. If the vote is on the basis of merit, then the American people will win today.

I yield the floor.

The PRESIDING OFFICER. The Senator from Kansas is recognized.

Mr. DOLE. Mr. President, I ask unanimous consent that the letter I received this morning from the President be made part of the RECORD, and also a letter received by the distinguished Senator from Vermont, Senator STAFFORD, from the Secretary of Transportation be made a part of the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

THE WHITE HOUSE,
Washington, March 31, 1987.

Hon. ROBERT DOLE,
Republican Leader,
U.S. Senate, Washington, DC.

DEAR BOB: I have returned to the Congress without my signature the bill H.R. 2, which authorizes Federal highway and transit programs.

This legislation provides excessive funding for mass transit programs and distributes these funds unfairly to certain cities. It contains provisions to fund an unprecedented 152 "highway demonstration" projects and thereby violates the equitable and correct method of allocating highway funds to the States by formula. It favors major metropolitan areas, such as Boston and Los Angeles, depriving other regions and localities of fair treatment.

Since 1976, I have supported giving States the option of raising speed limits to 65 miles per hour on sections of rural interstate highways. I continue to support that provision today. But, it is a deep disappointment to me that after delaying needed highway legislation for nearly a year and a half, the Congress has been unable to produce a bill that can meet even minimum standards of fiscal responsibility.

The American people have time and again made it abundantly clear that they expect the Federal government to live within its means. On that basis, I strongly urge you to vote to sustain my veto of H.R. 2.

I look to the Senate to sustain my veto and to the Congress to move swiftly to pass responsible highway and transit legislation that I can sign into law.

Sincerely,

RON.

THE SECRETARY OF TRANSPORTATION,
Washington, DC, March 30, 1987.

Hon. ROBERT T. STAFFORD,
U.S. Senate,
Washington, DC.

DEAR BOB: You will shortly be voting on whether or not to sustain President Reagan's veto of the Highway-Transit Reauthorization Legislation. I strongly urge you to sustain his veto.

The President viewed H.R. 2 as bad policy for a number of reasons. It subverts the historic authority of State governments and undermines the 60-year Federal/State partnership under which states have determined the priority of highway projects. Since 1973, there have been only 30 demonstration

projects. In this single bill, however, Congress designated 152 such projects. Only three of the 152 earmarked in H.R. 2 were deemed "worthy of study" or evidenced potential national significance.

By earmarking funds to the states for construction of 152 "demonstration" projects, the legislation would not only establish policy to govern the nation's highway program for five years, it would establish Congress as the nation's chief highway engineer. Congress would offer $890 million in new funds outside of budget controls and take $540 million from other categories of funds, such as that which has been used to repair deficient bridges. The total of $1.4 billion would only partially finance many of these projects, leaving to the states—or more likely future Congresses—the problem of providing additional funds. In fact, the total cost to complete these projects is estimated to be $5.5 billion.

It is important to realize that the administration's compromise designates these as "priority projects" for which the states may select from among a number of Federal Highway funding categories. This added flexibility, coupled with the direction given by Congress designating these as priority projects, provides an impetus for states to complete these projects. The Administration alternative preserves the traditional Federal-State partnership, the foundation of the Federal-aid program.

Further, the Conference Agreement would create a new billion dollar highway rehabilitation discretionary fund intended to benefit only a few states, but financed by drawing down funds which historically have been distributed to all states.

The distribution of mass transit funds under the Conference Agreement continues to be grossly unfair to the vast majority of states. In 1986, only 11 cities received 80% of the funds collected from all motorists through the penny of gasoline taxes that is dedicated by law to transit programs. Since 1984, over $3.4 billion collected from motorists in fuel taxes has been authorized for transit programs. Because these funds have not been distributed to all states by formula, this revenue has not been distributed equitably. Under this legislation, Los Angeles alone would receive 14% of the fuel taxes paid by all motorists for a project which is not completely designed and for which the environmental review process is incomplete. The initial cost of this project is approximately $300 million per mile.

I am committed to expeditious enactment of authorization legislation and will do everything reasonably within my power to ensure that funds will be available for use during the impending construction season. Legislation can be enacted quickly that would provide a fairer distribution of gas tax receipts, with more highway money going to states through regular program formula distribution. Similarly in the transit program we can address our transit needs, while distributing gas tax receipts on a more equitable basis and reducing the burden on the General Fund.

Never before in our history has a President been compelled to veto a highway reauthorization bill. But never before has such legislation so diminished the prerogatives of the states and so jeopardized the program. Transportation is too essential to us all to permit such a cavalier attitute in setting a 5-year transportation policy which sacrifices national goals.

With warmest regards,

Sincerely,

ELIZABETH HANFORD DOLE.

Mr. DOLE. Mr. President, I think some have made this a test of loyalty on each side. So the argument that it is a test of loyalty on one side and not the other is probably not accurate. We are not talking about jobs. We are ready to pass the highway bill. We were ready last year and were ready this year. It is not the fault of anybody I know on this side that we did not have the bill here a month ago or 6 weeks ago or even last year.

Mr. President, I would hope we could sustain the veto and pass another bill as quickly as we can.

I share the view of the majority leader about jobs. We do not want anybody to lose their job. But neither do we want a "Dial-a-project" mentality around here where for everyone in Congress adds one and votes to override.

The PRESIDING OFFICER. All time has expired. The question is, Shall the bill pass, the objection of the President of the United States notwithstanding? The yeas and nays are mandatory. The clerk will call the roll.

The legislative clerk called the roll.

The VICE PRESIDENT. Are there any other Senators in the Chamber desiring to vote?

The yeas and nays resulted—yeas 65, nays 35, as follows:

[Rollcall Vote No. 51 Leg.]

YEAS—65

Adams	Exon	Mikulski
Baucus	Ford	Mitchell
Bentsen	Fowler	Moynihan
Biden	Glenn	Nunn
Bingaman	Gore	Pell
Bond	Graham	Pressler
Boren	Harkin	Proxmire
Bradley	Hecht	Pryor
Breaux	Heflin	Reid
Bumpers	Heinz	Riegle
Burdick	Hollings	Rockefeller
Chiles	Inouye	Sarbanes
Cochran	Johnston	Sasser
Conrad	Kennedy	Shelby
Cranston	Kerry	Simon
D'Amato	Lautenberg	Specter
Danforth	Leahy	Stennis
Daschle	Levin	Symms
DeConcini	Matsunaga	Weicker
Dixon	McConnell	Wilson
Dodd	Melcher	Wirth
Durenberger	Metzenbaum	

NAYS—35

Armstrong	Hatfield	Quayle
Boschwitz	Helms	Roth
Byrd	Humphrey	Rudman
Chafee	Karnes	Sanford
Cohen	Kassebaum	Simpson
Dole	Kasten	Stafford
Domenici	Lugar	Stevens
Evans	McCain	Thurmond
Garn	McClure	Trible
Gramm	Murkowski	Wallop
Grassley	Nickles	Warner
Hatch	Packwood	

The VICE PRESIDENT. On this vote, the yeas are 65, the nays are 35. Two-thirds of the Senators present and voting not having voted in the affirmative, the bill, on reconsideration, fails to pass over the President's veto.

Mr. BYRD. Mr. President, I qualify, having voted for the prevailing side. I move to reconsider the vote.

Mr. DOLE. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. MOYNIHAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. FOWLER). Without objection, it is so ordered.

The question is on the motion to reconsider.

Mr. BYRD. Mr. President, may we have order in the Senate?

The motion before the Senate is the motion to reconsider, is it not?

The PRESIDING OFFICER. The majority leader is correct.

Mr. BYRD. Well, that is a debatable motion. Oh, no, it is not, because of the time limit on the underlying vote.

The PRESIDING OFFICER. The Chair states that the motion is not debatable.

Mr. BYRD. Yes, because we had entered into a time agreement.

Mr. President, I ask unanimous consent that the motion be debatable.

The PRESIDING OFFICER. Is there objection?

Mr. DOLE. Mr. President, reserving the right to object, I would be willing if there were 20 minutes or 10 minutes on a side.

Mr. BYRD. Mr. President, I ask unanimous consent that there be 2½ hours on a side.

The PRESIDING OFFICER. The Chair does not understand the majority leader.

Will the majority leader repeat his request?

Mr. BYRD. My request was that there be 5 hours for debate to be equally divided.

The PRESIDING OFFICER. Is there objection?

Mr. DOLE. Mr. President, I object.

The PRESIDING OFFICER. There is an objection. Objection is heard.

Mr. DOLE. Mr. President, will the majority leader yield?

Mr. BYRD. Yes.

Mr. DOLE. Mr. President I would be very happy to work out some reasonable debate time with the majority leader because I know there are Senators moving around this town and some may have logistical problems right now. But we would like to complete action. I wish we would have completed action a few moments ago. We would like to have some reasonable agreement. I wonder if the majority leader would object if we continued the quorum and maybe the two of us could visit about it?

Mr. BYRD. Very well.

Mr. CHAFEE. Mr. President, I do not understand why we are going through this. The majority leader yesterday was extemely anxious to vote

quickly and we set it down and we had a vote.

Now there is a discussion of a lengthy discussion further of this measure which everyone knows backwards and forwards.

There is not a single vote going to be changed in further discussion except inconveniencing people who might be going hither or yon, and the matter was set down for a time certain at 11 o'clock. Now it has gone 45 minutes beyond it. I cannot see why. The matter has been disposed of. He has a right to have a reconsideration. So be it.

But I would object to any lengthy discussions such as was further suggested. I am not sure where we are parliamentarywise.

The PRESIDING OFFICER. The majority leader has the floor based on his unanimous-consent request.

Mr. BYRD. The matter is not debatable. If we want to continue this discussion at least 2 or 3 minutes I ask unanimous consent that there be 2 minutes to the side.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. RIEGLE. Mr. President, will the majority leader yield a moment?

Mr. BYRD. Does the Republican leader wish to have the floor?

Mr. DOLE. I was going to take the 2 minutes.

I am happy to yield.

Mr. BYRD. Yes, I yield 1 minute to the Senator from Michigan.

Mr. RIEGLE. I thank the Senator for yielding.

I want to take issue with the comments of the Senator from Rhode Island because nothing has been settled because we do not have a highway program now because the veto, at least in this initial vote, has been sustained. We do not have a highway program. We have projects all across this country that need to move ahead. We have not had one and we do not have one now. So nothing has been resolved.

The notion that something has been settled is not true. The people of the country I think are deserving of having action that produces a result and the action that was just here now is to prevent anything from happening. So it does not solve any problems.

I yield back the remainder of my time.

Mr. BYRD. I thank the Senator.

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The Senator from Kansas, Mr. DOLE.

Mr. DOLE. Mr. President, everyone knew this was going to be a very close vote and it turned out to be fairly close. In my view it is over. We won fair and square. The vote has been taken.

I would hope that we could move on in trying to get another highway bill passed. We understand that maybe one or two of our Members will not be back for 3 or 4 hours. They did not vote with us. We do not have any incentive to wait 3 or 4 hours for them to return.

I certainly want to be reasonable and I know the majority leader has always been reasonable. We had a rather difficult, tense time over this particular vote, and the vote was the veto was sustained.

As I understand, we could agree to the motion to reconsider and vote again on the same issue. I am not certain what would change in that time.

I do not really see any reason for any additional debate. So I would object to any additional time for debate.

Mr. BYRD. Mr. President, do I have any time remaining?

The PRESIDING OFFICER. The majority leader has 1 minute and 18 seconds remaining.

Mr. BYRD. Mr. President, I hope that Senators will allow us to debate. We can wait until later, but I would just as soon use the time for debating this matter. The American people are being shafted by this vote. It is jobs that are at stake. That is what it is. It is jobs. It is highways and bridges and mass transit moneys that we lost.

Mr. CHAFEE. We had a vote.

Mr. BYRD. We did, but the Senator knows the rules. We can have another vote and we may lose again on the next one, but it is the American people who will really lose. We do not have a highway bill and that highway bill is not going to be revived in 1 day or 1 week or 2 weeks or 3 weeks and meanwhile the construction season is slipping away, time is running.

Mr. President, I do not want to have to move to adjourn for a few hours or until tomorrow so I hope that we will get a time agreement for debate on this matter.

I ask unanimous consent, Mr. President, that there be——

The PRESIDING OFFICER. The Senate will be in order.

Mr. BYRD. I ask unanimous consent that there be—we can either have 3 hours to the side or we can go over until tomorrow and start over.

I ask unanimous consent that there be not to exceed 3 hours to the side for debate. Will that be agreeable?

Mr. DOLE. I am afraid not. Let me say to the distinguished majority leader that I am hearing——

The PRESIDING OFFICER. Is there objection?

Mr. DOLE. I hear a lot of voices say "I am going to object." I would rather they do it through me. I am advised there will be objection, at least one or two. Maybe the only alternative would be what the majority leader suggested earlier, have a vote on the motion to adjourn, I suppose.

Mr. BYRD. We could do that, but I would rather spend the time telling the American people what is at stake a little longer, hoping that Senators might be persuaded by the people out there, the constitutents whose votes count.

Mr. METZENBAUM. Mr. President, will the minority leader yield for a question?

Mr. BOSCHWITZ. Regular order.

Mr. DOLE. If I have time I will be happy to yield.

The PRESIDING OFFICER. The Senator is right. The Senate is not in order.

Mr. BOSCHWITZ. Regular order, Mr. President.

The PRESIDING OFFICER. Regular order will be maintained.

The majority leader has 47 seconds remaining. Senators please take their seats.

Mr. BYRD. Mr. President, I am going to suggest the absence of a quorum. I hope that there will be some time for debate on this motion to reconsider. If there is, it will have to be done by unanimous consent. I hope we can spend the time debating rather than in being out of session.

Does the Republican leader wish me to yield to him before I suggest the absence of a quorum?

Mr. DOLE. No.

Mr. BYRD. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

(During the quorum call the Chair was occupied by Senators DIXON, PRYOR, and BREAUX.)

Mr. BYRD. Mr. President, I ask unanimous consent that the call for the quorum be rescinded.

The PRESIDING OFFICER (Mr. ADAMS). Without objection, it is so ordered.

Mr. DOLE addressed the Chair.

Mr. BYRD addressed the Chair.

The PRESIDING OFFICER. The Senator from West Virginia, the majority leader, is recognized.

Mr. BYRD. Mr. President, I ask unanimous consent that there be a time for debate on the motion to reconsider 20 minutes, 10 to the side.

The PRESIDING OFFICER. Is there objection?

Mr. DOLE. Mr. President, reserving the right to object, and I will not object, I did want to indicate, since I believe the matter has been resolved, that I may make some motions at the end of the debate on the motion to reconsider, a motion to postpone indefinitely, or a time certain, but I have no objection to the request.

Mr. BYRD. Mr. President, every Senator is within his rights, of course, and we will just proceed precisely by the rules of the Senate. I think we have to proceed from that standpoint.

Mr. DOLE. I have no objection.

The PRESIDING OFFICER. Hearing no objection, it is so ordered. Who yields time?

Mr. BYRD. Mr. President, I yield 10 minutes to the Senator from North Carolina.

Mr. President, before I yield those 10 minutes, however, let me say that I hope we can get on with the motion to reconsider after 20 minutes, and if that is the case there would be the vote on the motion to reconsider. And then the vote would occur on the motion to reconsider. If that vote carries, then the Senate will be back on the override of the President's veto. I yield 10 minutes or whatever time within that 10 minutes the distinguished Senator from North Carolina [Mr. SANFORD] would require. And may we have order in the Senate.

The PRESIDING OFFICER. The Senate will be in order. The Senator from North Carolina.

Mr. SANFORD. Mr. President, since the vote this morning, I have talked to and been talked to by a number of Senators, including Republican Senators, who make the point that somehow we need to find a way to get this bill back on the track, to begin construction of highways across the Nation. There is a feeling that maybe there is a better way than what we did today, if we can reconsider it. In talking to my colleagues and in listening to them, I have decided that I will, when the vote is called, vote to reconsider, for four reasons.

First of all, I think it was very important, from my point of view, to vote on the veto this morning the way I had said I would vote. A number of people were relying on my word, and I felt I had no choice but to carry out my word. I had made commitments to people in North Carolina; and while I had not specifically made commitments to people in Washington, certainly people in Washington had relied on my statement, and I felt that I was compelled to live up to it.

Now, in talking to others, I decided we ought to—and I have—think a little more deeply about the implications of this veto override. This became a vote to support the President, and it was presented in that way mostly, but not entirely, to those of this body who were on the Republican side. I think it was quite right that the President and the White House put great stock in this vote.

The President needed to make a point, the White House thought, that he is still effective. He has indeed now made that point, and in view of that accomplishment, I think it is worth looking one more time at what is before us. The President made his point in a very effective way. He made it showing strength; he made it showing that he had the spunk and the will and the capacity to get things moving again; and I, for one, am glad that he did. I am glad that he had that victory. I am glad because I think we need a strong, effective President, and I want our President to be effective. I want him to be effective as we look now at the great problems this Nation continues to face.

So I am not sorry at all that I had a hand in making that possible. However, having done that, we must ask ourselves how we can show the kind of leadership the Nation needs? What must we do now? We have proved that the President is here to lead. We have proved that the President has the capacity. We have proved that the President is going to be an effective President for the rest of this term, if indeed that was the purpose of the vote; and whether or not that was the purpose, that aim has been achieved.

Now, the other reason I voted as I did was that I have been disturbed that North Carolina, over the years, has not received its fair share of Federal funds. It has been an issue in my State recently that North Carolina is at the bottom of the list in Federal funds returned to the States. Not only have we been at the bottom of the list generally, but for 30 years we have consistently, year in and year out contributed our highway tax dollars to other States. We have never been a recipient State. We have always been a donor State; and except for 2 years, our share has always been under 85 percent of what we contributed.

So I wanted to make that point, and I will come back to it. Second, as I reflected on my vote this morning, and after having listened to people who had voted on both sides of this question, I began to think of my responsibility and my position, not just as a Senator from North Carolina, but as a U.S. Senator. As was contemplated by the Founding Fathers who drew the Constitution, the Senate, of course, was to represent individual States, but it was to be a body that was to have both a national and an international outlook.

Consequently, I began to evaluate very carefully and consider what I already knew: that without a highway bill our unemployment problems and the problems of delayed construction that will indeed cause additional unemployment and will only worsen, I don't believe the President wants that to happen. I for one certainly do not want this to happen.

I know something about unemployment. I know something about unemployment in North Carolina, where, because of what I consider a faulty textile policy, we have unemployment, and the suffering and disruption of families that goes with it. I take very seriously our responsibility to maintain a strong economy and to be concerned with unemployment. I think there is not any question that we need now, on reconsideration, to think very seriously about the impact of unemployment, the impact of not getting started before time runs out for construction to get under way.

Having made an important statement about the Presidency I think we need to make an equally strong statement about these thousands and thousands of working people and their families all across the Nation. What about them, and what does this do to them? If this is not quite as good a bill as it ought to have been, is it good enough, measured against the costs to these families if we do not now concern ourselves with them? So I want us to reconsider so that we can think again about those people and their families.

Third, I come back to North Carolina, because I do not intend to be here in this body and not be concerned about North Carolina. I do not intend to go along with those pieces of legislation that continue to leave North Carolina out. We are a big State; we are a growing State. We are the 10th largest. We have an excellent highway system, started in the early 1920's, when North Carolina was the first State in the Union to have a statewide highway bond issue to build roads all across the State, and our concern about having good roads has never diminished

So I intend to do all I can to see that North Carolina gets its fair share of funds. That was the point I wanted to make, and I think I have made it. I think it is understood now that I am not going to be here without continuing to make that point.

Finally, there is one other thing that disturbs me about this piece of legislation, which caused me to vote as I did. I think it is a shameful practice that people sitting in Congress decide highway projects and where those projects ought to be placed. Those priorities ought to be left to the professionals within the respective States.

In North Carolina, we do not permit the State legislature to make these decisions; there is no good reason they should be permitted to be made way up here in Washington.

So I will present legislation with sufficient details so that any one Senator can object if at any time, in any future highway construction bill, there is any special project authorized that ought in that Senator's view to be left to professional decisionmakers within the respective States.

So, with those four thoughts in mind, I think I have done my duty, Mr. President. I think I have kept my word. I think I have served my Nation.

With pressure from no one, but with the thoughtfulness that comes from listening to and considering carefully the views of others, I shall now vote to reconsider. The President, with the

help of this body, has indeed made the point that he is here to lead.

Unemployment does indeed also need our deep concern.

I have made my point about North Carolina, and I have made my point that this is no way to divide up highway money.

Accordingly, I hope my colleagues will understand that I am doing my duty as I see it when I now announce that I will vote to reconsider.

Thank you.

The PRESIDING OFFICER. The Senator's time has expired.

The Senator from Vermont.

Mr. STAFFORD. Mr. President, how much time remains to the minority side?

The PRESIDING OFFICER. The Senator from Vermont has the full time, which was 10 minutes.

Mr. STAFFORD. Mr. President, it is the understanding of the Senator from Vermont that the Republican leader wishes to consume this time, and I expect momentarily he will be back on the floor of the Senate to do so.

Mr. BYRD. Mr. President, I ask unanimous consent that the time of the distinguished Republican leader not run.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The Senate will be in order.

The Senator from Kansas, the minority leader, is recognized.

Mr. DOLE. Mr. President, as I understand the time situation this side has 10 minutes and the 10 minutes on that side have been used. Is that correct?

Mr. BYRD. Yes.

The PRESIDING OFFICER. The Senator is correct.

Mr. DOLE. I am only going to take about 5 minutes, but I would like that 5 minutes to start in 5 minutes, if there is no objection.

The PRESIDING OFFICER. Is there objection?

Mr. BYRD. No objection. That is fine.

The PRESIDING OFFICER. I understand the minority leader has requested that he would like 5 minutes and start in 5 minutes; is that correct?

Mr. DOLE. I am not certain why.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Republican leader is notified that the 5 minutes have elapsed.

Mr. DOLE. Mr. President, I thank the Presiding Officer.

The PRESIDING OFFICER. The Senator from Kansas.

Mr. DOLE. Mr. President, let me indicate that I have no quarrel with my friend, the Senator from North Carolina. I know the immense pressure that he was getting. I could see. I witnessed a lot of the pressures. And I do not second-guess why people vote or change their minds. Others may change their mind before the day is over.

But this is a very important issue. I think it is clear now that in this case party loyalty is important, as it should be. It was 13 Republicans to 1 Democrat voting against their party. Now it is 13 to 0.

I am still trying to encourage some on my side that this is not a partisan issue—that it is a question of whether or not the President of the United States can have his veto sustained.

Now I can direct my remarks solely to the Republican side, because there are 46 of us and we only need 34. And I do not quarrel with anyone on the other side. I have the highest regard for everyone on the other side.

But I am not yet convinced that we cannot find another vote on the Republican side. It seems to me that it was all over 4 hours ago by the vote, fair and square. The veto had been sustained. And I certainly do not quarrel with the distinguished majority leader for trying to turn that around, and maybe successfully.

But now we can get down to the nitty-gritty of loyalty and support for the President. And if there is going to be any, it is going to come from this side of the aisle. That is obvious.

Right now, the President is airborne. He is on his way back from Philadelphia. We may need his help when he touches down. He may not touch down for another hour.

Now that the shoe is on the other foot, we are not quite ready to vote, because I think I can calculate the vote. It looks like about 67 to 33 if we did it immediately, and it may be 67 to 33 if we would do it at 6 o'clock or 7 o'clock or 8 o'clock.

But hope springs eternal. And since we have won, although it may be short lived, when the time expires I will move to indefinitely postpone the motion to reconsider. I think it ought to carry and the results this morning ought to stand. I hope, in a spirit of bipartisanship, everyone will vote for the motion. I have some doubts that will happen, but it could happen.

Has the time expired?

The PRESIDING OFFICER. The Senator has a minute and 24 seconds.

Mr. DOLE. Let me yield that back.

The PRESIDING OFFICER. Time is yielded back.

Mr. DOLE. Then I move to postpone indefinitely the motion to reconsider.

Mr. BYRD. Mr. President, I move to lay that motion on the table and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question occurs on the motion to table the motion of the Senator from Kansas to indefinitely postpone. The vote occurs on the motion to table. The yeas and nays have been ordered and the clerk will call the roll.

The legislative clerk called the roll.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 61, nays 39, as follows:

[Rollcall Vote No. 52 Leg.]

YEAS—61

Adams	Ford	Mitchell
Baucus	Fowler	Moynihan
Bentsen	Glenn	Nunn
Biden	Gore	Pell
Bingaman	Graham	Pressler
Boren	Harkin	Proxmire
Bradley	Hecht	Pryor
Breaux	Heflin	Reid
Bumpers	Heinz	Riegle
Burdick	Hollings	Rockefeller
Byrd	Inouye	Sanford
Chiles	Johnston	Sarbanes
Conrad	Kennedy	Sasser
Cranston	Kerry	Shelby
Danforth	Lautenberg	Simon
Daschle	Leahy	Specter
DeConcini	Levin	Stennis
Dixon	Matsunaga	Weicker
Dodd	Melcher	Wirth
Durenberger	Metzenbaum	
Exon	Mikulski	

NAYS—39

Armstrong	Hatch	Packwood
Bond	Hatfield	Quayle
Boschwitz	Helms	Roth
Chafee	Humphrey	Rudman
Cochran	Karnes	Simpson
Cohen	Kassebaum	Stafford
D'Amato	Kasten	Stevens
Dole	Lugar	Symms
Domenici	McCain	Thurmond
Evans	McClure	Trible
Garn	McConnell	Wallop
Gramm	Murkowski	Warner
Grassley	Nickles	Wilson

So the motion to lay on the table the motion to indefinitely postpone was agreed to.

Mr. DOLE. Mr. President, I move to lay the motion to reconsider on the table. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table the motion to reconsider. The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

The PRESIDING OFFICER (Mr. GRAHAM). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 36, nays 64—as follows:

[Rollcall Vote No. 53 Leg.]

YEAS—36

Armstrong	Hatch	Packwood
Boschwitz	Hatfield	Quayle
Chafee	Helms	Roth
Cochran	Humphrey	Rudman
Cohen	Karnes	Simpson
D'Amato	Kassebaum	Stafford
Dole	Kasten	Stevens
Domenici	Lugar	Symms
Evans	McCain	Thurmond
Garn	McClure	Trible
Gramm	Murkowski	Wallop
Grassley	Nickles	Warner

NAYS—64

Adams	Ford	Mitchell
Baucus	Fowler	Moynihan
Bentsen	Glenn	Nunn
Biden	Gore	Pell
Bingaman	Graham	Pressler
Bond	Harkin	Proxmire
Boren	Hecht	Pryor
Bradley	Heflin	Reid
Breaux	Heinz	Riegle
Bumpers	Hollings	Rockefeller
Burdick	Inouye	Sanford
Byrd	Johnston	Sarbanes
Chiles	Kennedy	Sasser
Conrad	Kerry	Shelby
Cranston	Lautenberg	Simon
Danforth	Leahy	Specter
Daschle	Levin	Stennis
DeConcini	Matsunaga	Weicker
Dixon	McConnell	Wilson
Dodd	Melcher	Wirth
Durenberger	Metzenbaum	
Exon	Mikulski	

So the motion to lay on the table the motion to reconsider was rejected.

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The Republican leader.

Mr. DOLE. Mr. President, I move to postpone the vote on the motion to reconsider until 10 a.m. tomorrow, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. BYRD. Mr. President, I move to table that motion, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The clerk will call the roll on the motion to table the motion to delay consideration of the motion to reconsider until 10 a.m. tomorrow.

The bill clerk called the roll.

Mr. SIMPSON. I announce that the Senator from Wyoming [Mr. WALLOP], is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 62, nays 37, as follows:

[Rollcall Vote No. 54 Leg.]

YEAS—62

Adams	Exon	Mikulski
Baucus	Ford	Mitchell
Bentsen	Fowler	Moynihan
Biden	Glenn	Nunn
Bingaman	Gore	Pell
Bond	Graham	Pressler
Boren	Harkin	Proxmire
Bradley	Hecht	Pryor
Breaux	Heflin	Reid
Bumpers	Heinz	Riegle
Burdick	Hollings	Rockefeller
Byrd	Inouye	Sanford
Chiles	Johnston	Sarbanes
Conrad	Kennedy	Sasser
Cranston	Kerry	Shelby
Danforth	Lautenberg	Simon
Daschle	Leahy	Stennis
DeConcini	Levin	Weicker
Dixon	Matsunaga	Wilson
Dodd	Melcher	Wirth
Durenberger	Metzenbaum	

NAYS—37

Armstrong	Boschwitz	Chafee
Cochran	Humphrey	Roth
Cohen	Karnes	Rudman
D'Amato	Kassebaum	Simpson
Dole	Kasten	Specter
Domenici	Lugar	Stafford
Evans	McCain	Stevens
Garn	McClure	Symms
Gramm	McConnell	Thurmond
Grassley	Murkowski	Trible
Hatch	Nickles	Warner
Hatfield	Packwood	
Helms	Quayle	

NOT VOTING—1

Wallop

So the motion to table the motion to postpone the motion to reconsider until 10 a.m. tomorrow was agreed to.

Mr. DOLE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum has been suggested. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for quorum call be rescinded.

The PRESIDING OFFICER (Mr. BINGAMAN). Without objection, it is so ordered.

RESTORING RURAL PROSPERITY

Mr. BURDICK. Mr. President, the 1985 farm bill was a compromise conceived in controversy. Congress tried to write a bill that would achieve several different goals simultaneously. Two main purposes of the bill—to help family farmers caught in the squeeze between falling commodity prices and high debts, and to lower the prices of American farm commodities to make them more competitive in world markets—may in the long term be the same, but in the short term, they conflict.

The 1985 farm bill has helped some farmers. There is some cautious optimism again in my State. Yet, despite some positive aspects of the law, farmers have encountered problems that should be corrected. The law created new equities and added peculiar distortions to the market, when it should be making the market more fair and less uncertain. It has rewarded some farmers for bad decisions in the past, while penalizing others for good management. It has encouraged farmers to "farm for the government," growing surplus crops to qualify for more government payments, instead of encouraging farmers to make prudent economic decisions on what crops to plant and how to use their land. It has paid huge sums to big corporate farms and investors, while hard-working farm families still struggle to make a living. And it failed to deal with critical credit problems that still face many farm families who are trying to keep their farms.

The law also falls short of restoring prosperity in rural America. Net income per North Dakota farm in 1984 was less than half the 1974 figure, and yet, gross income more than doubled. In other words, farmers in my State are working twice as hard for one-half the income. Meanwhile farm debt increased, as did the average ratio of debts to equity.

I am sympathetic to farmers who have contacted me to urge that Congress not change the 1985 farm bill. They say we should leave the programs alone so farmers can plan their operations for the future. They fear Congress will do more harm than good if the law is reconsidered. I understand their frustration, and I share their fear.

However, it seems likely that changes in the law will be considered. Several changes have been proposed. I believe it is in the best interest of American agriculture that a full range of options be reviewed. Despite the law's success in some areas, it still falls short of our goals in others.

Mr. President, for my part, I am concerned that American farmers are becoming captives to the caprices of politicians and bureaucrats. Farmers need a program based on common sense, one with flexibility so that it can adjust to changes in the world economy, one that compensates for the uncertainty of the market.

Our programs should be simple, clear, and fair. They should be less costly and more targeted than current law. They also should offer price supports that more realistically reflect the cost of production on family farms.

I plan soon to introduce a farm package that will correct some of the shortcomings of the 1985 farm bill. It will maintain income support for farm families while allowing our grain prices for export to adjust to competitive levels in world markets. These are the key elements of my package:

A marketing loan for wheat, corn, soybean, and sunflower that would target support to family-sized farms, and as a byproduct of the loan limit, discourage over production.

A resolution calling upon the Secretary of Agriculture to propose to the other major grain exporting nations that we begin negotiations on an agreement to establish market shares and limit agriculture production in our countries.

A bill requiring that all food imports to the United States be labeled to identify them as imported and to indicate their country of origin.

A bill to require that the Commodity Credit Corporation pay rates for the storage of grain on farms that are no less than the rates the Corporation pays for storing grain in commercial storage facilities.

A bill to require that the Farmers Home Administration and the Farm Credit System cooperate in good faith

with State farm loan mediation programs. The bill also would require that FmHA allow borrowers facing an acceleration of their account to choose more than one servicing option, instead of the current practice of restricting borrowers to only one option. And the bill would require that FmHA offer a program of debt restructuring prior to acceleration or liquidation, including a write down of loans to the current assessed value of the real estate.

The marketing loan would be in effect for the 1988-92 crop years. The loan rates would be set at not less than 9 cents per pound for sunflower, $5 per bushel for wheat and soybean, and $3.50 per bushel for corn.

Farmers may repay the loan at the lesser of the loan rate, or the prevailing market price at the county. The loan would be targeted to family size farmers by capping the total amount in loans that any farmer could receive at $150,000.

To be eligible for loans, farmers would be required to have and carry out an approved conservation plan. They also would be required, if they desire support on wheat and corn, to participate in a set-aside program of 20 percent for corn and 25 percent for wheat, based on total tillable acres.

Farmers could produce more grain if they desired, but at their risk. It is my expectation that farmers may voluntarily decide not to produce beyond the volume that is eligible for loan.

This proposal meets my criteria for simplicity and realistic price-support levels. The program is targeted to family sized farmers who are the backbone of American agriculture.

Furthermore, the program would give farmers the freedom to make their own decisions on how to manage their farms. It ties benefits to actual production and does away with base and yield formulas that bedevil farmers, distort land values, and create inequities among farmers.

Mr. President, a great economic resource—America's family farms—is being neglected. Despite the efforts in 1985 to shape the farm bill that would assist farmers through the changes in agriculture, the financial hardships have not ended. The true potential of our Nation's vast economic strength cannot be fully realized if such a fundamental segment of our economy as agriculture continues to suffer. North Dakota last summer experienced an 8.8-percent fall in personal income, the biggest drop in the Nation. The troubles in the farm economy are to blame.

As we consider the many farm proposals before us this year, I hope we will put aside our partisan and ideological differences and work together on a farm policy that is more than just compromise, but a real attempt to restore prosperity in rural America.

ELK POINT AND VERMILLION HIGH SCHOOL STUDENTS FIGHT AGAINST DRUGS

Mr. DASCHLE. Mr. President, I am pleased today to recognize the efforts of a group of enterprising high school students who seized the initiative on the fight against drugs. Student council leaders from Elk Point and Vermillion High Schools in South Dakota organized a four-State leadership seminar which involved 27 school districts and featured methods of combating drug abuse. The efforts of these fine young men and women should be commended and serve as an example of what can be accomplished with hard work and enthusiasm.

The Student Council Leadership Conference on Chemical Abuse Prevention took place in February 1987 on the campus of the University of South Dakota. Student leaders from South Dakota, Nebraska, Iowa, and Minnesota participated in this seminar, which included large group activities, video-tape presentations, a panel discussion headed by reformed teenage drug abusers, and smaller lectures aimed at specific goals. The conference proceeded smoothly and successfully, much to the credit of the students from Vermillion and Elk Point High Schools, who spent almost a year planning the event.

I would like to recognize the students and faculty who were responsible for organizing this conference.

Dennis Jensen, the superintendent of the Elk Point Public Schools, should be commended for lending support to this admirable effort. His encouragement was instrumental in the success of the conference. In addition, Carol Homandberg of the Southeast Area Drug Prevention Resource Center helped plan the event and contacted many of the key speakers and lecturers.

I would especially like to commend the student leaders who organized this conference. Their willingness to take on additional work and their enthusiasm for such a noble purpose merit our acknowledgement.

From Elk Point High School, the following student council leaders were involved in the project: Michelle Cody, Lori Kooiman, Dana Abraham, Tony Klein, Mark Skinner, Chad Teply, Erica Klein, Larry Schmitz, Greg LaBrune, Renae Rosenbaum, and Eric Abraham.

From Vermillion High School, these student council leaders were involved: Jill Anderson, Nicole Levison, Carol Voss, Kitty Bartels, Troy Gregoire, Deb Miller, Keith Mockler, Desha Bymers, Peggy Whittmeier, Marshall Lavin, Todd Schott, D.J. Peterson, Jill Miller, and Angie O'Connor.

These students showed an extraordinary dedication to a very difficult task. Their hard work and commitment have contributed greatly to the prevention of drug abuse, and I applaud their efforts.

The seminar was a tremendous success for all 27 school districts involved, and planning has already begun for future conferences. I hope that other schools will launch similiar efforts to alert our children to the hazards of drug abuse. These students deserve our respect and recognition, and I am proud that such a worthy project was initiated in our South Dakota schools.

PIPELINE SAFETY ACT

Mr. DASCHLE. Mr. President, I rise to support the Pipeline Safety Act of 1987, introduced by Mr. DURENBERGER of Minnesota. Like our neighbors in Minnesota, we in South Dakota have experienced extremely dangerous petroleum spills in South Dakota and have discovered that existing Federal regulation is woefully inadequate to detect, prevent, and correct such spills. The amendments to the Hazardous Liquid Pipeline Safety Act being proposed today will go a long way toward strengthening existing law and preventing future hazardous waste discharges from our Nation's pipelines.

My interest in this issue was heightened by a recent tragedy in my home State of South Dakota. Last September it was disclosed that at least 20,000 gallons of gasoline had slowly leaked from an above-ground petroleum storage tank in Sioux Falls, SD. That spill was not discovered until the underground water table was completely contaminated and gasoline fumes infiltrated the Hayward Elementary School to the point where school children, were evacuated immediately and the building was permanently condemned.

A second spill of 8,000 gallons of petroleum was reported on March 11, 1987. That spill was the result of a burst pipe on the same tank farm in Sioux Falls. This spill immediately soaked into the ground and was floating on top of the underground water source within a day. The gasoline is reported to be moving toward a nearby housing development and may eventually force the relocation of 100 or more families. It is not yet clear whether water in this aquifer can be used by Sioux Falls residents in the foreseeable future.

When local officials sought assistance from the Federal Government in the wake of the spills, they were told that there was very little the Federal Government could have done to prevent the burst pipe, under existing statutory authority. Moreover, the Environmental Protection Agency and the U.S. Department of Transportation have indicated that they do not have the authority to oversee the cleanup of the above-ground storage tank. It is clear that we need to

strengthen our laws to ensure that these dangerous petroleum discharges can be prevented, detected, and controlled before people and the environment are endangered.

I am currently in the process of drafting legislation which will regulate above-ground petroleum storage tanks in exactly the same manner as underground tanks are currently regulated. In addition to my proposed legislation dealing with storage tanks, I urge my colleagues to support this legislation to strengthen laws regulating pipelines transporting petroleum and other hazardous materials.

If any of my colleagues doubt the need for regulation of petroleum pipelines, I would like to invite them to come with me to Sioux Falls. Because of the storage tank spill and the pipeline rupture, we now face the unpleasant prospect of busing our children to distant schools, helplessly watching local property values plummet, and living with a contaminated water supply for some time to come. Had this legislation been in force, we might very well have prevented this tragedy.

This legislation is a responsible means to ensure that our environment and our people are spared the damaging affects of discharges from pipelines carrying hazardous liquids. Among other things, it requires the Department of Transportation to set up performance standards for new pipelines, and requires stringent testing of existing piping every 3 years. It also requires that operators clean up any spills, maintain insurance to pay for the cleanup of any release, and compensate any third parties that experience physical or financial harm as a result of a pipeline discharge.

There are those who will say that we don't need more Government regulation of above-ground storage tanks and hazardous liquid pipelines. I will grant you that even the most responsible regulation can be a bit of a nuisance for the petroleum industry. But the legislation Senator DURENBERGER proposes today and the bill I plan to introduce very soon to regulate petroleum storage tanks will not be affronts to the many petroleum suppliers that minimize accidents with their own "in-house" prevention and detection procedures. I maintain that the protection of our environment and maintenance of the health and safety of our people outweigh any arguments put forth by those few suppliers who fear public oversight of their operations.

Mr. President, we have been lucky in South Dakota in that nobody has become seriously ill from inhaling gasoline fumes or from drinking contaminated water as a result of the petroleum spills we have experienced in the last few months. Future Americans may not be so lucky if we do not institute a comprehensive policy to avoid these types of spills. With the passage of the Pipeline Safety Act and legislation to regulate above-ground petroleum storage tanks, we can take steps to ensure that our environment is preserved for future generations of Americans and that our people are protected from the dangerous effects of hazardous material spills. I hope my colleagues will join us in that effort.

DAVID HAASE, SOUTH DAKOTA VOICE OF DEMOCRACY SPEECH WINNER

Mr. DASCHLE. Mr. President, I would like to share with my colleagues an enlightening speech that a young man from my home State of South Dakota presented in the Voice of Democracy speech contest. The author, David Haase of Scotland, SD, is the South Dakota Voice of Democracy speech winner.

I am very proud of this young man. He has written an inspiring speech that asks us all to reflect upon our commitment and dedication to our gift of American citizenship. He honors our veterans and challenges his peers. I look to the future with excitement and pride knowing that young people like David care and, if I may borrow David's words, think of America not only as their country, but as their home.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

THE CHALLENGE OF AMERICAN CITIZENSHIP

One person I will never forget is an all state football player that taught me the true meaning of the word challenge. This guy was six foot three inches tall, 235 pounds, and was offensive tackle for an opposing team. This was the man I was going to compete against all night. If I was to do my job, it was going to require concentration, an attitude that wanted to succeed, and a physical effort like none before. To do my job in that game was a challenge.

When I first thought of the challenge of American citizenship, I questioned what a challenge really was. I consulted a Webster dictionary on this matter, and it told me that a challenge was anything that claims or demands effort, interest, or feeling.

I could easily see where playing against an excellent player in football was a challenge, but I couldn't quite make the connection between being an American citizen and facing a challenge. History is the best teacher, so I began to think what challenges were encountered since the conception of our nation.

Thomas Jefferson overcame the challenge of justifying America's independence from England and did so in such a eloquent manner that the pattern for the Declaration of Independence was and is being used by countless other countries in their own Declarations.

George Washington, during the revolutionary war, overcame the tremendous odds of fighting a war where his enemy had all the advantages. The advantages of many supplies, trained men, and experienced leadership for the British all counted against the success of this young general. He also overcame the challenge of having no example to follow in his role of President, but through his sincerity and foresight he laid the groundwork for the actions of presidents to come.

Abraham Lincon gives us probably the best example of facing up to a challenge and overcoming it. He preserved the union of the United States during the Civil War and conducted a bitter war without becoming bitter himself. President Lincoln shows us one of the greatest qualities needed when facing a challenge, and that is you must care about the outcome. He cared that the union stayed together, and he acted upon that by never giving up in his belief that the North would prevail and thereby preserve unity.

No group of people do we owe so much to as we do the the thousands upon thousands of veterans of our armed forces. The veterans are the perfect example of transforming thoughts and beliefs into actions. These people gave their time, their efforts, their ideas, their health, and some, even their lives just so we could keep those freedoms of which we are so proud of and that our forefathers fought so hard to gain.

What I have learned from my study of challenges throughout time is that no matter what the odds are against me, I must care enough to keep this country and its ideals alive. But caring is not enough. I must protect the freedoms given to me by my American citizenship by practicing those freedoms. The veterans of the United States armed forces did not give their lives so we might just sit back and let our indifference tranquilize us into thinking that our future is paid for because of past accomplishments. Just as a muscle in a cast degenerates from lack of use, rights and freedoms given to us, if not exercised and taken advantage of, will begin to weaken and eventually disappear. Thomas Jefferson did not sit back and hope the English would understand our country's need for independence; instead he put his idea in writing so all people might understand. George Washington did not give up when he suffered his first defeat; instead he dug in his heels and led the colonial forces on to victory. Many more examples can be given, but there are three qualities that link all people that overcome challenges together, and those are: each person cared, each person made a decision or commitment, and each person acted upon his decision or commitment without looking back.

The challenge of American citizenship for me is to keep America what it was meant to be; a place where anything is possible, a place where the rights of all people to life, liberty, and the pursuit of happiness are guaranteed, and a place that is not only a country, but a home.

SENATOR EDWARD ZORINSKY

Mr. INOUYE. Mr. President, I join my colleagues in paying special tribute to a committed public servant. The sudden passing of Edward Zorinsky has left a void in the hearts of those who knew him. As a native Nebraskan, Ed began his distinguished political career as the mayor of Omaha. He relied on his inborn common sense, placing the interests of the people of Nebraska and the Nation above partisan politics.

Ed Zorinsky was a vigorous advocate of the American farmer. His com-

mendable efforts included the expansion of credit for needy farmers, and the electrification of rural America. Ed's perseverance was instrumental to the passage of the last two farm bills.

Ed Zorinsky was also a dedicated member of the Foreign Relations Committee where he carried out his responsibilities with compassion and integrity. His reliance on common sense enabled him to get to the heart of difficult foreign relations matters with ease.

We must not forget the vitality and conviction Ed Zorinsky displayed throughout his tenure in the U.S. Senate. Harry S. Truman once remarked, "The American people desire, and are determined to work for, a world in which all nations and all people are free to govern themselves as they see fit and to achieve a decent and satisfying life." This epitomized Ed Zorinsky.

Ed left an unfinished agenda which we should carry on. This will enable us to keep his memory vibrant in the Halls of Congress. I offer my warm prayers and aloha to Ed's wife Cece and their children.

NUCLEAR AGE SURVIVAL REQUIRES BOTH ARMS CONTROL AND DETERRENCE

Mr. PROXMIRE. Mr. President, do we live in the most dangerous period in the history of mankind on Earth? Certainly. Never before has man had within his capability the power to destroy all civilization and very possibly end the life of mankind as a species on this planet. Think of it: With every day that passes both superpowers continue to add to their already obscenely massive nuclear arsenals. With each passing month the United Kingdom, France, and China build up their smaller but immensely lethal stockpile of nuclear weapons. These United Kingdom, French, and Chinese weapons could already eliminate tens of millions of people from the Earth in a matter of hours. And with every day that passes other countries move toward building their nuclear weapon capability. There is Israel. There is Pakistan. There is India. There is Brazil. There is Argentina. Each of these countries have or will have in time—and a very short time—their own nuclear weapons. As the research and development and especially the testing of nuclear weapons proceeds in the great laboratories of the superpowers smaller, cheaper nuclear weapons will be coming on made to order for the Third World countries. Some of those countries are looking for the "equalizer" that will enable them to take out the capital of a superpower and deal them in as a power that must be recognized and negotiated with.

It has been 7 years since the United States and the Soviet Union last negotiated any kind of an arms control agreement. Meanwhile one crucial arms control agreement—the second Strategic Arms Limitation Treaty [SALT II] has lapsed. And with its death we have lost any significant limitation on offensive nuclear arms by either superpower. The other major arms control agreement between the United States and the Soviet Union: the Anti-Ballistic Missile [ABM] Treaty has become the prime intended victim of the American administration's No. 1 military priority, the strategic defense initiative [SDI]. If this country proceeds as the administration is urging it to do with SDI, the ABM Treaty will be dead.

So arms control is not just stalled. It is worse. Much worse. The superpowers have been giving up the modest but critical progress of the past 25 years. The nuclear arms race has moved relentlessly ahead. Arms control has faded. In these dangerous circumstances. Where do we go from here? One wise and thoughtful answer comes from a former Secretary of Defense. Writing in the March 1987 edition of Arms Control Today Robert McNamara proposes that arms control should aim at "a state of mutual deterrence at the lowest levels consistent with stability." In the judgment of this Senator Secretary McNamara is exactly right. Arms control should have two objectives that both contradict and reinforce each other. First we should negotiate agreements to restrict the super power nuclear arsenals to the most stable weapon systems. That is nuclear weapons that are as survivable as possible and therefore do not have to be fired first because of a "use it or lose it" fear. Their survivability is crucial. It is the survivability of these weapons that provides the strongest kind of credibility to enhance deterrence.

For example both adversaries know that the prospect for eliminating all or even most of a substantial fleet of submarines or bombers in a preemptive attack is virtually nil. Even land based single warhead missiles could be highly survivable provided they were mobile. Mobility provides the kind of survival that SDI purports to provide but can't possibly deliver.

The second objective of arms control proposed by Secretary McNamara is a reduction in the number of nuclear missiles in the arsenals of both superpowers. Mr. McNamara wisely makes this objective one that must be consistent with stability—that means survivability. Both powers must maintain a sufficient number of sea, air and land based nuclear weapons so that the adversary will in fact be deterred. With full use of mobility and a triad deployment—that is land, sea, and air deterrence could be maintained at far lower levels than each superpower carries now in its nuclear arsenal. As McNamara points out the aborted negotiations at Reykjavik for substantial reductions in strategic offensive forces suggest an important part of the way to go.

The leader of each of the superpowers has suggested the tempting, tantalizing pie-in-the-sky dream of abolishing all nuclear weapons from the face of the Earth. Unfortunately the whole course of human history teaches us that realistically this can only happen under two terrible conditions. Condition one is that the superpowers develop even more deadly weapons—for example an antimatter bomb with infinitely more devastating destructive power than our current nuclear weapons. Such new weapons would make nuclear weapons obsolete the way gun powder eliminated cross bows. Condition two for the elimination of nuclear weapons is a nuclear war that would destroy civilization utterly to the point where the few primitive survivors could not understand or fabricate nuclear weapons.

The honest and realistic way to go is to acknowledge that nuclear weapons are here. They cannot and will not be disinvented. Therefore we must not only have arms control to limit the nuclear arsenals on both sides, but we must have nuclear weapons of sufficient credibility—and that means survivability—that neither superpower will initiate a strike with the firm knowledge that such a strike would surely bring mutual suicide.

Mr. President, I ask unanimous consent that the article to which I have referred from the March 1987 issue of Arms Control Today be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From Arms Control Today, March 1987]

REYKJAVIK: BREAKTHROUGH OR BLUNDER?

(By Robert S. McNamara)

The arms talks now under way between the United States and the Soviet Union represent an historic opportunity to move away from the ad hoc decision-making that has shaped nuclear forces since Albert Einstein sent his historic letter to President Roosevelt in 1939. Einstein warned Roosevelt it was essential the United States move quickly to develop the nuclear bomb. In the half century that has elapsed since the letter was written, the world's inventory of such weapons has increased from zero to 50,000. The two great power blocks, not yet able to avoid continuing political conflict and potential military confrontation, face each other with nuclear war-fighting strategies and nuclear arsenals capable of destroying civilization several times over. Despite that fact, the nuclear arms race continues to escalate.

In the tense atmosphere of a crisis, each side will feel pressure to delegate authority to field commanders to employ nuclear weapons. Under attack, field commanders will be faced with the choice of using their nuclear weapons or losing them. This same dilemma could be faced at the national level

even before attack. Because strategic nuclear forces and their complex command and control systems are perceived by some to be vulnerable to a preemptive attack, some will advocate the need to use strategic nuclear weapons before they are destroyed.

At the same time, the West has been unable to develop realistic plans for using its nuclear weapons against the Soviet Union. We simply cannot find ways actually to use nuclear weapons that would provide a clear military advantage while simultaneously avoiding escalation to an all-out nuclear war in which both sides would be catastrophically defeated. President Reagan has apparently recognized this stark reality by stating repeatedly that "a nuclear war cannot be won and must not be fought."

The risk that military conflict would quickly evolve into nuclear war, leading to certain destruction of our society, is far greater than I am willing to accept on military, political, or moral grounds. We must find a means to change course. This conviction appears to be shared by nearly all the world's leaders, including President Reagan and General Secretary Gorbachev. The problem, of course, is how to achieve this goal.

Because we lack a long-run plan to reverse course, and the will to implement such a plan, the number of weapons continues to multiply. Moreover, the actions both superpowers have taken in the past six or seven years have considerably weakened the existing arms control regime. Disputes over compliance with arms control agreements erode the integrity of the existing arms control framework. More importantly, the SDI program puts the United States on a collision course with the ABM Treaty, upon which the entire framework of arms control rests.

The superpowers now appear on the verge of an escalation of the arms race that will not only place weapons in space, thereby destroying the prospects of arms reductions, but will also seriously increase the risk that one or the other of the adversaries will be tempted to start a nuclear war in a crisis.

If all these trends continue over the coming decades, the danger of a global thermonuclear war could become a reality. It is the recognition of this danger that led the President and the Soviet General Secretary to propose at Reykjavik dramatic-solutions to the current dilemma.

FLAWED APPROACHES TO THE CURRENT DILEMMA

At the Reykjavik summit in 1986, General Secretary Gorbachev and President Reagan presented radically different approaches to the current nuclear dilemma. Gorbachev made a formal offer that would require both sides to eliminate their strategic nuclear weapons within a ten-year period. In his January 1986 proposal he called for the elimination of all nuclear weapons, strategic and tactical, by the year 2000. Gorbachev's proposal at Reykjavik hinges on a mutual commitment by both sides to abide by the ABM Treaty and thereby severely limit the development of strategic defenses.

President Reagan's approach at Reykjavik was based on the need to develop and deploy strategic defenses. In pursuit of that goal, the President sought to convert the unlimited-duration ABM Treaty, which clearly prohibits development and testing of all types of space-based ABM systems, to a totally different agreement that would permit these activities and terminate the treaty in 10 to 12 years to allow for full-scale deployment of a nationwide strategic defense system.

There is, however, a fundamental flaw in the approaches taken by President Reagan and Secretary Gorbachev.

Is a nuclear-free world desirable? I think it would be if it were attainable. However, NATO's current military strategy and war plans are based on the opposite premise. And many—I would say most—U.S. military and civilian officials, as well as European leaders, hold the view that nuclear weapons are a necessary deterrent to Soviet aggression with conventional forces.

A sensible criticism of Gorbachev's vision is not that it is undesirable, but that it is infeasible under foreseeable circumstances. Unless it becomes possible to develop technologies and procedures to detect steps toward building nuclear weapons by our adversaries, an agreement for total nuclear disarmament could degenerate into an unstable rearmament race. Despite the desirability of a world without nuclear weapons, an agreement to that end does not appear feasible either today or for the foreseeable future.

President Reagan's approach was initiated in March 1983. In the now-famous "Star Wars" speech, the President proposed his solution to the problem of security in the nuclear age: the Strategic Defense Initiative. The initial, stated goal of this vast program was to create an impenetrable shield to protect the entire nation against a missile attack. And at Reykjavik, the President was seeking to project his SDI approach, even at the cost of rejecting the possibility of deep and substantial reductions in both sides' strategic nuclear arms.

The result was predictable. There exists a radical incompatability between arms control agreements and President Reagan's dream of a strategic defense system. As I wrote more than two years ago in a Foreign Affairs article entitled "The President's Choice: Star Wars or Arms Control" with McGeorge Bundy, George Kennan and Gerard Smith, "It is possible to reach good [arms] agreements, or possible to insist on the Star Wars program as it stands, but wholly impossible to do both." Reykjavik has made abundantly clear that the Soviet Union will not agree to an arms control agreement that reduces its strategic forces unless and until it can get acceptable constraints on strategic defenses.

This is the logical position upon which the SALT process was based. And SALT was an American initiative. In November 1966, President Johnson and I first proposed to the Russians that we begin working toward limits on strategic forces. We spent a long day at Glassboro, New Jersey, in 1967 trying to persuade Premier Aleksei Kosygin that development of strategic defenses would fuel the arms competition and increase the danger of war, while constraining defenses would allow for limitations on and then reductions in offensive arms. Five years later, in the SALT I accords, President Nixon finally got Soviet agreement on this very same proposition.

Until there are inventions that have not yet been imagined, a defense robust and cheap enough to replace deterrence will remain a pipe dream. Given that harsh reality, President Reagan's claims that defensive forces are "morally preferable" to offensive forces and that we have a "moral obligation" to pursue them are dangerously deceptive, if not irresponsible. Mutual assured destruction—the vulnerability of both superpowers to the destructive power of the nuclear weapons of the other—is not a policy. It is a grim fact of life in the nuclear age. To have rejected offers at Reykjavik, which could open the door to historic breakthroughs in arms reductions, on the grounds that they would slow the development of SDI is tragically contrary to our security interests.

Those who have criticized the SALT approach because they say it did not achieve the desired goal of limitations in the Soviet Union's strategic offensive arms should look carefully and objectively at the kind of reductions in Soviet systems we might have achieved by simply upholding the ABM Treaty in Reykjavik.

THE CENTRAL THREAT TO ARMS CONTROL

The biggest threat to arms control on the horizon is the recent speculation that President Reagan may soon approve a plan for "early deployment" of SDI. Secretary of Defense Caspar Weinberger has justified this plan on the grounds that it would be the first phase of a thoroughly reliable defense, designed to protect the entire nation. Others will undoubtedly seek to justify this deployment on the grounds that a partially effective defense would introduce an element of uncertainty into Soviet attack plans and would thereby enhance deterrence.

Technical experts should argue the technological merits of the specific system under development. Suffice it to say that the kinds of weapons being proposed are the very kinds of technologies which have been rejected in the past because they simply cannot be deployed in a cost-effective and survivable manner. These technologies are not the ones that anyone can plausibly argue can be expected to change the fundamental offense-defense equation.

What such a deployment will do, however, is to confirm the existing Soviet suspicions that we are seeking to develop a first-strike capability. Why will the Soviets suspect that deployment of a partially effective defense supports a first-strike strategy? Because a leaky umbrella offers no protection in a downpour, but is quite useful in a drizzle. That is, such a defense would collapse under a full-scale Soviet first strike but might cope adequately with the depleted Soviet forces that survived a U.S. first-strike. President Reagan recognized this dilemma in a little-noted sentence in his March 1983 speech: "If paired with offensive systems, [defensive systems] can be viewed as fostering an aggressive policy, and no one wants that."

It would be foolhardy to dismiss as mere propaganda the Soviets' repeated warnings that deployment of even a partially effective defense would be highly provocative. Their promise to respond with a large offensive buildup is not an empty threat. In a letter to President Reagan on November 13, 1985, regarding Soviet compliance, Secretary of Defense Weinberger explained that we would react to a Soviet defense in much the same way they have said they would respond to ours: "Even a probable territorial defense would require us to increase the number of our offensive forces and their ability to penetrate Soviet defenses to assure that our operational plans could be executed."

As far as the Geneva arms talks are concerned, an "early deployment" decision simply underscores the bankruptcy of the administration's "strategic concept" for a cooperative shift to a Star Wars world. Although Ambassador Paul Nitze and others have said that strategic defensive forces should not be deployed other than in accordance with the terms of an arms control

agreement, it is wholly impossible to negotiate such an agreement. It is simply inconceivable that either side would ultimately agree to reduce offensive forces at the same time that territorial defenses are permitted. Under such circumstances, neither side would have adequate confidence in ensuring its most important national security goal: maintaining an effective deterrent against nuclear attack. It can be said without qualification that we cannot have both deployment of Star Wars and arms control.

The most immediate result of an "early deployment" of the kind being proposed will be the utter destruction of the ABM Treaty. Even under the administration's "broad" interpretation of the ABM Treaty, the development and testing of kinetic energy ABM systems and components in space appears to be prohibited and would put the United States in violation of the treaty very soon after a decision was made. Furthermore, deployment of this type of area defense would violate not only the specific constraints in Article III and Article V but would also be a material breach of the parties' fundamental obligation in Article I "not to deploy ABM systems for a defense of the territory of its country and not to provide a base for such a defense." If the ABM Treaty is terminated, the United States will face a spiralling arms race in both defensive and offensive systems, a competition that will seriously jeopardize strategic stability and will require major increases in the military budget.

ARMS CONTROL PRIORITY: THE ABM TREATY

What approach should the United States take? Over the long term, we should accept the fact, as the President and Secretary Shultz did at Reykjavik, that nuclear weapons serve no useful military purpose, except to deter one's opponent from their use. That premise should be incorporated into our national strategy so that our military plans, our defense budgets, our weapons development and deployment programs, and our arms negotiations are based on that proposition. The ultimate goal should be a state of mutual deterrence at the lowest force levels consistent with stability.

If the Soviet Union and the United States were to agree, in principle, that each side's nuclear force would be no larger than was needed to deter a nuclear attack by the other, how might the size and composition of such a limited force be determined? A critical factor in answering this question will be our ability to detect possible cheating in such an agreement. With our present verification technology, we can already police an arms agreement, even if it restricted each side to a small number of warheads. The number required for a force large enough to deter cheating would be determined by the number the Soviets could build without detection by NATO and U.S. means of intelligence. Presently, there are no authoritative studies that point to what that number might be, but surely it would not exceed a few hundred; very possibly it would be far fewer.

In the near term, however, we must set our sights on significant, but less far-reaching outcomes. First and foremost, we must preserve the integrity of the ABM Treaty, without which we will be unable even to begin the process of arms reductions. That means we must ensure that SDI remains a research program, conducted within the constraints of the traditional interpretation of the ABM Treaty. As long as either side believes it faces the prospect of a strategic defense, we will simply be unable to achieve real reductions in offensive systems. It is painfully obvious that the key to unlocking the current stalemate in arms control is to reaffirm the ABM Treaty as it has traditionally been interpreted. The importance of this issue to the prospect for arms control under this and future administrations cannot be overemphasized.

Second, we should build on the strategic offensive arms reduction framework of 1,600 launchers and 6,000 warheads tentatively agreed to at Reykjavik. Deep reductions, on the order of 50 percent of present forces, should be pursued with an eye towards enhancing crisis stability. Both sides should be encouraged through arms control to reduce their dependence on threatening multiple warhead delivery systems and vulnerable basing modes.

Third, preserving the integrity of the ABM Treaty does not mean that we must agree to the Soviets' demand that our SDI research be carried out "within the walls of the laboratory." We can continue, as the President has proposed, to probe the technological potential of defense systems. But we must not move into unrestricted development and testing. This would be a clear violation of the treaty. And it would serve to fuel Soviet fears that we mean to deploy the system at a time of our choosing, in violation of the treaty. It would confirm their belief that we are seeking to achieve a first-strike capability.

In sum, it is time to change course. Both President Reagan and General Secretary Gorbachev recognize this. The proposals put forward at Reykjavik for substantial reductions in strategic offensive forces, it further developed and incorporated in formal agreements, would represent the first step toward the long-term goals that will ensure peace in the nuclear age.

GOLDEN FLEECE FOR APRIL

Mr. PROXMIRE. Mr. President, today I am awarding my golden fleece for the month of April to the Presidential Inaugural Committee for spending $15.5 million of the taxpayers funds for the 1985 inaugural—reimbursing the taxpayers for only 4 percent of the total costs incurred. Most of this money went for private parties, military chauffeurs, escorts, and entertainment for the privileged few invited to the inaugural balls and other events.

The Presidential Inaugural Committee is a private entity like no other in existence. Its members were high officials in the administration and they used their clout to demand that the Department of Defense and other Government agencies provide taxpayer support to the inaugural.

The result was an inaugural where $15.5 million was spent from tax dollars—most of it coming out of the Department of Defense budget. DOD provided 8,400 military personnel to the inaugural, including chauffeurs, personal aides to visiting VIP's, ushers, and 270 so called coordinators who were party organizers. Twenty-three military aides were assigned to the First Family members and the Vice President's party. Governors had 56 more aides and 71 were provided to various VIP's and entertainers.

Lavish partying at inaugurals has grown alarmingly. Historically there was one inaugural ball. Then that was expanded to three and then five under JFK in 1961 and nine for Ronald Reagan in 1985. A spectacular gala has been added. Commemorative items are sold, although in 1985 sales brought in $98,000 less than expenses for these items.

There are no laws authorizing much of these expenditures. The General Accounting Office has concluded that during the 1985 inaugural, a significant amount of DOD's support was again provided without proper legal authority.

What should be done about this situation? There are several corrective actions that need to be taken. First, Congress should pass a law spelling out exactly what kind of support should be given to inaugural committees. This would clear up the legal questions.

Second, all Government expenses required by the Presidential Inaugural Committee should be fully reimbursed by private funds. The taxpayers should not have to subsidize those aspects of inaugurals which are private in nature and essentially are given to provide entertainment for a President's political supporters and contributors. After all the public is not invited to the galas and balls so why should the public subsidize the wealthy campaign contributors who do get invitations?

Inaugurals have gotten out of hand. It is time to bring back some sense of fiscal discipline and exercise common sense. When an administration campaigns to get the Federal Government off the backs of the taxpayers, it should get its hands out of their wallets at inaugural time.

MESSAGES FROM THE HOUSE

At 7:31 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House has passed the following joint resolutions, without amendment:

S.J. Res. 18. Joint resolution to authorize and request the President to issue a proclamation designating June 1 through June 7, 1987, as "National Fishing Week";

S.J. Res. 47. Joint resolution to designate "National Former POW Recognition Day";

S.J. Res. 64. Joint resolution to designate May 1987, as "Older Americans Month";

S.J. Res. 74. Joint resolution to designate the month of May 1987, as "National Cancer Institute Month"; and

S.J. Res. 96. Joint resolution designating April 3, 1987, as "Interstate Commerce Commission Day".

The message also announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 184. An act to establish the Big Cypress National Preserve Addition in the State of Florida, and for other purposes;

H.R. 278. An act to amend the Alaska Native Claims Settlement Act to provide Alaska Natives with certain options for the continued ownership of lands and corporate shares received pursuant to the Act, and for other purposes;

H.R. 317. An act to amend the Wild and Scenic Rivers Act by designating a segment of the Merced River in California as a component of the National Wild and Scenic Rivers System; and

H.R. 1783. An act to make technical corrections in certain defense-related laws.

The message further announced that the House has agreed to the following concurrent resolutions, in which it requests the concurrence of the Senate:

H. Con. Res. 34. Concurrent resolution concerning the continued violations by the Soviet Union of its international human rights obligations, especially its violations of the right to emigrate;

H. Con. Res. 86. Concurrent resolution expressing the sense of the Congress congratulating the people of Berlin on the occasion of the city's 750th anniversary in the year 1987, commending the people of Berlin for the centuries of great tradition and continuing courage in the face of historical adversity, and recognizing the deep and lasting relations they have with the people of the United States of America; and

H. Con. Res. 91. Concurrent resolution authorizing the 1987 Special Olympics Torch Relay to be run through the Capitol Grounds.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. JOHNSTON, from the Committee on Energy and Natural Resources, without amendment:

S. 626. A bill to prohibit the imposition of a fee at the Statue of Liberty National Monument, and for other purposes (Rept. No. 100-32).

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. GLENN, from the Committee on Governmental Affairs: Charles R. Gillum, of Virginia, to be Inspector General, Small Business Administration.

(The above nomination was reported with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. MURKOWSKI:

S. 894. A bill to amend title 38, United States Code, to authorize the Administrator of Veterans' Affairs to furnish certain hospital care and medical services for service-connected disabilities of certain veterans; to the Committee on Veterans Affairs.

By Mrs. KASSEBAUM (for herself and Mr. INOUYE):

S. 895. A bill to provide for a two-year pilot program in the Peace Corps for the purpose of providing, and training foreign nationals to provide, health care services in two host countries; to the Committee on Foreign Relations.

By Mr. BREAUX (for himself, Mr. JOHNSTON, Mr. MOYNIHAN, and Ms. MIKULSKI):

S. 896. A bill relating to the application of the drawback provisions of section 313 of the Tariff Act of 1930 to certain imports of raw cane sugar; to the Committee on Finance.

By Mr. DURENBERGER:

S. 897. A bill entitled the "Health Care Innovation Act of 1987"; to the Committee on Finance.

By Mr. GRAMM (for himself and Mr. PROXMIRE):

S. 898. A bill to provide for the enhanced safety and soundness of United States financial institutions engaged in international lending, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. BINGAMAN (for himself and Mr. DOMENICI):

S.J. Res. 106. Joint resolution to recognize the Disabled American Veterans Vietnam Veterans National Memorial as a memorial of national significance; to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. MURKOWSKI:

S. 894. A bill to amend title 38, United States Code, to authorize the Administrator of Veterans' Affairs to furnish certain hospital care and medical services for service-connected disabilities of certain veterans; to the Committee on Veterans' Affairs.

MEDICAL CARE FOR SERVICE-CONNECTED DISABILITIES OF CERTAIN VETERANS

● Mr. MURKOWSKI. Mr. President, I introduce today a bill which would allow the VA to provide medical care for the service-connected disabilities of some veterans now unable to receive such care. The Veterans' Administration now provides medical care for the service-connected disabilities of veterans located outside the United States only if they are U.S. citizens or are in the Philippine Islands. The legislation I introduce today would allow the same level of care to be provided to all who served in the Armed Forces of the United States and sustained disabilities as a result of that service. The Veterans' Administration supports this proposal.

The current situation was brought to my attention by a group of Canadian veterans of the Vietnam war visiting Washington to pay homage to their fallen comrades at the Vietnam Veterans' Memorial. Mr. President, these men are Canadian citizens who chose to come to the United States and enlist in our Armed Forces.

They wore the uniform of the United States.

They fought the war on behalf o the United States.

They were injured or disabled in th service of the United States.

Throughout our history citizens o other countries have joined us in th defense of liberty. Lafayette was no the first citizen of a foreign country t serve in our Armed Forces and the Ca nadian veterans of the Vietnam wa will not be the last.

In creating our Armed Forces and when necessary, committing them t action, we have accepted a responsibility to provide medical care for the injuries and disabilities suffered by servicemen and women while they are on active duty.

All who serve, irrespective of citizenship, take an oath to defend the Constitution of the United States.

All who serve, irrespective of citizenship, should have access to medical care for the disabilities incurred while fulfilling that oath whether they live in the United States or in a foreign country.

Mr. President, this legislation would not require the VA to create new programs or procedures. U.S. citizens are eligible for VA medical care for their service-connected disabilities throughout the world. For example, two veterans of the U.S. Armed Forces, with identical service-connected disabilities, could be living side-by-side in a foreign country, one a U.S. citizen, one not. Under current law the U.S. citizen would be eligible for VA care, the non-U.S. citizen would not. This legislation would allow the VA to provide care to both veterans for their service-connected disabilities.

Mr. President, the cost of this legislation would be minimal as there are only a few thousand service-connected noncitizen veterans residing outside the United States.

I ask unanimous consent that the text of my bill be printed in the RECORD following my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 894

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 624(b) of title 38, United States Code, is amended by striking out "(1) is a citizen of the United States sojourning or residing abroad, or (2) is in the Republic of the Philippines." and inserting in lieu thereof "is sojourning or residing abroad.".●

(By Mrs. KASSEBAUM (for herself and Mr. INOUYE):

S. 895. A bill to provide for a 2-year pilot program in the Peace Corps for the purpose of providing, and training foreign nationals to provide, health care services in two host countries; to the Committee on Foreign Relations.

HEALTH OVERSEAS SERVICE TEAM LEGISLATION

Mrs. KASSEBAUM. Mr. President, I am introducing today the health overseas service team [HOST] bill. I am extremely pleased to be joined in this effort by the distinguished Senator from Hawaii, Mr. INOUYE.

This measure is substantially identical to legislation introduced in the House earlier this year by Representative BILL RICHARDSON. Briefly, it would authorize a 2-year pilot program within the Peace Corps to send 12-person health teams to two countries. These teams would be comprised of doctors, dentists, and nurses. They would be headed by retired health professionals, with recent medical, dental, and nursing school graduates filling out the teams.

These teams would be involved not only with the direct delivery of health services, but would also provide health training to foreign nationals. The $1.6 million authorized by this legislation would be used to cover regular Peace Corps volunteer expenses.

In spite of the obvious need for health delivery and training activities in developing countries, the United States has done surprisingly little in this area. Currently, for example, there are no physicians and only three dentists serving as Peace Corps volunteers. The nursing situation is somewhat better, but the fewer than 100 nurses now serving as volunteers falls far short of the demand in host countries.

I would anticipate that the health teams authorized in this pilot project would focus particularly on training activities. Such activities would fill an important gap in the historic Peace Corps mission of helping people to help themselves. I first became aware of the need in this area through my daughter's observations as a Peace Corps volunteer in Togo. In addition, in my work with the Africa Subcommittee of the Senate Foreign Relations Committee, I have heard frequent requests for support in strengthening health professional training programs.

During her visit to Ghana last year, Peace Corps Director Loret Ruppe learned that one of that country's greatest priorities is finding help in recruiting medical school teachers. The Korle Bu Hospital in Accra, Ghana, was once the medical training center for all of West Africa. Today, it is badly in need of instructors who can restore the institution to its previous leadership role.

This pilot project is a modest proposal, and it certainly cannot address all of the obvious needs which exist. Yet, I think it is significant step in terms of beginning the process of providing a sustained U.S. effect to meet the health care and training needs of developing countries.

Mr. President, I ask unanimous consent that my bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 895

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. PEACE CORPS HEALTH SERVICES PILOT PROGRAM.

(a) AUTHORITY TO ESTABLISH.—The President may establish, under the Peace Corps Act, a pilot program to be carried out, during the fiscal years 1988 and 1989, in each of two host countries which have existing Peace Corps programs for the purpose of—

(1) training foreign nationals of the host country to deliver basic health care services; and

(2) providing basic health care to the people of the host country.

(b) HEALTH SERVICE TEAMS.—The training and health care described in paragraphs (1) and (2) of subsection (a) shall be provided by a health service team selected for each of the two host countries selected under subsection (a). Each health service team shall consist of not more than 12 volunteers who are physicians, dentists, and nurses. Volunteers on each team shall, to the extent possible, be selected from both experienced physicians, dentists, and nurses (especially retired persons) and recent medical, dental, and nursing graduates.

SEC. 2. AUTHORIZATION OF APPROPRIATIONS.

In addition to any other funds authorized to be appropriated to carry out the Peace Corps Act for the fiscal years 1988 and 1989, there is authorized to be appropriated $1,600,000 for the program authorized by section 1 of this act.

By Mr. BREAUX (for himself, Mr. JOHNSTON, Mr. MOYNIHAN, and Ms. MIKULSKI):

S. 896. A bill relating to the application of the drawback provisions of section 313 of the Tariff Act of 1930 to certain imports of raw cane sugar; to the Committee on Finance.

SUGAR DRAWBACK EXTENSION LEGISLATION

● Mr. BREAUX. Mr. President, today I am introducing a bill that extends the deadline for the refund of customs import duties and fees on sugar that is reexported. Except for a date change, this bill is identical to a bill that passed the House in the last session. Time expired before the Senate could consider that bill along with a number of other miscellaneous tariff measures. An identical provision has been reintroduced in the House this year.

This bill is designed to permit cane sugar refiners to continue to reexport sugar, and thereby avoid further refinery closings. Eight refineries have closed since 1981, and five refiners have gone out of business. The industry has lost one-third of its capacity, and thousands of people have lost jobs.

This frightening trend must be stopped. The maintenance of a viable cane sugar refining industry is of vital importance to American consumers and food manufacturers. It is also terribly important to our Nation's sugarcane producers and processors. They depend upon the refiners to buy their sugar. As a result, the bill has widespread support among producer, food manufacturing, and consumer groups.

The conferees had this bill in mind when they adopted the conference report to the farm bill in 1985. That report stated that "the conferees are concerned that cane sugar refining capacity should not be further impaired." Passage of the bill will help avoid further refinery closings, and preserve American jobs.

Under the Tariff Act of 1930, the Treasury refunds 99 percent of any duty or fee paid on imported sugar, if an equivalent quantity of sugar is exported. This refund is referred to as "drawback."

In order to be eligible for drawback the sugar has to be processed within 3 years, and exported within 5 years. The bill waives these deadlines on sugar entered after October 31, 1977, and before April 1, 1985, provided the sugar is exported before October 1, 1991. Sugar import fees were in force from November 1977 through March 1985, which is the period covered by the extension. The new deadline, October 1, 1991, is the expiration date of the sugar program under the 1985 Farm Act.

Under the Quota Program, sugar imports have dropped from over 5 million tons to little more than 1 million tons a year. Refiners have attempted to offset this loss in volume by developing an export business. Exports have totaled from 400,000 to 500,000 tons annually since 1983. This helps maintain refinery throughput and jobs. It also contributes favorably to our balance of trade. Drawback is necessary for the refiners to be competitive in a world market where refined sugar prices are sharply depressed by heavily subsidized exports from the European Community.

The drawback should amount to no more than the $35 million per year currently being refunded. Unless the bill is adopted, refined sugar exports will cease in late 1987 because of the expiration of a suitable drawback.●

By Mr. DURENBERGER:

S. 897. A bill entitled the "Health Care Innovation Act of 1987"; to the Committee on Finance.

HEALTH CARE INNOVATION ACT

● Mr. DURENBERGER. Mr. President, I am pleased to rise today to introduce the Health Care Innovation Act of 1987. This act, by amending title 18 of the Social Security Act, will enable Medicare patients to have access to new medical technologies that have been approved as safe and effective by the Food and Drug Ad-

ministration [FDA]. This bill is designed to ensure that efforts to control Medicare costs do not stifle medical innovation and, more importantly, do not place state-of-the-art health care off limits to those with the greatest need—the elderly and the disabled.

THE PROBLEM: THE IMPACT OF RECENT HEALTH SYSTEM REFORMS ON TECHNOLOGICAL INNOVATION

Mr. President, recent public and private sector health system reforms have helped bring about more cost-effective delivery of health care in the United States. This is an important trend that should continue. At the same time, however, these reforms must not be permitted to lower the standard of care for our senior citizens or disabled individuals.

A central player in the recent reforms is the Medicare hospital prospective payment system [PPS]. While this system is an important step forward in controlling costs, it may unintentionally hinder the development of certain advanced medical technologies. Because PPS pays a set price for each illness, it encourages hospitals to use the least expensive available treatments. While this is precisely the kind of prudent buyer behavior we want to encourage, good cost containment incentives must be balanced by other beneficiary protections, including incentives which promote selective innovation.

Cost control mechanisms may prevent or slow the introduction of two types of technologies: Those that improve quality, but at a higher cost, and those that cost more up front, but reduce the need for return visits to the hospital. Technologies such as these must have a chance to survive if we are to continue providing the best hospital care in the world.

In reviewing Medicare's prospective payment system, the present Commission on Industrial Competition found that:

> Unless the DRG regulations are changed, industry observers think that the development of many useful new technologies will be slowed or stopped. Therefore, allowances for medical innovation should be made within the reimbursement system to recognize technology's pivotal importance in the future health care system of this country. Innovation in health care is of vital importance not only for our technological prowess, but for the standard of living and quality of life as well.

Today's legislation will make the kind of adjustment recommended by this important study and will help ensure continued innovation in the future, as well as foster access to the best, most advanced medical technology by America's elderly and disabled.

INCENTIVES ARE NEEDED TO ENCOURAGE TECHNOLOGY DEVELOPMENT

If the PPS rates were adjusted promptly to take new technologies into account, the cost-controlling disincentives of the payments could be reduced. Unfortunately, regulatory lags can delay these adjustments for months—even years. In fact, the initial Medicare decision to allow hospitals to use a new technology for Medicare patients can take months after FDA's approval for safety and effectiveness.

Perhaps the best way to underscore this problem is with an example—the cochlear artificial ear implant—an innovation which only recently was approved for payment by Medicare.

It is difficult for those of us blessed with all five senses to imagine a world without sound. Although the deaf in our society show tremendous courage in coping with their disability, their world often can be terribly isolated. What's more, those who lack hearing must take special precautions to avoid accidents that are averted by an ambulance siren or a car horn.

But, medical technology is providing hope for many deaf persons. The cochlear implant has already removed the shroud of total deafness for hundreds of patients, and could help up to 200,000 more Americans who are totally deaf. Placed surgically in the inner ear, the cochlear implant stimulates the auditory nerve electronically with signals sent from a tiny transmitter that can attach to the patient's eyeglasses. With the implant, the user can hear sirens, car horns and even conversation. Though the device won't quite distinguish among words, it greatly aids the deaf in reading lips and following conversations. Perhaps, more importantly, it opens the door to the possibility of future treatments that could give total hearing to many of our Nation's 2,000,000 deaf citizens.

Although the FDA approved the cochlear implant for general use in adults in November 1984, and although many insurance companies paid for it even then, Medicare did not agree to pay for the device until October 1986—nearly 2 years later.

The reason? Medical technologies must undergo a series of government reviews before reaching Medicare patients. First Medicare must make a separate decision—a coverage decision—on whether to reimburse hospitals for treating patients with the new technology.

Then, after Medicare decides on coverage, there is another decision—the payment decision—on how, and how much Medicare will pay. If the current payment rates under prospective payment are inadequate, Medicare must decide whether, and how much to adjust those rates to accommodate higher costs of new technologies before hospitals can use them without taking a financial loss. Unfortunately, both of these decisions can take years.

The delays are worsened by a catch 22 that makes it difficult for a technology to prove itself to Medicare: Medicare demands a great deal of data about a new product's costs and benefits before making coverage and payment decisions—especially if the product will raise costs. But how can useful data be generated if Medicare does not approve or pay for use of the product?

Looking down the road a bit, access of Medicare beneficiaries to a number of technologies that the FDA is now testing, or that are under development may be harmed by these delays and by the overall incentives of Medicare to cut costs. Such technologies include:

The left ventricular assist device, which is used to assist the pumping action of a weak heart. It can be used for patients who are awaiting a heart transplant or for boosting the pumping power of a heart after open-heart surgery;

A device that can correct sudden bursts of rapid heartbeats that, if not corrected, can cause death; and

An implantable drug administration device that can be used with medications to control pain and spasticity, treat cancer and diabetes and, perhaps someday, Alzheimer's disease.

WITHOUT THIS LEGISLATION, MEDICARE WILL BE UNABLE TO RESPOND AND HEALTH CARE WILL SUFFER

While it is hard to pinpoint precise costs of emerging technologies of this kind, we must ask whether a Medicare system that has been cut by more than $40 billion since 1981 will be able to accommodate products of this type, or if inventors and manufacturers will be encouraged to develop new technologies.

The impact of Medicare's incentives may not be readily apparent today. Products now emerging, and even those still in testing and development, have been in the pipeline for years. Many products initially were developed by innovators during a different financial climate. Today, the PPS incentives plus Medicare's unwillingness to make adjustments that raise costs, are affecting innovators' decisions about where to invest research and development dollars. The real effect of today's incentives and inflexibility will be felt tomorrow when the next generation of medical technologies emerge. What will be the impact on products available in 5 or 10 years? Will we ever realize the benefits of artificial eyes, skin, or an artificial pancreas? Will it take longer to find cures for cancer or Alzheimer's disease?

Medicare coverage and payment lags, as well as overall inflexibility, are sending negative signals to those working on the next generation of medical breakthroughs. The technological edge that has made the United States the world leader in medical technology could be dulled. As a matter of fact, that lead already is slipping rapidly—from a $1 billion surplus in 1983 to half that today.

THE LEGISLATIVE PROPOSAL

The Health Care Innovation Act of 1987 will provide a temporary footbridge that allows Medicare patients to benefit from certain technologies while maintaining the permanent span between FDA and Medicare approval. It encourages the development of potentially cost-raising technologies that are now discouraged by Medicare, but which hold promise for long-term savings or substantial improvements in quality or access. It should not be viewed as a sweeping change in Medicare. Rather it is a minor adjustment—the kind that Congress expected to make as our understanding of Medicare's incentives grew. And, this act uses a free-market approach, rather than adding another layer of bureaucracy to an already cumbersome process.

Specifically, the act would allow a hospital to receive a limited, additional Medicare payment for using a cost-increasing technology that already has FDA approval, but has not yet received coverage and payment approval by Medicare. It also would cover certain cost-increasing medical procedures.

COST CONTROL PROVISIONS

I do not believe that Medicare should be liable for the full cost of a technology before it has been approved for coverage. This bill requires that Medicare pay only a part of the cost that the treatment adds to Medicare's normal payment for treating a patient. I think it is reasonable for hospitals to invest some of their own funds. If they do, they will be encouraged to scrutinize their investment options. The hospital, therefore, shares much of the responsibility for the increased cost.

Several other controls also keep costs of this program at a minimum:

Total payments under the program cannot exceed 1 percent of the total amount Medicare paid for hospital inpatient treatment through its prospective payment system.

The act's provisions begin only when the Medicare trust fund is running a surplus.

Each hospital can receive only a certain level of payment each year under this program. That is because not every hospital has the same ability to provide technological advances, and an effective allocation of resources should reflect that fact. Each hospital's limit is determined through a formula based, in part, on a hospital's Medicare revenues and, in part, on the amount of teaching payments a hospital receives under Medicare.

I should point out that this program won't necessarily cost Medicare more money in the long run. Some new technologies, as I noted earlier, cost more up front, but save money down the road because they reduce the need for followup surgery or hospitalization.

In addition, the Government gets something in return for payments under the act. When hospitals use technologies that are paid for under the bill, they must provide data to Medicare about the technologies' cost effectiveness. These data can be very valuable to Medicare as it decides on coverage and sets payment levels.

This data-generation function should reduce the catch-22 problem mentioned earlier, where funding is held back because adequate data is unavailable. It should be particularly helpful in illuminating the true value of medical technologies that do raise costs—by providing data not just on their price, but also on their impact on quality, access, and health status.

Indeed, Mr. President, America's elderly and disabled deserve access to the best health care treatments available. The Health Care Innovation Act of 1987 moves us in the right direction and does so carefully, with specific limits that do not add more bureaucratic hurdles, and with plenty of incentives to encourage efficiency in the use of new technologies. Mr. President, I urge my colleagues to join me in supporting this important effort. I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 897

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Health Care Innovation Act of 1987".

SEC. 2. INTERIM FINANCING AND DATA COLLECTION.

(a) IN GENERAL.—Section 1886 of the Social Security Act is amended by adding at the end thereof the following new subsection:

"(i)(1)(A) Notwithstanding sections 1813 and 1814(b), the Secretary shall make payment under this subsection to a subsection (d) hospital (as defined in subsection (d)(1)(B)) for the qualified new technology or procedure costs incurred with respect to an inpatient hospital discharge.

"(B) Payments made under this subsection shall be in addition to payments made under subsection (d).

"(2) The Secretary shall make payments for qualified new technology or procedure costs as follows:

"(A) DETERMINING QUALIFIED NEW TECHNOLOGY OR PROCEDURE COSTS.—A 'qualified new technology or procedure cost', as used in this subsection, is the incremental operating cost associated with the use of a new technological advance or a new procedure (as determined in accordance with paragraph (3)) with respect to a hospital discharge.

"(B) DETERMINING INCREMENTAL OPERATING COSTS.—'Incremental operating cost', as used in this subsection, is the amount by which charges, adjusted to cost, with respect to a hospital discharge, exceed 110 percent of the amount payable under subsection (d) with respect to such discharge (as determined prior to the adjustment under subsection (d)(5)(B) for indirect costs of medical education).

"(C) PAYMENT AMOUNT.—The Secretary shall pay to a subsection (d) hospital, with respect to a hospital discharge, an amount equal to 60 percent of the qualified technology or procedure costs for which the requirements of this subsection are satisfied and for which the hospital submits a claim for payment.

"(3) The new technological advances and new procedures with respect to which payment may be made under this subsection shall be determined as follows:

"(A) DETERMINING NEW TECHNOLOGICAL ADVANCES AND NEW PROCEDURES.—

"(i) A 'new technological advance', as used in this subsection, is a medical device (as defined in subparagraph (F)(i))—

"(I) for which the Food and Drug Administration has approved a premarket approval application under section 515(a) of the Federal Food, Drug, and Cosmetic Act (other than a device which is or may be subject to section 515(a)(1) of such Act);

"(II) which is used during the interim data collection period (as determined under subparagraph (B)) for such device; and

"(III) which is not a capital technology (as defined in subparagraph (C)).

"(ii) A 'new procedure', as used in this section, is a medical or surgical procedure (as limited by subparagraph (F)(ii)) which is used during the interim data collection period (as determined under subparagraph (B)) for such procedure.

"(B) DETERMINING INTERIM DATA COLLECTION PERIODS.—With respect to a medical device or a medical or surgical procedure, the 'interim data collection period', as used in this subsection, is the period which—

"(i) begins on—

"(I) in the case of a medical device, the date such medical device receives approval of a premarket approval application under section 515(a) of the Federal Food, Drug, and Cosmetic Act; and

"(II) in the case of a medical or surgical procedure, the date that is the earlier of the date on which an ICD-9-CM code is assigned to the procedure or the date on which the Secretary makes a final determination (as defined in subparagraph (F)(iii)), that the procedure is not excluded under section 1862(a); and

"(ii) ends on the date, subject to subparagraph (D), that is the earliest of—

"(I) the first October 1 which occurs at least 24 months after the date on which such period begins;

"(II) the effective date of a reweighting (as defined in subsection (d)(4)(C)(iv)(II)) or a classification adjustment (as described in subsection (d)(4)(C)(i)) which directly affects a diagnosis related group with respect to which such medical device or procedure is used; or

"(III) the effective date of a final determination (as defined in subparagraph (F)(iii)) by the Secretary that such medical device or procedure (or a service employing such medical device or procedure) is excluded under section 1862(a).

"(C) EXCLUDING CAPITAL TECHNOLOGIES.—A capital technology, as used in this subsection, is a medical device, the costs of which (in whole or in part) are capital related costs as defined by the Secretary under subsection (a)(4).

"(D) LIMITING FOR SPECIFIC USES.—In determining the date on which an interim data collection period ends under subparagraph (B)(ii) (II) or (III), a reweighting,

classification adjustment, or final determination which applies with respect to a specific use of a medical device or procedure operates to end such period only with respect to such use.

"(E) EXEMPTIONS FROM COVERAGE REQUIREMENT.—Notwithstanding section 1862(a), and except as provided in subparagraph (B)(ii)(III), payment may not be denied by reason of section 1862(a)—

"(i) if such payment is under this subsection and is for qualified new technology or procedure costs; or

"(ii) if such payment is under subsection (d) and is for expenses incurred for items or services for a discharge with respect to which an amount is payable under this subsection.

"(F) DEFINITIONS.—The term—

"(i) 'medical device', as used in this subsection, means a medical device as defined in section 201(h) of the Federal Food, Drug, and Cosmetic Act;

"(ii) 'procedure', as used in this subsection, does not include a procedure using a medical device for which an investigational exemption under section 520(g) of the Federal Food, Drug, and Cosmetic Act is in effect; and

"(iii) 'final determination', as used in subparagraphs (B)(i)(II) and (B)(ii)(III), means a determination which—

"(I) applies with respect to all subsection (d) hospitals; and

"(II) in the case of a determination described in subparagraph (B)(ii)(III) is not based, in whole or in part, on insufficiency of data with respect to a medical device or procedure or a service employing such medical device or procedure.

"(4) The Secretary shall collect data on new technological advances and new procedures and use such data as follows:

"(A) DATA COLLECTION AND REPORTING.—A subsection (d) hospital which elects to claim a payment under paragraph (2)(C) with respect to an inpatient hospital discharge shall report, in such form and in accordance with such procedures as the Secretary may prescribe—

"(i) the amount of reasonable operating costs of inpatient hospital services (as defined in subsection (a)(4)) incurred with respect to such discharge; and

"(ii) such other financial or clinical data with respect to such discharge as the Secretary determines to be necessary to carry out subparagraph (B).

"(B) USE OF DATA FOR REWEIGHTING AND RECLASSIFICATION.—The data reported under subparagraph (A)—

"(i) shall be used by the Secretary to carry out clauses (i) and (ii) of subsection (d)(4)(C);

"(ii) shall be made available by the Secretary to the Prospective Payment Assessment Commission and used by such Commission to carry out subsection (d)(4)(D); and

"(iii) shall be made available by the Secretary, upon request, to the National Institutes of Health, National Center for Health Services Research and Health Care Technology Assessment, Office of Technology Assessment, Food and Drug Administration, Veterans' Administration, and Department of Defense.

"(5) In addition to the limitations imposed by paragraphs (2) and (3), the Secretary shall limit payments under this subsection as follows:

"(A) EXCLUDING OUTLIER PAYMENTS.—No payment may be made under this subsection for a cost or charge which qualifies for an additional payment under subsection (d)(5)(A).

"(B) LIMITING ANNUAL PAYMENTS TO INDIVIDUAL HOSPITALS.—The amount of payments available under this subsection to a subsection (d) hospital for a fiscal year shall not exceed a share of the total amount available under this subsection for such fiscal year (as determined under subparagraphs (D) and (E)). Such share for any hospital shall be a fraction of the total amount available, equal to—

"(i) 40 percent of a fraction—

"(I) the numerator of which is the amount of payments to such hospital under part A of this title for operating costs of inpatient hospital services (as defined in subsection (a)(4)), as estimated by the Secretary for the immediately preceding fiscal year; and

"(II) the denominator of which is the amount of all payments under part A of this title for operating costs of inpatient hospital services (as defined in subsection (a)(4)), as estimated by the Secretary for the immediately preceding fiscal year; plus

"(ii) 60 percent of a fraction—

"(I) the numerator of which is the amount of payments to such hospital under subsection (d)(5)(B) for indirect costs of medical education, as estimated by the Secretary for the immediately preceding fiscal year; and

"(II) the denominator of which is the amount of all payments under subsection (d)(5)(B) for indirect costs of medical education, as estimated by the Secretary for the immediately preceding fiscal year.

"(C) LIMITING CARRY FORWARD OF PAYMENTS.—Payments available to a subsection (d) hospital under subparagraph (B) for a fiscal year, but not claimed under paragraph (2)(C) with respect to a qualified new technology or procedure costs incurred in such year, may not be claimed for a succeeding fiscal year.

"(D) LIMITING AGGREGATE ANNUAL PAYMENTS.—Subject to subparagraphs (E) and (F), the total amount available under this subsection for all hospitals for any fiscal year shall be the amount equal to 1 percent of the total payments made under subsection (d) for the immediately preceding fiscal year, as estimated by the Secretary.

"(E) ADJUSTMENT FOR EXCESS AGGREGATE ANNUAL PAYMENTS.—The amount determined under subparagraph (D) for any fiscal year shall be reduced by the amount (if any) by which the total payments made under this subsection for the preceding fiscal year exceeded the amount determined under such subparagraph for such preceding fiscal year.

"(F) REQUIREMENT OF TRUST FUND BALANCE.—Payments under this subsection for any fiscal year—

"(i) shall be payable from the Federal Hospital Insurance Trust Fund (and shall not be subject to appropriations); and

"(ii) shall be available under subparagraph (D) only to the extent an asset balance (as described in the 'Annual Report of the Board of Trustees of the Federal Hospital Insurance Trust Fund') exists in such Fund at the beginning of such fiscal year, as estimated by the Secretary after consulting with the other Trustees for such Fund.".

(b) REPORT.—The Secretary of Health and Human Services shall report to Congress not later than one year after the date of the enactment of this Act on methods by which payments could be made under section 1886(i) of the Social Security Act (as added by this Act) to any health maintenance organization or competitive medical plan that has a risk-sharing contract under section 1876 of the Social Security Act.

(c) CONFORMING AMENDMENTS.—(1) Section 1862(a)(1)(A) of the Social Security Act is amended by inserting "or which are new technologies or procedures to which section 1886(i) applies," after "(C), or (D),".

(2) Section 1886(d)(5)(B) of such Act is amended by adding at the end thereof the following:

"The adjustment under this subparagraph shall be made on the basis of the payment amount to such hospital without taking into account any payments under subsection (i) for qualified new technology or procedure costs.".

(d) EFFECTIVE DATE.—(1) The amendments made by this section shall apply with respect to qualified new technology or procedure costs (as defined in section 1886(i)(2)(A) of the Social Security Act) incurred after the date of the enactment of this Act.

(2) Notwithstanding section 1886(i)(3)(A) of the Social Security Act, a medical device (as defined in section 201(h) of the Federal Food, Drug, and Cosmetic Act) or procedure or a specific use thereof shall not be a new technological advance or procedure for purposes of such section 1886(i)(3)(A) if, on or before the date of the enactment of this Act, there occurs with respect to such device or procedure or a specific use thereof—

(A) a reweighting or classification adjustment (as described in section 1886(i)(3)(B)(ii)(II) of the Social Security Act and as limited by section 1886(i)(3)(D) of such Act); or

(B) a final determination (as described in section 1886(i)(3)(B)(ii)(III) of the Social Security Act, as defined in section 1886(i)(3)(F)(iii) of such Act, and as limited by section 1886(i)(3)(D) of such Act).

SEC. 3. CLARIFICATION OF RECALIBRATION AUTHORITY.

(a) ADJUSTMENTS OF DRG CLASSIFICATIONS AND WEIGHTING FACTORS.—Section 1886(d)(4)(C) of the Social Security Act is amended to read as follows:

"(C)(i) The Secretary shall adjust the classifications established under subparagraph (A) for discharges in fiscal year 1988 and at least once every four fiscal years thereafter.

"(ii) The Secretary shall adjust the weighting factors established under subparagraph (B)—

"(I) through a recalibration for discharges in fiscal year 1988 and at least annually thereafter; and

"(II) through reweighting for discharges in fiscal year 1988 and at least once every four fiscal years thereafter.

"(iii) The Secretary shall make the adjustments under clauses (i) and (ii) to reflect changes in treatment patterns, technology, and other factors which may change the relative use of hospital resources.

"(iv) As used in this subparagraph, the term—

"(I) 'recalibration' means a weighting factor adjustment which is based on a methodology applied uniformly to all weighting factors, which reflects the relative hospital resources used for each weighting factor compared to all other weighting factors, and which becomes effective with respect to all weighting factors simultaneously; and

"(II) 'reweighting' means a weighting factor adjustment which reflects the relative hospital resources used for a weighting factor compared to all other weighting factors, but which does not apply to all weighting factors.".

(b) PUBLICATION.—(1) Section 1886(e)(5)(A) of the Social Security Act is amended by inserting "and proposed recalibration under subsection (d)(4)(C)(ii)(I)" after "paragraph (4)".

(2) Section 1886(e)(5)(B) of such Act is amended by striking out "proposal" and inserting in lieu thereof "proposals" and by inserting "(4) and final recalibration under subsection (d)(4)(C)(ii)(I)" after "such paragraph".

(c) EFFECTIVE DATE.—The amendments made by this section shall become effective on the date of the enactment of this Act.●

Mr. GRAMM (for himself and Mr. PROXMIRE):

S. 898. A bill to provide for the enhanced safety and soundness of U.S. financial institutions engaged in international lending, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

INTERNATIONAL LENDING INSTITUTION SAFETY ACT

Mr. GRAMM. Mr. President, today I am joining with Senator PROXMIRE to introduce legislation to extricate our financial system from the dangerous morass that the Third World debt problem has become. On Friday, February 20, the President of Brazil, Mr. Jose Sarney, sent shock waves through the world's banking institutions with the announcement that the largest Third World debtor was suspending payments on its international loans.

Hopefully, Brazil's move was nothing more than a ploy intended to gain concessions in negotiations with banks to reschedule Brazil's international loans. Mexico was recently successful in obtaining major concessions from its creditors, along with an additional $12 billion, in exchange for promises of limited economic reforms. Brazil is reportedly seeking similarly lenient treatment. The Brazilians are reminding the banks of the old saw that a small-time borrower is your debtor; a big-time borrower becomes your partner.

At worst, Brazil's suspension of its debt payments could set a precedent that will be followed by other major debtors and result in a dangerous international financial crisis, threatening the stability of the banking system in this country as well as in other countries. If Brazil were followed only by Mexico and Argentina in suspending debt repayments, nearly half of the capital of all United States commercial banks would be at risk. That exposure rises to nearly 80 percent when we look at the situation of the nine largest banks in America. And when we examine the exposure of these nine money center banks to the 10 largest debtors in Latin America the risk is a very dangerous 120 percent of capital and reserves. While it may not be that all these loans will go bad at the same time, this only presents part of the picture; it does not include the exposure to such troubled debtor countries as Nigeria, Poland, and the Philippines. Moreover, this high degree of exposure leaves little room for banks to absorb losses from real estate, farm, or energy loans.

At the very least, Brazil's recent action reminds us that the international debt problem is still with us, that the debtor countries still maintain too much leverage over American financial institutions and our economic decisions, and that the situation can too easily erupt into a crisis threatening our financial security. Since Brazil's announcement Ecuador has declared a moratorium on interest payments for the remainder of the year.

This is not a time to panic, but it is a time to act. The legislation that we are introducing today will strengthen the ability of our Nation's banks to absorb the shock of a major debt repayment failure. In so doing, it will reduce the leverage that the debtor countries now hold over our banks, and through them over our Nation's financial system.

Under this legislation the Office of the Comptroller of the Currency, the Federal Reserve, and the Federal Deposit Insurance Corporation would be required to estimate the actual or real value of American bank loans to the troubled debtor countries, categorized by the agencies as either other transfer risk problems [OTRP] or substandard. Although these countries are in debt difficulty, banks currently carry these loans on their books at 100 percent of their face value. This is an accounting fiction, perhaps a necessary one for accounting purposes, but it does little to encourage banks to make the necessary advance adjustments for the possibility that many of these loans will not be serviced by the debtors at full value. Many of them may never be repaid.

Third World loans already trade in discount markets. While these secondary markets are relatively new and perhaps not deep enough to give a fully reliable measure of the appropriate discount for all the troubled loans, they can play an important role as reference points to assist the regulators in determining the level of reserves that banks should be required to set aside against them. The bill would require the regulators to identify, for reserve purposes, the difference between the book value of the loans categorized as either OTRP or substandard and their estimated actual or real value, insofar as that difference was reflective of the transfer risk involved. It would not reflect any change in loan value due to a changed interest rate environment unrelated to transfer risk. This difference would not be used to mark down the accounting value of the loans as long as the loans continued to be serviced. It would be used, however, for the purposes of setting aside general loan loss reserves against the event of debt service failure.

Banks would be required under the legislation to set aside reserves within 12 months equal to 10 percent of this identified discount or risk in their OTRP and substandard loans. They would be required to increase these reserves by an additional 10 percent each year until these special reserves equaled 100 percent of the OTRP and substandard loan risk. In this manner, within 10 years American banks would be fully reserved against potential losses from their Third World loan exposure. Each year on the way to that goal United States banks will become strengthened and better positioned to require appropriate policy adjustments in debtor countries.

What lies at the heart of the debt problem is the resistance of Third World countries to private direct investment. Their situation is comparable to the corporation with a high debt-to-equity ratio that funds expansion by borrowing in order to avoid issuing new stock. The corporation comes to find that it has a heavy debt burden, limiting the very growth that it was designed to promote. Long-term solution of the Third World debt problem will only come about as these countries replace their policies of funding their growth through commercial loans with policies of funding growth through equity investment.

With equity investment the investor puts economic resources into the country in exchange for a share in the profits of that investment. A factory is built, a service firm is established, all owned by the investor. The investor has a stake in the local economy and can be expected to support policies of economic growth and expansion.

In order to promote equity investment in Third World countries the bill would, first of all, require the Federal Banking Agencies to identify what regulatory and accounting barriers there are to exchanges of foreign debt for equity. Under these arrangements, which are occurring now on a limited basis, existing bank loans can be transformed into one form or another of equity investment. A debtor country may exchange interest in a state-run factory for a certain amount of its loans. The bank then sells its interest in the factory to an interested investor. The bank is paid, and the debt burden of the Third World country is reduced, and yet investment increases. Commercial banks say that they would like to do more of these swaps were it not for regulatory and accounting obstacles. The agencies would be required to identify those obstacles and recommend appropriate legislative changes.

As a further step to promote private direct investment the Treasury Department would be required to include

enhanced conditions for private direct investment as elements of any agreement with debtor countries for the rescheduling or restructuring of loans owed to the U.S. Government. Any failure to fulfill such commitments would make a country ineligible for further loan restructuring until the commitments were fulfilled. The Treasury Secretary would be able to waive this restriction only if he notified the Congress in writing that the failure was caused by factors beyond the control of the debtor country and that the waiver was in the best interests of the United States.

Mr. President, in summary, this legislation approaches the Third World debt problem from the position of our first responsibility, the health of the United States financial system. It will set in motion a process by which the independence of our financial system from the instability of the Third World economies increases each year. The leverage of the banks to require appropriate economic adjustments instead of providing new concessions will grow. At the same time market mechanisms for resolution of debt-to-equity imbalances would be promoted through the encouragement of the exchanges of debt for equity and improvements in the environment for private direct investment.

We should not act as though the house of cards were about to come crashing down, but we should coolly recognize that the Third World debt problem is too serious and the potential for disaster too great for us to fail to take appropriate and prudent action.

Mr. President, I ask that the text of the bill, along with accompanying explanatory materials, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 898

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That

SECTION 1. SHORT TITLE.

This Act shall be known as the "International Lending Institution Safety Act of 1987".

SEC. 2. ENHANCED GENERAL RESERVES.

Section 905 of the International Lending Supervision Act of 1983 is amended by adding at the end thereof the following new subsection:

"(d)(1) Not later than 120 days following the enactment of the International Lending Institution Safety Act of 1987, and not less frequently than once each year thereafter, the Federal banking agencies shall jointly review the aggregate transfer risk exposures of United States banking institutions to foreign countries categorized by the Federal banking agencies as either Other Transfer Risk Problems or Substandard. As part of such review the Federal banking agencies shall jointly estimate the value of the transfer risk associated with each loan categorized as Other Transfer Risk Problems or Substandard. In estimating the value of such transfer risk the Federal Banking agencies shall estimate the degree to which an actual or real value of such exposure would be less than the book value of such exposure. The Federal banking agencies shall estimate the actual or real value of such exposure based upon the following factors:

"(A) the price that banks are receiving to sell or swap loans to such countries;

"(B) relevant factors in loan rescheduling and restructuring agreements;

"(C) prospects for resumption of regular debt service;

"(D) export earnings by such countries;

"(E) foreign exchange reserves held by such countries;

"(F) compliance with external debt service obligations;

"(G) relevant external debt service history; and other appropriate factors, except that the Federal banking agencies shall not include in such evaluation factors that are not related to the value of the transfer risk.

"(2) Each appropriate Federal banking agency shall require a banking institution to establish, within one year after the enactment of the International Lending Institution Safety Act of 1987, and maintain thereafter a special reserve in the amount of not less than 1/10 of the difference between the book value of the institution's total exposure to foreign countries categorized by the appropriate Federal banking agencies as either Other Transfer Risk Problems or Substandard and the actual or real value of such exposure as estimated by the Federal banking agencies pursuant to paragraph (1) of this subsection.

"(3) In each succeeding year following the establishment of the reserve described in paragraph (2) of this subsection the appropriate Federal banking agency shall require a banking institution to increase such reserve by an amount not less than 1/10 of the difference between the book value of the institution's total exposure to foreign countries categorized by the appropriate Federal banking agencies as either Other Transfer Risk Problems or Substandard and the actual or real value of such exposure as estimated by the Federal banking agencies pursuant to paragraph (1) of this subsection, except that a banking institution shall not be required under this subsection to maintain such a reserve in excess of the difference between the book value of the loans to the countries designated pursuant to this subsection and the actual or real value of the loans as estimated pursuant to this subsection.

"(4) Such reserves shall be considered as part of capital and surplus or allowances for possible loan losses for regulatory, supervisory, or disclosure purposes. Amounts allocated to such resrves shall not be treated as a directed charge off pursuant to Treasury Regulation 1.166-2(d).".

"(5) For the purposes of this section

"(A) "Other Transfer Risk Problems" means an examination category for loans to a country that, in the judgment of the Federal banking agencies,

"(i) is not complying with its debt service obligations, as evidenced by arrearages, forced restructuring, or rollovers, but which country is taking positive actions to restore debt service through economic adjustment measures, generally as part of a program with the International Monetary Fund; or

"(ii) is meeting its debt obligations, but noncompliance is imminent; or

"(iii) has been classified previously, but for which recent debt service indicates classification no longer is warranted, although the sustained resumption of orderly debt service by such country needs to be demonstrated; and

"(B) "Substandard" means a classification category for loans to a country that, in the judgment of the Federal banking agencies.

"(i) is not complying with its external service obligations, as evidenced by arrearages, forced restructuring, or rollovers; and

"(ii) is not in the process of adopting an economic adjustment program with the International Monetary Fund or another suitable economic adjustment program, or is not adequately adhering to such a program; or

"(iii) has not negotiated with its bank creditors a viable rescheduling and is unlikely to do so in the near future;

but whose arrearages are not protracted, as determined by the Federal banking agencies.".

SEC. 3. FACILITATION OF DEBT FOR EQUITY EXCHANGES

Section 913 of the International Lending Supervision Act of 1983 is amended to read as follows:

"REPORT

"SEC. 913. The appropriate Federal banking agencies shall conduct a study of any regulatory or accounting barriers to exchanges of foreign debt for equity. Not later than January 15, 1988, each such agency shall transmit a report on such study to the Congress, including therein recommendations for such legislation as may be necessary.".

SEC. 4. PROMOTION OF PRIVATE DIRECT INVESTMENT

The International Lending Supervision Act of 1983 is amended by adding at the end thereof the following:

"RESCHEDULING COMMITMENTS

"SEC. 914. The Secretary of the Treasury shall take appropriate action to ensure that any rescheduling of the indebtedness of any foreign country to the United States Government shall be accompanied by commitments satisfactory to the Secretary of the Treasury that such foreign country will enhance significantly the conditions for private direct investment by United States business concerns as well as by nationals of the foreign country. Failure to comply with commitments made under this section by a foreign country shall render that country ineligible for any further rescheduling of such indebtedness until the commitments are honored, unless the Secretary of the Treasury informs the Congress in writing that such failure stems from factors beyond the control of the foreign country and that it is in the best interests of the United States to waive this restriction.".

SUMMARY OF THE INTERNATIONAL LENDING INSTITUTION SAFETY ACT OF 1987

1. The bill would amend the International Lending Supervision Act of 1983 (ILSA) to direct Federal Banking Authorities to estimate at least once each year an actual or real value of loans held by U.S. banks to countries designated by the Agencies as either Other Transfer Risk Problems (OTRP) or Substandard. The appropriate Federal Banking Agency would then require that banks establish within one year, as part of general reserves, special reserves in the amount of 10% of the difference between the book value of these loans and the actual or real value as estimated by the Agencies. The required reserves would be in-

creased each year by an additional 10% of the difference between the book value and the Agencies' estimate of the value of OTRP and Substandard country loans held by the banks, so that over a period of ten years the banks would be adequately covered against the full value of this estimated transfer risk identified for such loans.

2. The Federal Banking Agencies would be required to review the situation with respect to regulatory and accounting barriers to exchanges of foreign debt for equity and to recommend appropriate legislation by January 15, 1988.

3. The bill would require that restructuring or rescheduling of sovereign debt owed to the U.S. Government be accompanied by commitments to enhance significantly the conditions for private direct investment in the country by both domestic and foreign investors. Failure to comply with previous commitments will make a country ineligible for further debt restructuring or rescheduling until commitments are honored, unless the Secretary of the Treasury informs the Congress in writing that the failure was due to factors beyond the control of the debtor and waiver of this restriction is in the best interests of the United States.

EXPLANATION OF THE INTERNATIONAL LENDING INSTITUTION SAFETY ACT OF 1987

The bill is premised on the need to preserve the safety and soundness of the U.S. financial system. It recognizes the growing possibility of major debt service failure by Third World debtor countries. The purpose of the bill is to improve over several years the ability of U.S. financial institutions to absorb such a shock. At the same time, steps would be taken to encourage less developed countries to shift their methods of financing growth away from debt financing and toward equity financing.

The main elements of the bill are the following:

Enhanced General Reserves. The Federal Banking Agencies would be directed to estimate the actual or real value of loans held by U.S. banks to countries categorized by the Agencies either as Other Transfer Risk Problems (OTRP) or Substandard and require banks to establish, as a category within general reserves, reserves against the difference between the book value of these loans and the actual or real value estimated by the Agencies. Factors unrelated to transfer risk would not be taken into account in estimating the actual or real value of these loans. The reserves so created in the first year would be equal to 10% of the difference between the book value and the estimated value of the loans and would be increased each year by additional 10% increments until the reserves equal 100% of this estimated transfer risk identified for such loans.

Debt-for-Equity Exchanges. Bank regulators would be required to identify regulatory and accounting impediments to exchanges of foreign debt for equity and report to the Congress, including recommendations for legislation, by January 15, 1988.

Promotion of Private Direct Investment. The U.S. Government would use its influence to improve the environment in the debtor country for domestic and foreign private direct investment. The U.S. Government would be required to insist, as part of any rescheduling of official debt, that the debtor country make commitments in this regard. The U.S. Government would be prohibited from any further debt rescheduling with a debtor country that fails to fulfill its commitments to enhance significantly the conditions for domestic and foreign private direct investment. This prohibition could be waived if the Secretary of the Treasury informs the Congress in writing that the failure was due to factors beyond the control of the debtor country and that such a waiver is in the best interests of the United States.

With this legislation in place U.S. financial institutions would become more secure each year because of increased reserves, reserves that are related to the transfer risk of troubled loans. At the same time market mechanisms, such as debt-for-equity swaps, would be promoted as effective and equitable tools contributing to relief of the debt problem. Long-term solution of the Third World debt problem will only come about as less developed countries change their policies of funding their growth by debt and replace them with policies of funding growth through increased equity investment. The flight of domestic capital will be stemmed and foreign investments will be made based upon criteria of productivity and profitability, and the investors will gain an equity interest in the health of the economy of the developing country.

Banks would be required by the regulatory agencies to maintain special reserves as a category within their general reserves. They would not, however, be required to make any concessions to the debtor countries or relinquish any rights with regard to loan recovery. They would also be free to sell their loans; in fact, the substantial reserve requirements may encourage them to do so. In this way, the bill could further promote the development of a secondary market in international debt.

The bill requires no budget authority or Federal spending. The reserves would not be tax deductible. Neither would the bill require any specific additional role by the International Monetary Fund or any of the multilateral development banks.

● Mr. PROXMIRE. I rise to join my esteemed colleague, Senator PHIL GRAMM, in introducing the International Lending Institution Safety Act of 1987. The purpose of this bill is to put U.S. banks in a better position to deal with the increasing uncertainties surrounding their international loan portfolios. Let me explain.

As we all know during the 1970's and early 1980's, U.S. banks sharply increased their foreign lending, much of it directed toward borrowers in developing countries. Exposures—international loans and other claims—of the nine largest U.S. banks to developing countries totaled over 340 percent of their bank capital as of June 1982, with exposures to Argentina, Brazil, and Mexico alone accounting for almost 140 percent of their capital. The risks to bank safety involved in this type of lending became starkly visible in August 1982 when Mexico announced that it was unable to serve its debts and shortly thereafter several other large debtor nations, including Brazil, Argentina, and Venezuela, also experienced similar difficulties. This marked the onset of the international debt crisis.

During 1983 congressional hearings, on the size and concentration of the exposure of U.S. banks to the debtor nations with repayment difficulties, deficiencies were revealed in the system our banking regulators were using to supervise international lending. Concerns were expressed that U.S. banks were not setting aside sufficient reserves against their loans to foreign borrowers and generally needed a stronger capital base to ensure their safety and soundness.

These hearings led to enactment of the International Lending Supervision Act of 1983 [ILSA]. That act, which was passed in conjunction with an IMF capital increase, required permanent improvements in the supervision and regulation of international lending. Section 904 of ILSA required Federal banking regulators to take foreign country exposure and transfer risks into account when considering the adequacy of the capital of banking institutions. Section 905 of the act also charged the regulators to require that banking institutions establish "special reserves," that did not count as capital, against international loans where there was a "protracted inability of public or private borrowers in a foreign country to make payments on their external indebtedness."

In determining whether there was a protracted inability to make foreign payments by the foreign borrower, regulators were ordered to consider factors such as whether there were failures "to make full interest payments on external indebtedness" or "a failure by the foreign country to comply with any IMF or other suitable adjustment program." These "special reserves" were subsequently named "Allocated Transfer Risks Reserves" [ATRR's] by the regulators.

Last summer, the Banking Committee conducted oversight hearings to determine how the regulators were implementing the provisions of ILSA. It was discovered that the provisions of the 1983 act requiring banks to build special reserves against troubled foreign loans were not being utilized in a manner that Congress had originally envisioned. The regulators required such reserves to be built against only a very small amount—less than 2 percent—of the more than $116 billion total of the developing country exposure of U.S. banks. The regulators were requiring such reserves only against loans made to a country categorized as either "value impaired" or "loss." These are the lowest two categories used by the regulators and loans are only put into these categories when there is little likelihood they will never be repaid.

Most loans to the major debtor countries such as Mexico, Brazil, Venezuela and Argentina were placed in the "Other Transfer Risk Problem [OTRP]" category. This category covers loans to "countries not comply-

ing with their external debt-service obligations, as evidenced by arrearages of forced restructurings or rollovers, but which are taking positive actions to restore debt service through economic adjustment measures, such as an IMF program." The regulators required no special reserves for loans in this category, nor for loans in the next lower category, that is the "substandard" category. This category defines loans to "countries not complying with their external debt service obligations and * * * not negotiating a viable rescheduling of their debts to banks or likely to do so in the near future." The regulators have not implemented the "special reserves" requirement called for by ILSA. Their failure to do so means the "special reserves" required by that 1983 act have not been built and U.S. banks are not adequately provisioned to take a loss on these loans if that turns out to be necessary.

The July 1986 hearing also revealed that there was a secondary market developing in third world debt and that most such debt traded at varying discounts off the face value of the loans held by the banks. This continues to be the case. An article in the March 16, 1987, "Barron's," for example, noted that the market value of Argentinian debt was 62 cents on the dollar, while Venezuelan debt was valued at 71 cents and Mexican debt at 55 cents on the dollar.

The bill Senator GRAMM and I are introducing is designed to increase the safety of our banks and improve their position in dealing with the troubling international debt situation. It would amend the ILSA by directing Federal banking regulators to estimate at least once each year an actual or real value of loans held by U.S. banks to countries either in the OTRP or substandard category. The appropriate regulator would then require that banks establish within 1 year, as part of their general reserves, special reserves in the amount of 10 percent of the difference between the book value of these loans and the actual or real value as estimated by the agencies. The required reserves would be increased each year by an additional 10 percent of the difference between the face value of such loans, and the agencies' estimate of the value of OTRP or substandard country loans held by the banks, so that over a period of 10 years the banks would be adequately reserved against the full value of the estimated transfer risk identified for such loans.

Once banks are forced to reserve against loans in the OTRP and substandard categories, they may become more willing to trade such loans at less than their face value. Over time this could improve both the safety of our banks and lessen the debt load of the debtor countries. In order to further this process, the bill Senator GRAMM and I are introducing requires the bank regulators to identify regulatory and accounting impediments to exchanges of foreign debt for equity and jointly report to the Congress with recommendations for legislation to facilitate the growth of such a market by January 15, 1988.

A final provision of our bill requires that the Treasury Department, in rescheduling any official loans owed by a foreign government to the U.S. Government, to seek commitments from the foreign government to enhance significantly the conditions for private direct investment by U.S. nationals and nationals of the foreign country in the foreign country. The debtor countries need capital to get their economies moving again and this provision is designed to help the debtor countries establish internal conditions that will attract investment capital. The provision provides that commitments made by a foreign country in this regard would have to be fulfilled before any such official loans would be eligible for further rescheduling. The Secretary of the Treasury would be able to waive this restriction under certain conditions including that it was in the best interest of the United States for him to do so.

Mr. President, the Banking Committee, under the auspices of its International Finance and Monetary Policy Subcommittee, is holding 3 days of hearings this week and next week on the international debt problem. During these hearings we may develop additional ideas for legislation that would help our banks and the debtor countries develop solutions to the debt problem. I am convinced, however, that the measures established by this bill should be part of our overall debt approach. If our banks are better reserved against questionable loans, they will be much better equipped to work to develop solutions to this problem that could benefit the debtor countries as well as serve their own long-term interests.

I am pleased to join Senator GRAMM in sponsoring this bill.●

By Mr. BINGAMAN (for himself and Mr. DOMENICI):

S.J. Res. 106. Joint resolution to recognize the Disabled American Veterans Vietnam Veterans National Memorial as a memorial of national significance; to the Committee on the Judiciary.

RECOGNITION OF VIETNAM VETERANS NATIONAL MEMORIAL, ANGEL FIRE, NM

● Mr. BINGAMAN. Mr. President, it is with pride that I introduce today a joint resolution that will declare the DAV Vietnam Veterans' National Memorial in Angel Fire, NM, a memorial of national significance. The memorial chapel was begun in 1968 by Dr. and Mrs. Victor Westphall and their son, Douglas, in honor of their son and brother, David, who was killed in Vietnam. Dr. Westphall exhausted all funds for the memorial before completion, but, in 1977, the Disabled American Veterans learned of the project and began supplying funds to finish it.

The memorial chapel rises to a height of nearly 50 feet above a hill in Angel Fire overlooking the Moreno Valley in northern New Mexico. When viewed from a distance, it makes a striking impression and has been recognized for its architectural value by the New Mexico Society of Architects. In 1983, the first session of the 36th New Mexico State Legislature declared the chapel a State memorial, and on Memorial Day of that year, it was rededicated as the DAV Vietnam Veterans' Memorial.

Mr. President, I hope that my colleagues in the Senate will join in giving this chapel the special recognition it deserves by declaring it a national memorial. Similar legislation has been introduced in the House of Representatives by Congressman RICHARDSON of Santa Fe. The memorial attracts visitors from all over the country and has inspired efforts to establish other Vietnam memorials around the country, including the Vietnam Veterans' Memorial in Washington, DC.

The Vietnam experience was a very complex one emotionally. The chapel at Angel Fire allows veterans and others to gather, meditate, pray, and share in the peaceful calm of the site, and in so doing, to deal with those emotions. David Westphall believed deeply in the cause for which he gave his life, but as part of an ethical framework for a peaceful world. I urge my colleagues to recognize this chapel as a national memorial to underscore those beliefs we share with him.●

ADDITIONAL COSPONSORS

S. 2

At the request of Mr. BOREN, the name of the Senator from North Dakota [Mr. BURDICK] was added as a cosponsor of S. 2, a bill to amend the Federal Election Campaign Act of 1971 to provide for a voluntary system of spending limits and partial public financing of Senate general election campaigns, to limit contributions by multicandidate political committees, and for other purposes.

S. 11

At the request of Mr. CRANSTON, the name of the Senator from Colorado [Mr. WIRTH] was added as a cosponsor of S. 11, a bill to amend title 38, United States Code, to establish certain procedures for the adjudication of claims for benefits under laws administered by the Veterans' Administration; to apply the provisions of section 553 of title 5, United States Code, to rulemaking procedures of the Veterans'

Administration; to provide for judicial review of certain final decisions of the Administrator of Veterans' Affairs; to provide for the payment of reasonable fees to attorneys for rendering legal representation to individuals claiming benefits under laws administered by the Veterans' Administration; and for other purposes.

S. 12

At the request of Mr. CRANSTON, the name of the Senator from Kansas [Mr. DOLE] was added as a cosponsor of S. 12, a bill to amend title 38, United States Code, to remove the expiration date for eligibility for the educational assistance programs for veterans of the All-Volunteer Force; and for other purposes.

S. 62

At the request of Mr. STEVENS, the name of the Senator from Connecticut [Mr. DODD] was added as a cosponsor of S. 62, a bill to improve efforts to monitor, assess, and to reduce the adverse impact of driftnets.

S. 69

At the request of Mr. TRIBLE, the name of the Senator from New York [Mr. D'AMATO] was added as a cosponsor of S. 69, a bill to amend the Internal Revenue Code of 1986 to repeal the basis recovery rule for pension plans.

S. 99

At the request of Mr. INOUYE, the name of the Senator from Tennessee [Mr. GORE] was added as a cosponsor of S. 99, a bill to allow the Internal Revenue Code of 1986 to be applied and administered as if the 3-year basis recovery rule applicable to employees' annuities had not been repealed.

S. 332

At the request of Mr. DECONCINI, the names of the Senator from Colorado [Mr. WIRTH], and the Senator from Maryland [Mr. SARBANES] were added as cosponsors of S. 332, a bill to provide for a General Accounting Office investigation and report on conditions of displaced Salvadorans, to provide certain rules of the House of Representatives and of the Senate with respect to review of the report, to provide for the temporary stay of detention and deportation of certain Salvadorans, and for other purposes.

S. 514

At the request of Mr. KENNEDY, the names of the Senator from Maine [Mr. MITCHELL], the Senator from Iowa [Mr. GRASSLEY], the Senator from Oklahoma [Mr. NICKLES], the Senator from Missouri [Mr. DANFORTH], and the Senator from California [Mr. CRANSTON] were added as cosponsors of S. 514, a bill to amend the Job Training Act to establish an incentive bonus for the successful placement of certain employable dependent individuals, to provide targeting of assistance from certain carryover funds for such individuals, and for other purposes.

S. 523

At the request of Mr. HELMS, the name of the Senator from South Carolina [Mr. HOLLINGS] was added as a cosponsor of S. 523, a bill to amend title 39, United States Code, to extend to certain officers and employees of the Postal Service the same procedural and appeal rights with respect to certain adverse personnel actions as are afforded to Federal employees under title 5, United States Code.

S. 538

At the request of Mr. METZENBAUM, the names of the Senator from North Dakota [Mr. BURDICK], and the Senator from Maryland [Mr. SARBANES] were added as cosponsors of S. 538, a bill to implement the recommendations of the Secretary of Labor's Task Force on Economic Adjustment and Worker Dislocation, and for other purposes.

S. 552

At the request of Mr. CRANSTON, the name of the Senator from Tennessee [Mr. GORE] was added as a cosponsor of S. 552, a bill to improve the efficiency of the Federal classification system and to promote equitable pay practices within the Federal Government and for other purposes.

S. 598

At the request of Mr. MITCHELL, the name of the Senator from West Virginia [Mr. ROCKEFELLER] was added as a cosponsor of S. 598, a bill to amend title XIX of the Social Security Act to protect the welfare of spouses of institutionalized individuals under the Medicaid Program.

S. 604

At the request of Mr. PRYOR, the name of the Senator from Wyoming [Mr. WALLOP] was added as a cosponsor of S. 604, a bill to promote and protect taxpayer rights, and for other purposes.

S. 629

At the request of Mr. BINGAMAN, the name of the Senator from Iowa [Mr. GRASSLEY] was added as a cosponsor of S. 629, a bill to establish literacy programs for individuals of limited English proficiency.

S. 630

At the request of Mr. PELL, the name of the Senator from New Jersey [Mr. LAUTENBERG] was added as a cosponsor of S. 630, a bill to prohibit the use on Cyprus of military equipment provided to Turkey by the United States and to require that certain information regarding activities on Cyprus of the Turkish armed forces be included in the periodic reports submitted to Congress.

S. 726

At the request of Mr. MCCONNELL, the names of the Senator from New Jersey [Mr. BRADLEY], the Senator from Arizona [Mr. MCCAIN], the Senator from Montana [Mr. MELCHER], and the Senator from Pennsylvania [Mr. HEINZ] were added as cosponsors of S. 726, a bill to amend the Juvenile Justice and Delinquency Prevention Act of 1974 to provide States with assistance to establish or expand clearinghouses to locate missing children.

S. 818

At the request of Mr. DOMENICI, the name of the Senator from Arizona [Mr. MCCAIN] was added as a cosponsor of S. 818, a bill to provide permanent authorization for White House Conferences on Small Business.

S. 831

At the request of Mr. BINGAMAN, the name of the Senator from Oklahoma [Mr. BOREN] was added as a cosponsor of S. 831, a bill to provide grants to States for fellowships for individuals who have outstanding ability, demonstrate an interest in a teaching career, and will teach in areas of the State in which there is a shortage of quality elementary or secondary school teachers or in fields of study in which there is a shortage of quality elementary or secondary school teachers, or both, and for other purposes.

S. 844

At the request of Mr. SIMON, the names of the Senator from Ohio [Mr. METZENBAUM], the Senator from South Carolina [Mr. THURMOND], the Senator from Alabama [Mr. HEFLIN], the Senator from Wyoming [Mr. SIMPSON], and the Senator from Arizona [Mr. DECONCINI] were added as cosponsors of S. 844, a bill to exempt certain activities from provisions of the antitrust laws.

S. 856

At the request of Mr. NICKLES, the names of the Senator from Idaho [Mr. SYMMS] and the Senator from Alabama [Mr. HEFLIN] were added as cosponsors of S. 856, a bill to amend the Food Security Act of 1985 to clarify that certain persons should not be denied status as separate persons under such Act, and for other purposes.

S. 880

At the request of Mr. DURENBERGER, the name of the Senator from New Jersey [Mr. BRADLEY] was added as a cosponsor of S. 880, a bill entitled the "Superconductivity Competition Act of 1987".

S. 889

At the request of Mr. GORE, the name of the Senator from Texas [Mr. BENTSEN] was added as a cosponsor of S. 889, a bill to amend the Communications Act of 1934 to provide for fair marketing practices for certain encrypted satellite communications.

SENATE JOINT RESOLUTION 21

At the request of Mr. HOLLINGS, the name of the Senator from Florida [Mr. CHILES] was added as a cosponsor of Senate Joint Resolution 21, joint resolution proposing an amendment to the Constitution of the United States

relative to contributions and expenditures intended to affect congressional, and Presidential elections.

SENATE JOINT RESOLUTION 39

At the request of Mr. SIMON, the name of the Senator from Texas [Mr. BENTSEN] was added as a cosponsor of Senate Joint Resolution 39, a joint resolution to provide for the designation of the 69th anniversary of the renewal of Lithuanian independence, February 16, 1987, as "Lithuanian Independence Day."

SENATE JOINT RESOLUTION 77

At the request of Mr. HEINZ, the names of the Senator from Kansas [Mr. DOLE], the Senator from Alabama [Mr. HEFLIN], the Senator from Minnesota [Mr. DURENBERGER], the Senator from New York [Mr. MOYNIHAN], the Senator from Georgia [Mr. NUNN], and the Senator from Michigan [Mr. LEVIN] were added as cosponsors of Senate Joint Resolution 77, a joint resolution to designate October 14, 1987, as "William Penn Appreciation Day."

SENATE CONCURRENT RESOLUTION 35

At the request of Mr. DECONCINI, the names of the Senator from North Carolina [Mr. SANFORD], the Senator from South Dakota [Mr. DASCHLE], and the Senator from Nevada [Mr. HECHT] were added as cosponsors of Senate Concurrent Resolution 35, a concurrent resolution expressing the sense of the Congress regarding the imposition of charges for outpatient care provided in medical facilities of the uniformed services to retired members of the Armed Forces, dependents of retired members, and dependents of members serving on active duty.

SENATE RESOLUTION 174

At the request of Mr. DECONCINI, the name of the Senator from Wisconsin [Mr. PROXMIRE] was added as a cosponsor of Senate Resolution 174, a resolution expressing the sense of the Senate condemning the Soviet-Cuban build-up in Angola and the severe human rights violations of the Marxist regime in Angola.

NOTICES OF HEARINGS

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. JOHNSTON. Mr. President, I would like to announce for the public that a hearing has been scheduled before the full Committee on Energy and Natural Resources.

The hearing will take place Wednesday, April 22, 1987, 9:30 a.m. in room SD-366 of the Senate Dirksen Office Building in Washington, DC.

The purpose of this hearing is to receive testimony concerning the recent Department of Energy report to the President entitled "Energy Security." The witness will be Hon. John S. Herrington, Secretary of Energy.

For further information, please contact Betsy Moler, senior counsel to the committee, at (202) 224-0612.

Mr. BUMPERS. Mr. President, I would like to announce for the public that a hearing has been scheduled before the Subcommittee on Public Lands, National Parks and Forests.

The hearing will take place Thursday, April 23, 1987, 10 a.m. in room SD-336 of the Senate Dirksen Office Building in Washington, DC.

The purpose of this hearing is to receive testimony on two measures currently pending before the subcommittee:

S. 247, a bill to designate the Kern River as a national wild and scenic river; and

S. 275, a bill to designate the Merced River as a national wild and scenic river.

Those wishing information about testifying at the hearing or submitting written statements should write to the Subcommittee on Public Lands, National Parks and Forests, U.S. Senate, room SD-364, Dirksen Senate Office Building, Washington, DC 20510. For further information, please contact Beth Norcross at 224-7933.

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. LEAHY. Mr. President, I wish to announce that the Committee on Agriculture, Nutrition, and Forestry will hold a hearing on Tuesday, April 7, 1987 at 9 a.m. in room SR-332 to receive testimony on the economic problems of rural communities. For further information please contact Leslie Dach of the committee staff at 224-2035.

AUTHORITY FOR COMMITTEES TO MEET

SUBCOMMITTEE ON INTERNATIONAL FINANCE AND MONETARY POLICY

Mr. BYRD. Mr. President, I ask unanimous consent that the Subcommittee on International Finance and Monetary Policy of the Committee on Banking, Housing, and Urban Affairs, be authorized to meet during the session of the Senate on Wednesday, April 1, 1987, at 9:30 a.m., to conduct oversight hearings on Third World debt.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON COURTS AND ADMINISTRATIVE PRACTICE

Mr. BYRD. Mr. President, I ask unanimous consent that the Subcommittee on Courts and Administrative Practice, of the Committee on the Judiciary be authorized to meet during the session of the Senate on April 1, 1987 at 10 a.m., to hold a hearing on S. 548, Retiree Benefits Security Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on April 1, 1987 at 1:30 p.m., to hold a hearing on judicial nominations.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON STRATEGIC FORCES AND NUCLEAR DETERRENCE

Mr. BYRD. Mr. President, I ask unanimous consent that the Subcommittee on Strategic Forces and Nuclear Deterrence, of the full Committee on Armed Services, be authorized to meet during the session of the Senate on Wednesday, April 1, 1987, at 9 a.m., in open session to receive testimony on the SDI Research Program and on its compliance with existing treaty obligations, in review of the fiscal years 1988 and 1989 Department of Defense authorization request.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON PROJECTION FORCES AND REGIONAL DEFENSE

Mr. BYRD. Mr. President, I ask unanimous consent that the Subcommittee on Projection Forces and Regional Defense of the Committee on Armed Services, be authorized to meet during the session of the Senate on Wednesday, April 1, 1987, at 2 p.m., in open session to receive testimony on the reorganization of special operations forces and program proposals for SOF airlift.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON CHILDREN, FAMILY, DRUGS, AND ALCOHOLISM

Mr. BYRD. Mr. President, I ask unanimous consent that the Subcommittee on Children, Family, Drugs, and Alcoholism, Committee on Labor and Human Resources, be authorized to meet during the session of the Senate on Wednesday, April 1, 1987, at 2 p.m. to hold a hearing on the Reauthorization of Child Abuse Prevention and Treatment Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON LABOR AND HUMAN RESOURCES

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on Labor and Human Resources be authorized to meet during the session of the Senate on Wednesday, April 1, 1987, at 9:30 a.m. to hold a hearing on S. 557, the Civil Rights Restoration Act of 1987, part II.

The PRESIDING OFFICER. Without objection, it is so ordered.

SELECT COMMITTEE ON INTELLIGENCE

Mr. BYRD. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Wednesday, April 1, 1987, at 2:30 p.m. to resume closed hearings on

proposed legislation authorizing funds for fiscal year 1988 for the intelligence community.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on Governmental Affairs, be authorized to meet during the session of the Senate on Wednesday, April 1, 1987, at 10 a.m. to hold hearings and markup on S. 813, the Urgent Relief for the Homeless Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

REPORT OF DEMOCRATIC MEMBERS OF THE COMMISSION ON CENTRAL AMERICAN NEGOTIATIONS

● Mr. PELL. Mr. President, last fall in the legislation governing the funding of the Contras, the Congress established the Commission on Central American Negotiations. Its purpose is to monitor and report on efforts toward negotiations for peace and security in Central America. According to the legislation, the Commission is required to prepare a report within 5 days after the Congress receives the Presidential determination on Nicaragua, addressing the issues dealt with in the determination. The Congress, however, has not received such a report because the Commission has not functioned due to lack of agreement regarding the selection of the Commission's chairperson. The failure to agree on a chairperson has prevented the Commission from doing the work intended in the legislation. Perhaps we should be looking for alternative ways to select a chairperson so that the Commission can finally get underway.

In order to comply with the spirit of the legislation, the Democratic members of the Commission on Central American Negotiations have submitted a report, prepared by Commission member Ed King, to me as chairman of the Committee on Foreign Relations and to the Speaker of the House. Among the points made by Mr. King is that the President chose not to consider the fact that the Central American countries are actively working on the proposal by Costa Rican President Arias in preparation for a meeting of the five Central American presidents in May in Guatemala. This certainly enhances the prospects for achieving an agreement. Mr. King also writes of the Nicaraguan Government's repeated offers to negotiate a security accord with the United States and bilateral security/border accords with its Central American neighbors.

Mr. President, I recommend that my colleagues read Mr. King's report and I ask that it be placed in the RECORD.

The report follows:

MARCH 23, 1987.

Hon. CLAIBORNE PELL,
Chairman, Senate Foreign Relations Committee, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: This report is submitted in accordance with Title II, Section 213(e)(1) of the act making appropriations for military construction for the Department of Defense for the fiscal year ending September 30, 1987 as contained in Public Law 99-500, approved on October 18, 1986.

The Commission on Central American Negotiations authorized by Section 312 has not been able to formulate and submit a full Commission report as required by paragraph (e)(1) above, due to the inability of the Commission members to as yet agree, by majority vote, on the selection of a Commission chairman.

To comply in some personal measure with the mandate and intent of the act establishing the Commission, the duly appointed Democratic members, Mr. Edward King and Mr. Kirk O'Donnell, herewith submit a separate report prepared from public documents and information obtained by Mr. King while in Central America with congressional delegations.

With esteem and best wishes,

Sincerely,

EDWARD L. KING,
Member, Commission on Central American Negotiations.

MEMORANDUM FOR CHAIRMAN OF THE SENATE FOREIGN RELATIONS COMMITTEE

REPORT ON PRESIDENTIAL DETERMINATION NO. 87-10 FOR FURTHER ASSISTANCE TO NICARAGUAN DEMOCRATIC RESISTANCE, MARCH 20, 1987

This report is transmitted in accordance with section 213e(1) of the FY 1987 Military Construction Appropriations Act. It includes:

A statement regarding the President's determination on the status of negotiations toward a settlement of the conflict in Central America, including the willingness of the Nicaraguan democratic resistance and the Government of Nicaragua to negotiate a settlement;

A statement regarding the President's determination on alleged human rights violations by the Nicaraguan democratic resistance and the Government of Nicaragua, including a comment about the steps taken by the Nicaraguan democratic resistance to remove from its ranks any individuals who have engaged in human rights abuses;

A statement regarding the President's evaluation of the progress made by the Nicaraguan democratic resistance in broadening its political base and defining a unified and coordinated program for achieving representative democracy in Nicaragua.

STATEMENT ON THE PRESIDENT'S DETERMINATION ON EFFORTS TO PROMOTE A SETTLEMENT IN CENTRAL AMERICA AND IN NICARAGUA

While the President indicates that efforts toward a negotiated agreement in Central America have intensified, he blames lack of progress on Nicaraguan intransigence. His determination notes that after the January 19-20 trip to Central America, the foreign ministers of the Contadora and Support Group countries, accompanied by the Secretaries General of the UN and OAS, noted that *all* the Central American states expressed their interest in a political solution and the willingness to continue to participate in the Contadora process. This distinguished group of ministers visited Nicaragua as well as El Salvador, Costa Rica, Guatamala and Honduras. And although they noted a lack of political will among the countries to resolve the conflict, they did not relate this lack of political will to just Nicaragua. A review of past Contadora negotiations processes reveals that there have also been instances of intransigence on the part of El Salvador, Costa Rica and Honduras often with U.S. Government backing.

In regard to the reference in the determination about President Azcona's letter to the Presidents of the Contadora and Support Group countries, no mention is made that he does not acknowledge the presence of camps of armed Contras inside Honduras, who regularly cross into Nicaragua to attack civilian and military targets. It is misleading therefore to use a statement by President Azcona to indicate that the crisis in Central America is primarily an internal conflict within Nicaragua that has spilled over its borders. Furthermore, Nicaragua's suits in the International Court of Justice (ICJ) filed in July 1986 were attempts to stop cross-border violations by bands of armed guerrillas operating from Honduras and Costa Rica, financed by money from the United States and other countries. It is correct that these suits followed unsuccessful Nicaraguan attempts to negotiate bilateral agreements with their neighbors to establish joint border commissions to use international observers to provide surveillance over fifteen mile wide demilitarized zones on each side of the borders with Honduras and Costa Rica. Nicaragua has indicated that it is willing to withdraw its suits in the International Court of Justice if it can reach some bilateral border agreements with its neighbors.

The Nicaraguan Government has not responded to the February letter from the internal political position parties calling for "a broad dialogue and ceasefire as a basis for ending the war that is tearing Nicaragua apart and that has been financed by the U.S. Government for the past 6 years." It has also remained firm in refusing to consider any negotiations with the Contras who they allege are maintained as foreign supported terrorists.

On February 19, the Nicaraguan Government accepted the invitation of President Arias to participate in the meeting, in May at Esquipulas, Guatamala to consider the peace proposals submitted by President Arias at the San Jose Summit meeting on Feb. 15. The Nicaraguans accepted the invitation despite being excluded from the San Jose summit meeting and which may explain why Nicaragua issued the January 30 communique harshly condemning the talks that is referred to in the President's certification.

While the United States has publicly welcomed the proposals of President Arias and the other three democratically-elected Presidents to overcome the current impasse in regional negotiation, Assistant Secretary Elliot Abrams on March 6 stated "we have some ideas about how to improve the proposals and will make them known through the appropriate channels at the appropriate time." Such statements do little to reassure the four democratically-elected Presidents—not to mention the Nicaraguan President—that the United States intends to allow these Central American leaders to freely work out a peaceful political settlement to

the crisis in the region without U.S. interference or pressure.

The President's certification indicates that UNP leaders Arturo Cruz and Alfonso Robelo have announced support for the Arias peace proposals, but he makes no mention of the fact that FDN leaders Mr. Calero and Col. Bermudez, have not indicated support for the proposals. On the contrary the FDN, which is the largest Contra organization, has said it does not support the Arias proposals. And of course Arturo Cruz has since resigned from UNO in protest against the undue control exercised by Calero and Bermudez. Mr. Alfredo Cesar and other leaders of BOS, the Southern Opposition Bloc have sent a letter to the Central American presidents indicating support for the Arias initiative and offering to renounce the five million dollars earmarked for them in the $100 million package, when and if a ceasefire is agreed to by all five Central American presidents. However, the certification does not mention that BOS is not part of UNO and only maintains contact with them for general coordination. Nor does it mention that BOS refuses to join UNO because it does not trust the FDN leaders and their total dedication to a military option rather than a political solution favored by BOS.

The President's certification makes much of Ambassador Habib's flying visits to five Contadora and Latin American countries during January 12-16. It also mentions his trips the following week, to seven European countries.

It seems that the President considers that the tours by Ambassador Habib somehow ere indications of serious U.S. efforts to seek peace in Central America. Yet even after the San Jose Summit when Ambassador Habib visited Costa Rica, Honduras, El Salvador and Mexico from Feb. 22-24, to exchange views about the Arias proposals, there were no indications given in the certification regarding why he did not also visit Nicaragua which had accepted President Arias' invitation to attend the Esquipulas meeting in May. It is difficult to understand why an exchange of views with the Nicaraguan Government—which we maintain diplomatic relations with—would not also be important to Ambassador Habib's negotiating mission.

The certification indicates that because of Ambassador Habib's shuttle visits to Latin America, Europe and 3 of the 5 Central American countries the U.S. Government had thus demonstrated its support for regional negotiations. It then goes on to say that since the Central American countries have not concluded a comprehensive and effective agreement; and that in the President's opinion there was no prospect on March 5, that the Nicaraguan Government would engage in a serious dialogue with all elements of the Nicaraguan democratic opposition; nor was there in the President's opinion a reasonable prospect of achieving such an agreement through further bilateral or multilateral diplomatic measures in the foreseeable future without additional assistance to the democratic resistance.

This section of the certification is indeed a weak reed. Ambassador Habib's international shuttle trips to various European, Latin American and some Central American countries, except Nicaragua and Guatamala, should not be regarded as a firm demonstration of U.S. resolve, to sincerely seek a political/diplomatic settlement to the regional crisis. It is difficult indeed to believe that the administration is sincere in a desire to reach a genuine negotiated settlement in Central America, when it has, for 3 years, refused to talk to the Nicaraguan government. The President's certification on March 5 that there is *no* reasonable prospect for achieving a peaceful agreement through further bilateral or multilateral diplomatic measures, ignores the fact that four of the five Central American presidents signed the preamble to an agreement pledging to seek just such a multilateral political/diplomatic agreement in May at Esquipulas, Guatamala.

The President's certification is misguided when it indicates that additional assistance to UNO and the FDN military effort is necessary for the Arias peace proposals to have a prospect for success. Those proposals are based on a ceasefire and political settlement, thus it is far more likely that continued assistance to the Contra military forces will endanger rather than promote the prospect for peace so clearly outlined in the San Jose document which four Central American Presidents signed.

In regard to the prospects for achieving a bilateral agreement it should be noted that the Nicaraguan Government has for three years been offering to continue the bilateral U.S.-Nicaraguan talks that were broken off at Manzanillo by the U.S. in 1984. The Nicaraguans have repeatedly stated they are willing to negotiate with the U.S. regarding removal of Soviet, Cuban and other military advisors, guarantees of no foreign bases, reduction in levels of sophisticated arms and numbers of troops. In return they ask for a U.S. guarantee not to invade Nicaragua.

Furthermore, since the Administration has for almost 3 years made no attempt to establish either bilateral or multilateral discussions with Nicaragua, the President cannot accurately certify that there is "no reasonable prospect" of achieving a peaceful political agreement without additional military assistance to the armed Contras, particularly in face of the agreement of five Central American Presidents to meet at Espuipulas to seek through diplomatic negotiations a political solution to bring peace to the region.

REPORT ON PRESIDENT'S CERTIFICATION ABOUT POLITICAL DEVELOPMENTS IN THE DEMOCRATIC RESISTANCE

The President's certification attempts to put the best possible face on the rapidly diminishing prospects for the Contras. He points out that on January 10, BOS and UNO signed a communique announcing joint political goals for a democratic society in Nicaragua. What is not pointed out is that BOS leaders refused to join UNO, contending that it is dominated by a clique of FDN military leaders. BOS has also expressed its opposition to seeking a military solution and called on UNO to join in a political initiative to find peace through a ceasefire and amnesty which permits Nicaraguan political leaders now in exile an opportunity to return to Nicaragua and fight for a restoration of democracy in Nicaragua with ballots, not bullets. The certification is correct when it states that the December-February period was one of intense political activity for UNO. It was during this period that Arturo Cruz threatened to resign from the UNO Directorate unless reforms to give civilians control over the FDN and UNO-South military forces, make UNO more representative of Nicaraguan society, establish better accounting of all funds expended, and broaden the base of UNO support. The reforms were not undertaken and furthermore Mr. Cruz realized that the U.S. Administration was going to continue to support Col. Bermudez and Mr. Calero, rather than push for civilian control of the FDN military; consequently Mr. Cruz announced his resignation from UNO on March 10th. Adolfo Calero left the UNO directorate but remained the political leader of the FDN, which contains most of the Contra military forces. Mr. Calero and Col. Bermudez, commander of the FDN forces, continue to be the most powerful and influential figures in the Nicaraguan democratic opposition.

Reference is made in the certification to the BOS statement that it would no longer accept U.S. aid because its troops were not being supplied. BOS claimed they had only received about $300,000 in U.S. aid despite having been promised $5 million in 1986. BOS leaders believe that they were receiving only a trickle of U.S. assistance because they refuse to join UNO. The military leaders of UNO-South operating near the Costa Rican border had ceased their military operations in January, because they said they had not received sufficient money and supplies from UNO to enable them to continue.

The President's certification does not include specifics regarding "an evaluation of the progress made by the Nicaraguan democratic resistence in broadening its political base and defining a unified and coordinated program for achieving representative democracy in Nicaragua" as required by Section 214(4) of the FY 1987 Military Construction Appropriations Act.

REPORT ON PRESIDENT'S CERTIFICATION REGARDING HUMAN RIGHTS

There appears to be a slight increase in 1986 in the number of human rights violations reported by both the Contras and the Nicaraguan Government. Both sides seem to attempt to place the blame for reported human rights violations on the other side. Thus, it is very difficult for the certification to accurately report on the true human rights situation in Nicaragua. The President's certification on human rights does not include any specific comment on steps taken by the democratic resistance to remove from their ranks any individuals who have engaged in human rights abuses as specified in Section 214(3).

The Democratic Resistance

The President's certification refers to a November 9, 1986 Contra example at the village of El Nispero of how the Nicaraguan interior forces try to place blame on the attacking Contra forces for subsequent atrocities that are alleged to have occurred after the Contras left the village.

The nonprofit UNO Nicaraguan Association for Human Rights (NAHR) which is financed by U.S. money, has begun an investigation of this incident. According to statements taken by America's Watch, from witnesses, 40 UNO-South soldiers attacked the small farm hamlet of El Nispero at 2 a.m. The Contras allegedly fired indiscriminately into the houses of the village, as well as at the command post of the small group of local militia. After this indiscriminate shooting, the Contras remained in the village for several hours, then withdrew with two women and a four-month old boy as captives. They left behind two dead militia soldiers, two elderly sisters killed by gunfire, a young mother killed as she fled, and two infants, one of whom had his throat cut. The President's certification states that a force of 200 Sandinista soldiers occupied a military base at El Nispero, while news reports from the area and a recent America's Watch report indicate that the military

command post was occupied by a Sandinista Army conscript and three militia members. The conscript was killed as was a 35 year old military reservist who was with his family in another house. The other three wounded militiamen fled the scene, according to witnesses interviewed by press correspondents and America's Watch.

The formation of the NAHR to monitor human rights violations and train Contra forces on a code of conduct is certainly a step in the right direction. But reports persist that the NAHR office is not allowed to thoroughly investigate alleged Contra human rights abuses and that its reports are inclined to downplay some FDN-UNO human rights violations. On the other hand the Nicaraguan Government uses the state-controlled press to blame the Contras for some abuses committed by the EPS and Interior forces.

Religious Oppression

Cardinal Obando y Bravo has said that the continuing talks between the Catholic Church and the Nicaraguan Government have progressed better than expected. But there are still remaining problems. Chief among them have been the expulsion of Nicaraguan Bishop Vega and Monsignor Bismark Carballo, and the closing down of Radio Catolica.

The Nicaraguan Government has said that Bishop Vega is free to return to Nicaragua when he wishes. They have indicated that Monsignor Carballo will also be permitted to return at a later time. Negotiations are ongoing concerning the return of Radio Catolica to broadcasting under the direction of the Church.

In regard to the two other priests mentioned in the section, (an American and Salvadoran), they were accused by the Sandinistas of helping the Contras. However, the American priest Father D'Abele has been allowed to return to Nicaragua. Church-State relations continue to be strained but there appears to be some hope for improvement as long as the current dialogue between the Church and State continues.

Labor

There is little doubt the Nicaraguan Government has repressed and intimidated the Confederation of Labor Unity (CUS). CUS is the opposition labor union, and its members have felt the full impact of Sandinista pressure and intimidation to conform to government labor regulation an control.

Political Opposition

The seven internal Nicaraguan opposition parties have, as certified, been more active over the past few months than in the past. However, they are still restricted by the state of siege law which limits most individual constitutional rights in Nicaragua.

These small opposition political parties have fared badly over the past three years. They have continually opposed the Contra military activities, while at the same time losing their own political and personal flexibility because of the state of siege invoked by the Nicaraguan Government against the threat posed by the Contras. The internal political opposition has also generally been ignored by the United States Administration because of the overriding emphasis by the Administration on supporting the military effort of the Contras.

The internal demonstrations reported in the President's certification have occurred because of the rising public dissatisfaction with the Sandinista government. Yet it is not accurate to transpose that internal dissatisfaction into broad popular support for the Contras. It is more accurately an expression of the support the Nicaraguan people chose to give to the political parties still operating in Nicaragua. Nicaraguans did not demonstrate in Managua on January 9 and 10 in support of the Contras whom many view as "restorationists" of the old order; they demonstrated there against the Sandinista regime, using the opposition internal political parties in the Coordinadora as a way to express their discontent with the Sandinistas.

It should be remembered that the Coordinadora political parties have publicly disavowed support of the Contras. In fact, the Contras have no viable politcal presence inside Nicaragua. Nor do they have a visible political presence outside the country that generates much enthusiasm inside Nicaragua or with Nicaraguans living in exile. So concerned are the internal political parties with maintaining their independence from the Contras that they will not meet with them. Indeed after Mr. Mauricio Diaz, Secretary General of the Popular Social Christian Party and Mr. Eric Ramirez, President of Social Christian Party attended a meeting with Ambassador Habib in San Jose, Costa Rica they were harshly criticized by the other internal political parties upon their return to Managua.

General

The certification notes that in mid-December a Sumo refugee reported that as many as 65 Sumos had returned to Nicaragua and had been forcibly inducted into the Sandinista military. It also notes that the allegation had not been verified.

This claim appears to be an attempt to make a better case for the Administration policy supporting the Contra military effort. In fairness it would have been more balanced to have also mentioned that KISAN, the UNO affiliated Miskito-Indian group, has frequently engaged in open forced recruitment of Miskito youths, both in the refugee camps in Honduras and inside Nicaragua in villages along the Coco River.

In regard to Soviet-bloc mines being found in Honduran territory, there are also press reports of Soviet-bloc and U.S. manufactured mines being found on roads and trails on the Nicaraguan side of the border. The Sandinista army has placed several captured U.S. mines on display in Matagalpa. So it would appear that both sides are mining along the border areas and on interior roads inside Nicaragua. The result of this indiscriminate mining by both sides in the fighting along the Honduran Nicaragua border has been that dozens of innocent civilian women and children are being crippled and maimed by these cruel devices.

Summary

The President's certification does not contain a specific report on the matters referred to in Section 211(d), (1)(D)(E)(F) or (2)(A)(D).

The certification does not contain specific statements concerning how the Nicaraguan democratic resistance groups receiving assistance are implementing:

(1)(D) The pursuit of a defined and coordinated program for achieving representative democracy in Nicaragua.

(1)(E) The subordination of military forces to civilian leadership.

Mention is made on page 12 of the President's certification regarding the UNO Directorate working toward creation of a "National Army" which would bring the resistance military effort more effectively under civilian control. However, Mr. Arturo Cruz has said that one of the reasons for his recent resignation from UNO was because the U.S. Dept. of State and CIA, thought it would be unwise for Cruz to insist on the appointment of Luis Rivas to be a civilian supreme commander of Contra military forces. Cruz was told to be gentle and deferential to Col. Bermudez, commander of the FDN military forces. Cruz has said that it was his perception that the FDN clique of military leaders would not permit the military reforms that he considered necessary for subordination of the military forces to civilian leadership unless the U.S. Government forced them to do so and he found no inclination in his contacts with the Administration to back such reform.

(1)(F) The application of rigorous standards, procedures and controls to assure that funds transferred are fully accounted for and are used exclusively for purposes authorized.

The certification contains only a report on the expenditures for the Contra Human Rights Program. It indicates that $400,000 of the authorized $2 million has been disbursed during Oct. 22, 1986 through Feb. 22, 1987. However, there is no indication of what controls have been established and effected on the disbursement of the remaining $58 million which has been allocated under the controlling legislation during the same period. There is not any indication of how money has been spent.

(2)(A) To reflect the views and objectives of the internal and external Nicaraguan Democratic opposition.

Nor is it clear from the certification, how the President has taken into account the effectiveness and legitimacy of the political leadership of the Nicaraguan democratic resistance groups receiving assistance, including the ability of that political leadership to reflect the views and objectives of the internal and external democratic opposition. As has been noted, the internal Nicaraguan political opposition has disavowed any support for the Contras and the Contra external political opposition, whose leadership has been in constant turmoil has been unable to gain the political support of more than a handful of the Nicaraguans living in exile.

(2)(D) To provide command and control for the military forces of all resistance groups receiving assistance under this title and to establish the goals for their military operations.

Additionally, it is also not clear from the President's certification how he has taken into account the ability of the Nicaraguan democratic opposition to effectively provide command and control for the military forces of all resistance groups and establish goals for their military operations. During the period of the report, the Contra forces in UNO South ceased to fight and those of BOS remained outside UNO command channels. And even in the FDN forces these numbers were reported in February 1987 as being 12,000 to 15,000 troops, while in August of 1986, they were reported to number 20,000 and to be growing larger each day.

Under the provisions of paragraph 211(e)(1)(2)(3) Continuing Appropriations for Military Construction for FY 1987, the President has certified:

(e)(1) That the Central American countries have not concluded a comprehensive and effective agreement based on the Contadora Document of Objectives.

He indicates that the principal reason for this failure is Nicaraguan intransigence on

withdrawing their suits against Costa Rica and Honduras before the International Court of Justice (IJC) over border violations by the Contras. It should be pointed out that, during this same period, El Salvador and Honduras have both stated reasons why they too have serious reservations about negotiating a settlement based on the Contadora Document of Objectives.

(e)(2) That the Government of Nicaragua is not engaged in a serious dialogue with representatives of all elements of the Nicaraguan democratic opposition, accompanied by a cease-fire and an effective end to the existing constraints of freedom of speech, assembly, religion and political activity, leading to regularly scheduled free and fair elections and the establishment of democratic institutions.

The operative words in this statement are "all elements," which means that the UNO-FDN forces as well as the internal Nicaraguan political opposition parties must be included in any dialogue. The Nicaragua Government has repeatedly stated that they will not talk with any armed group—which they consider terrorists—seeking their overthrow. Including the UNO-FDN forces in talks as a prerequisite for dialogue in effect dooms any hope for negotiations between Nicaragua and their democratic opposition in the Coordinadora. Furthermore, demanding the inclusion of the UNO-FDN as a dialogue participant gives the Nicaraguan Government an excuse for not talking with the legitimate internal political opposition parties who have advocated a ceasefire and amnesty as a basis for dialogue. It is difficult to understand why the Administration continues to demand inclusion of the UNO-FDN in any dialogue, when the political leadership of UNO has, in the past, stated they are willing to let the legitimate internal political parties represent them in any discussions with the Government of Nicaragua.

(e)(3) That there is no reasonable prospect of achieving such agreement, dialogue, ceasefire, and end to constraints described above through further diplomatic measures, multilateral or bilateral, without additional assistance to the Nicaraguan democratic resistance.

In this certification the President seems to ignore the possibilities of the peace proposals put forward on February 15 by President Arias of Costa Rica. On page 2 of the report that accompanied his certification, the President notes that the Arias proposals seek to address the key issues of national reconciliation and democratization within the Contadora framework. Surely the Arias proposals, which will be discussed in May, by the five Central American Presidents at Esquipulas, Guatemala, constitute a reasonable prospect of achieving the type of agreement referred to in Sections (a) and (b) of the President's certification.

The ten points contained in the Arias proposal call for national reconciliation, amnesty, dialogue, ceasefire, democratization, free elections and arms reduction. All of the same points are in the Contadora Document of Objectives.

Additionally, the Nicaraguan Government has indicated several times over the past three years, that it is willing to continue the bilateral security talks that were broken off in Manzanillo, Mexico by the U.S. in 1984.

Therefore, considering the ongoing effort through the Arias Proposal to reach a multilateral agreement for a peaceful settlement of the crisis in Central America and recognizing that the Nicaraguan Government has indicated its readiness at any time, to continue the bilateral security talks with the U.S., it is difficult indeed to understand how the President can certify that there is no reasonable prospect of achieving an agreement without additional assistance to the Contras. At this point it would seem that the Contra military efforts are counterproductive to the efforts currently underway to achieving a political agreement that brings peace to Central America.

Under the provisions of paragraph 214(1)(3)(4) of the Military Construction Act for FY 1987 the President's certification also includes:

(1) "A detailed statement of the status of negotiations toward a settlement of the conflict in Central America, including the willingness of the Nicaraguan democratic resistance and Government of Nicaragua to negotiate a settlement"—

The President's certification details chiefly the efforts made by the Foreign Ministers of the Contadora and Support Group countries and the Secretaries General of the OAS and UN during their January 19-20 trip to five Central American countries. He reports that although the 10 ministers found all the Central American states interested in seeking a political solution, there was a lack of political will to resolve the conflict. He makes no mention of any steps taken by the U.S. to facilitate the negotiation process beyond Ambassador Habib's visits. Also the President's report does not address the possibility of internal political opposition parties negotiating for the democratic resistance.

The President also blames the Nicaraguan Government's intransigence as the reason for lack of progress in efforts toward a negotiated settlement with the democratic resistance or Contadora. Specifically cited is Honduran President Azcona's letter and a Salvadoran aide-memoire indicating that Nicaragua's refusal to withdraw their suits in ICJ over Contra border violations was the reason Contadora negotiations were blocked. No mention is made of past Costa Rican, Salvadoran and Honduran reservations regarding the draft Contadora Document of Objectives as also being a restraining factor toward progress on Contadora negotiations.

Mention is made of the peace proposal put forward by Costa Rican President Arias on Feb. 15 at the San Jose summit meeting of the democratically-elected Central American Presidents. And a detailed report is made concerning Ambassador Habib's shuttle stops in countries in Europe, Latin America and Central America.

It should be noted that in this, the major expression of U.S. interest in negotiations seems to be to comply with the requirements of Section 214(1), there is no mention made of Ambassador Habib visiting either Guatemala or Nicaragua, both of which are vital to any successful Central American negotiated peace settlement.

It is stated in the certification that there is no reasonable prospect that the Government of Nicaragua will engage in a serious dialogue with representatives of all elements of the Nicaraguan democratic opposition, nor any reasonable chance of achieving an agreement through further diplomatic measures bilateral or multilateral without additional assistance to the Nicaraguan democratic resistance. While it is correct that the Government of Nicaragua refuses to engage in a serious dialogue with the armed democratic resistance, its President has agreed to meet with other Central American Presidents at Esquipulas, Guatemala on May 15 to discuss the proposals put forward by President Arias to seek a political settlement to the crisis in Central America.

(3) In reporting on alleged human rights violations by the Government of Nicaragua and the democratic resistance, no mention is made of the steps taken by the Nicaraguan democratic resistance to remove from their ranks any individuals who have engaged in human rights abuses.

(4) The certification in evaluating the progress made by the Nicaraguan democratic resistance in broadening its political base and defining a unified and coordinated program for achieving representative democracy in Nicaragua, stresses that the United Nicaraguan Opposition (UNO) and the Southern Opposition Bloc (BOS) have signed an agreement on joint political goals. It also makes a point of Auturo Cruz's demand for reform in UNO and the resignation of Adolfo Calero from the UNO leadership.

It does not point out that the UNO-BOS agreement was only to coordinate the exchange of information. The political military base of the UNO democratic resistance remains the FDN forces of Mr. Calero and Col. Bermudez. With the recent resignation of Mr. Cruz from the UNO civilian leadership, the political base of the democratic resistance has not been broadened, nor has the cause of a unified and coordinated program for the democratic resistance to achieve democracy in Nicaragua yet been satisfactorily addressed.●

AFGHANISTAN: LETTERS FROM THE STATE OF MISSISSIPPI

● Mr. HUMPHREY. Mr. President, last December the brutal Soviet occupation of Afghanistan entered its eighth year. The horrible condition of human rights in Afghanistan was recently described in a United Nations report as: "A situation approaching genocide."

As chairman of the Congressional Task Force on Afghanistan, I have received thousands of letters from Americans across the Nation who are outraged at the senseless atrocities being committed today in Afghanistan. Many of these letters are from Americans who are shocked at this Nation's relative silence about the genocide taking place in Afghanistan.

In the weeks and months ahead, I plan to share some of these letters with my colleagues. I will insert into the RECORD two letters each day from various States in the Nation. Today, I submit two letters from the State of Mississippi and ask that they be printed in the RECORD.

The letters follow:

DEAR SENATOR HUMPHREY: My husband and I are writing you this letter to express our concern about the terrible events happening now, and for the past eight years, in Afghanistan. There can be no justification for this type of behavior by any nation in the world.

We have often wondered why the three major networks have been so reticent about the events in Afghanistan while being so vocal concerning South Africa and certain South American countries. It amazes me

that television networks in a free country would lack even enough courage to speak loud and long about events happening with regularity which rival Hitler's Germany. At what point do we say enough? I realize there is great fear over an atomic war. Is it any worse to die from an atomic blast than to die as Afghans are dying? Those Afghans who have died had as much right to life as any American.

Any information we have happened across concerning this horror has been either from the Reader's Digest or, rarely, small segments on one of the "big three" networks. We find CBN Network often gives a better world view than those networks most often watched by viewers. We Americans cannot abhor actions about which we are unaware. Those who will not speak, be they television reporters, newspapermen or politicians, share guilt with those who commit the acts.

Thank you for allowing us an outlet for our anger about, and concern for, those so vilely treated in Afghanistan by a stronger and amoral force.

Sincerely,

ED and LINDA TANOUS.

GREENWOOD, MS.

DEAR SENATOR HUMPHREY: The descriptions of what's happening in Afghanistan in the March, 1987, Reader's Digest are so horrible as to seem unreal—impossible in our "civilized" era. Maybe that's why we can get so upset by the plight of a single dissident or kidnap victim and yet ignore the wholesale destruction of a people like in Cambodia and now Afghanistan.

I don't know what our country can do, or should do, but we must do something. It's inconceivable that we should be able to spend as much time and money as we have aiding people in Nicaragua and other places to assure them a decent form of government, and yet be unable to do anything to assure these people even the right to stay alive.

There have been a lot of books and films recently reminding us of the Holocaust, and we wonder forty years too late how that was allowed to happen. Please let's not wait forty years to mourn the fate of the Afghans!

Sincerely yours,

Mrs. BETTY HINDMAN.

JACKSON, MS.●

ECONOMIC DISPLACEMENT AND WORKER ASSISTANCE ACT

● Mr. HUMPHREY. Mr. President, the Committee on Labor and Human Resources will soon begin debate on provisions of S. 538, the Economic Displacement and Worker Assistance Act.

Recently, three major newspapers—the New York Times, the Wall Street Journal, and the Detroit News—have recently editorialized on this legislation. Of particular concern to the three editorial writers are the advance notice and consultation requirements of title II of the bill.

I share the concerns expressed in these editorials. In fact, I suspect that if title II were a play, and received reviews like the three expressed here, the curtain would be dropped in the middle of the first act.

As more public scrutiny is shed on this special interest legislation, I predict further editorial criticism. While these editorials do mention the bill's primary sponsor, Senator METZENBAUM, it is not my intention to personalize this issue. My arguments are with the policy represented in this proposal. As far as I am concerned, I wish the editorials had left out specific reference to the Senator from Ohio.

Mr. President, I ask that three editorials be printed in the RECORD.

The editorials follow:

[From the New York Times, Mar. 14, 1987]

PLANT CLOSINGS: WARNINGS, NOT LAWS

Congressional Democrats propose requiring employers to give workers substantial notice of layoffs and to consult with them or local authorities before the door is shut. The objective is noble, but the means are excessive.

The Senate and House are now considering similar versions of a "plant closing" bill, part of a package that would also beef up Federal and state aid to dislocated workers. The proposal deals with job dislocations caused by foreign competition, the takeover craze and technological change. The Administration has a similar proposal but opposes statutory requirements for advance notice and consultation.

The plan submitted by Senators Metzenbaum, Kennedy and Simon would require employers to give at least 90 days warning if they are going to eliminate 50 or more jobs in one location, and earlier notice for bigger layoffs. It would also make employers talk with employee representatives or the community where layoffs are scheduled, with an eye to alternatives. There would be penalties for noncompliance absent unforeseeable adversity.

Actually, advance notice is already standard practice for many companies, particularly big ones. What rightly concerns them about writing this into law is the potential for long delays that cancel out needed flexibility and intensify a company's difficulties. Small companies are also understandably concerned that as soon as they go public with the bad news, closing comes even faster than expected. Suppliers and customers vanish and creditors cut them off.

Forewarning is simple fairness for workers about to be put out on the street, and management should be open to suggestions from affected employees and communities. More than just fair, when a shutdown is inevitable, advance notice gives employees and the community time to adjust. The best remedy, favored by the Administration and major business organizations, would be for companies to give notice and consult without legal red tape. But if there is no law, business bears a heavy burden to act responsibly.

[From the Wall Street Journal, Mar. 26, 1987]

THE JOB-DESTRUCTION BILL

Some bad ideas won't stay buried. Every year since 1974, legislation requiring that companies give advance notice of plant closings has been introduced in Congress. The high-water mark for plant-closing legislation came in 1985, when a scaled-down version lost by five votes in the House of Representatives. Organized labor, which had pulled out all the lobbying stops, was humiliated. Many observers were ready to give the idea its last rites.

They didn't count on the tenacity of Sen. Howard Metzenbaum (D., Ohio). Noticing that the administration's new budget proposed an additional $600 million or so in displaced-workers assistance, Sen. Metzenbaum rushed forward with legislation that would appropriate the extra funds. He added a requirement that companies provide a minimum of 90 days' notice for any layoffs or closings involving 50 or more employees. A notice of 180 days would be required for any action involving more than 500 employees.

After notice is given, the employer must meet and consult "in good faith" with employees on possible alternatives to or modifications of the action. In short, employers face local pressure to keep plants open.

Now, giving notice sounds innocent enough at first. But what the law actually will do is delay adaptations to changing business conditions, which sometimes happen quickly. The costs of such delays could mean bankruptcy for a company that might otherwise survive. The more risks there are in starting or expanding a business, the fewer there will be, and fewer jobs.

A federal law also would reduce the competition states now engage in to provide an attractive climate for business. That competition has been crucial to U.S. economic vitality.

Yet Sen. Metzenbaum has the colossal nerve to say that "this legislation will help workers give the competitive edge back to America." Many members of Congress know this is hogwash but don't want to be tagged as being "against" jobs.

Business leaders are not unaware of the difficulties a plant shutdown can cause. In 1983, the National Center on Occupational Readjustment, a business-backed clearinghouse, was set up to provide guidance on how closings can be managed so that adverse effects are minimized.

There is nothing to stop labor unions from demanding job-security provisions in their contracts, and many do. Since nothing is free, workers who win such benefits have to give up something else. The present Labor Act places certain restrictions on closings, for example those seen as based on "anti-union animus."

Sen. Metzenbaum's bill is, however, a "jobs" bill of one sort—for lawyers. It creates a set period of time during which unions and others can file lawsuits. Employees claiming that a company did not adequately provide notice will seek injunctions ordering a plant to continue operating. Judges will have to evaluate any proposed "alternatives" or "modifications." Must the plant keep running so long as the court isn't satisfied? Where does it get the money? Will federal judges sell its products?

Past failures of Sen. Metzenbaum's efforts on behalf of economic stagnation have been no accident. Let's hope that this present Congress will be as perceptive as Congresses of the past in seeing the economic dangers his ideas present.

[From the Detroit News, Mar. 19, 1987]

METZENBAUM'S METZEN-BOMB

A few years ago we heard a lot about the neutron bomb—you remember, the one that kills people but spares buildings. Now we'd like to introduce you to the "Metzenbaum," a device now under construction in Congress. It not only would kill new business formation but fill up the federal courts with litigious fallout.

We've named this engine of destruction after its inventor, U.S. Sen. Howard Metzenbaum of Ohio. He prefers to call it a "plant closing law," and he's not altogether wrong. Plant closings are precisely what his

bill would accomplish—but with a unique twist. His law would close plants even before they open, because its provisions are so onerous that entrepreneurs would be reluctant to commit resources to job-creating investments. The same type of legislation already is on the books in many European countries, where job creation has been almost nil.

The Metzenbaum—or should we say the "Metzen-bomb"—is hidden away in a much larger legislative package known as "The Economic Dislocation and Worker Assistance Act of 1987," an act that is supposed to help train and relocate workers who have been dislocated by competition from imports. About $1 billion would be spent on economic SWAT teams of federal and state bureaucrats who will rush around offering "help" to communities faced with plant closings.

As part of that help, Title II of the act would require the following:

Any company laying off 50 or more employees for any reason must give 90 to 180 days notice not only to the employees and their bargaining unit, but to the SWAT team, and local government.

After such notice, the employer must meet "in good faith" with these various groups "for the purpose of agreeing to a mutually satisfactory alternative to or modification of such proposal."

The burden of proof is on the employer to justify his action, by requiring him to disclose "such relevant information as is necessary for a thorough evaluation of the proposal to order a plant closing or mass [50 or more] layoff, or for the thorough evaluation of any alternatives or modifications suggested to such proposal."

Any refusal to comply makes the employer subject to fines of $500 a day, and makes him liable to either the employees or local government representatives for redress—in collective lawsuits that will be costly to defend, but which will create irresistible campaign ammunition for politicians on the move.

Such rules would wipe out the entire venture capital industry in one stroke. After all, if you have to put up $1 million or so to start a business, you'd have to think twice about the possibility that failure could actually increase that loss by 50-100 percent, and tie you up in court for the next three to five years.

Rep. William D. Ford of Michigan proposed a much less lethal version of Sen. Metzenbaum's plant-closing legislation last year. It required only 90 days notification and imposed fewer legal requirements on companies. This was bad enough, but it came within four votes of House passage. So there is hope for Sen. Metzenbaum's proposal, though we hope moderation will prevail in Congress—and that the Metzen-bomb will go the way of the neutron bomb.●

LOW-POWER TESTING

● Mr. BIDEN. Mr. President, last Thursday, March 26, the Atomic Safety and Licensing Appeal Board [ASLAB] of the Nuclear Regulatory Commission gave its approval to low-power testing of the reactor at the Seabrook powerplant. Acknowledging that serious policy questions are raised by a decision to go ahead with lower power testing, the NRC Commissioners blocked staff from acting on the ASLAB action pending a review of its implications.

The dispute is focused on the application by Seabrook for a low-power license to test the facility's reactor. The point of contention is whether the utility should be granted a low-power license even though it has failed an application without a state and local government emergency plan. No plan is included in the application. In effect, the utility has not filled in all the blanks in its application. This is the first time an application containing no emergency plan has been considered by the NRC.

A low-power license is one of the last steps before an operating license for full-power generation of electricity. Barring major changes, there is a clear requirement for an emergency plan approved by State and local governments within 10 miles of the nuclear plant in a full-power license application. It is also clear that there are major problems with the emergency planning aspect of this plant's operation. The complete lack of even a draft proposal drawn up by the utility highlights the severity of the problem.

The point the Commissioners need to address is not whether an offsite plan is needed for a low-power license, but the larger policy question, which was beyond the authority of the ASLAB to address, of whether there is any reason to proceed further in the licensing process in the absence of an emergency plan. The Commission should decide in favor of a policy that requires answers to central, but unresolved, questions about the plant's operation at as early a time as possible.

A low-power license by itself is of no use to the utility. It allows the reactor to be tested, and the glitches in the equipment to be worked out, but it will not result in revenues flowing to the utility. The testing is done under the assumption that a full-power license will follow shortly afterward. This is an assumption that should not be made in the Seabrook case, but one the NRC would be making if it goes ahead with approval of the low-power request.

The Seabrook controversy has exposed a major flaw in the licensing procedure followed up to now by the NRC. Consideration of the feasibility of an emergency plan should not be pushed back to the last step in the licensing process. Along these lines, I have introduced legislation to require active consideration of emergency planning issues by the utility and state and local governments before construction of a plant begins, and before billions of dollars are put at risk.

Unfortunately, it is too late to apply this sensible requirement to the Seabrook license request. The situation at hand is one nobody is happy with, but the NRC can do best by stopping the drive toward a full-power license at this point, and demand that major issues, like a workable emergency plan, be resolved before proceeding further. It is a policy that will help assure neighbors of the plant that their concerns are not going to be swept aside. The Commissioners have created the opportunity to put the NRC's policies on the right track, and I urge them to take advantage of it.●

LINE-ITEM VETO

● Mr. HUMPHREY. Mr President, I have joined with Senator EVANS and many other Senators in introducing S. 402, a bill to grant the President limited line-item veto authority. Thus far, 33 Members of the Senate have cosponsored this proposal.

Chief executives in 43 States have some form of a line-item veto. Of the remaining seven, one Governor has no veto authority at all.

I recently received a letter from one of these "line-item veto" Governors, Gov. Evan Mecham from the State of Arizona. I would ask unanimous consent that Governor Mecham's letter appear in the RECORD at the close of my remarks.

I do not think there is a Member of this body who will not agree with Governor Mecham that "The take-it-all or veto the whole thing does not give the executive any discretion." While there may be Members who feel that this is as it should be—no discretion in the executive, our Founding Fathers included the veto as a crucial element in the delicate system of checks and balance—a balance which Congress has been upsetting slowly but surely. As a result, Governor Mecham hit the nail on the head when he wrote, "The limited line-item veto is long overdue." The time has come to restore some sense of accountability around here.

In addition, Mr. President, Governor Mecham raises a very important point in writing that, "Even if the line-item veto is never used, its presence will always benefit the taxpayers by holding some element of spending down." I would only add that this element of spending will be the unnecessary and wasteful boondoggles which Congress continues to insert into these mammoth continuing resolutions.

As the Senate begins to work on the budget process and possible budgetary reform, I would urge my colleagues to reflect upon the arguments Governor Mecham offers.

The letter follows:

OFFICE OF THE GOVERNOR,
STATE HOUSE,
Phoenix, AZ, March 19, 1987.

Hon. GORDON J. HUMPHREY,
U.S. Senate, Washington, DC.

DEAR SENATOR HUMPHREY: I appreciate your letter of March 6, relating to providing the President limited line-item veto authority. I fully support this for the President as one of the beginning steps to give him some opportunity to control federal spending.

The take-it-all or veto the whole thing does not give the Executive any discretion.

It is he who is charged with the responsibility of running the Executive Branch of government. The limited line-item veto is long past needed.

Fortunately, here in Arizona the Governor has line-item veto power. Although in my short administration I have not yet received any appropriation bills, I can assure you that the fact that it is there is an important factor in negotiating with the legislature in the appropriation process. Even if the line-item veto is never used, its presence will always benefit the taxpayers by holding some element of spending down, if it is in the hands of a competent chief executive.

If people in Washington don't realize the crisis we have because of the unbalanced federal budget and don't take steps to correct it, we are all consigned to suffer the inevitability of what happens to any organization, including the government of the United States, if it continues to try to live on borrowed funds. If there is an opportunity to push the balanced budget amendments over the top, I would certainly be in accord with that as well as with any other activity that would help bring fiscal responsibility on the federal level.

I certainly, full heartily, support your actions and if I can be of service at any time, in helping bring this about please let me know.

Sincerely yours,

EVAN MECHAM,
Governor.●

PROPOSED ARMS SALES

● Mr. PELL. Mr. President, section 36(b)(1) of the Arms Export Control Act requires that Congress receive formal notification of proposed arms sales under the act in excess of $50 million, or in the case of major defense equipment as defined in the act, those in excess of $14 million. Upon receipt of such notification, the Congress has 30 calendar days during which the sale may be reviewed. The provision stipulates that, in the Senate, the notification of proposed sales shall be sent to the chairman of the Foreign Relations Committee.

In keeping with my intention to see that such information is available to the full Senate, I ask to have printed in the RECORD at this point the notifications I have received. The classified annexes referred to in the covering letters are available to Senators at the Foreign Relations Committee.

The material follows:

DEFENSE SECURITY ASSISTANCE AGENCY,
Washington, DC, March 27, 1987.

Hon. CLAIBORNE PELL,
Chairman, Committee on Foreign Relations, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: Pursuant to the reporting requirements of Section 36(b)(1) of the Arms Export Control Act, we are forwarding herewith Transmittal No. 87-16 and under separate cover the classified annex thereto. This Transmittal concerns the Department of the Air Force's proposed Letter(s) of Offer to Saudi Arabia for defense articles and services estimated to cost $325 million. Soon after this letter is delivered to your office, we plan to notify the news media of the unclassified portion of this Transmittal.

Sincerely,

PHILIP C. GAST,
Lieutenant General, USAF Director.

[Transmittal No. 87-16]

NOTICE OF PROPOSED ISSUANCE OF LETTER OF OFFER PURSUANT TO SECTION 36(b)(1) OF THE ARMS EXPORT CONTROL ACT

(i) Prospective purchaser: Saudi Arabia.

(ii) Total Estimated Value:

	Millions
Major defense equipment [1]	0
Other	$325
Total	[2] 325

[1] As defined in sec. 47(6) of the Arms Export Control Act.

[2] Reflects latest contractor pricing.

(iii) Description of Articles or Services Offered: Ninety-five AN/ALQ-171 Electronic Countermeasure Systems for use on Saudi Arabian Air Force F-5 and F-15 aircraft, including aircraft modifications, logistic support, and training.

(iv) Military Department: Air Force (SRA).

(v) Sales Commission, Fee, etc., Paid, Offered, or Agreed to be Paid: None.

(vi) Sensitivity of Technology Contained in the Defense Articles or Defense Services Proposed to be Sold: See Annex under separate cover.

(vii) Section 28 Report: Case not included in Section 28 report.

(viii) Date Report Delivered to Congress: March 27, 1987.

POLICY JUSTIFICATION

Saudi Arabia—AN/ALQ-171 electronic countermeasure systems

The Government of Saudi Arabia has requested the purchase of 95 AN/ALQ-171 Electronic Countermeasure Systems for use on Saudi Arabian Air Force F-5 and F-15 aircraft, including aircraft modifications, logistic support, and training. The estimated cost is $325 million.

This sale is consistent with the stated U.S. policy of assisting friendly nations to provide for their own defense by allowing the transfer of reasonable amounts of defense articles and services. It will demonstrate the continuing willingness of the United States to support Saudi Arabia's effort to improve its security through modernization of its forces. In a regional context, continuing support of defensive capabilities of Saudi Arabia will also contribute to overall Middle East security.

The electronic countermeasures system would satisfy the Saudi Arabian Air Force requirement for a self-protection jamming system for F-5 and F-15 tactical aircraft. The system would enhance their tactical operational effectiveness in the 1990s. As the Saudi Air Force is currently operating and maintaining similar equipment on F-15C aircraft, it will be able to absorb the AN/ALQ-171 rapidly into its force structure.

The sale of this equipment and support will not affect the basic military balance in the region.

The prime contractor will be the Northrop Defense Systems Division of Rolling Meadows, Illinois.

Implementation of this sale will not require the assignment of any additional U.S. Government personnel; however, 16 contractor representatives may be required in Saudi Arabia for three years.

There will be no adverse impact on U.S. defense readiness as a result of this sale.

DEFENSE SECURITY ASSISTANCE AGENCY,
Washington, DC, March 27, 1987.

Hon. CLAIBORNE PELL,
Chairman, Committee on Foreign Relations, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: Pursuant to the reporting requirements of Section 36(b)(1) of the Arms Export Control Act, we are forwarding herewith Transmittal No. 87-17 and under separate cover the classified annex thereto. This Transmittal concerns the Department of the Army's proposed Letter(s) of Offer to Saudi Arabia for defense articles and services estimated to cost $400 million. Soon after this letter is delivered to your office, we plan to notify the news media of the unclassified portion of this Transmittal.

Sincerely,

PHILIP C. GAST,
Lieutenant General, USAF Director.

[Transmittal No. 87-17]

NOTICE OF PROPOSED ISSUANCE OF LETTER OF OFFER PURSUANT TO SECTION 36(b)(1) OF THE ARMS EXPORT CONTROL ACT

(i) Prospective Purchaser: Saudi Arabia.

(ii) Total Estimated Value:

	Millions
Major defense equipment [1]	$175
Other	225
Total	400

[1] As defined in Section 47(6) of the Arms Export Control Act.

(iii) Description of Articles or Services Offered: Twelve UH-60 Blackhawk and one Blackhawk VIP configuration helicopters, 15 Bell 406 helicopters with 7.62mm guns and 2.75 inch rocket and TOW launchers, one C-12 aircraft, spare engines, spare parts, special tools, test equipment, training, logistics and maintenance support.

(iv) Military Department: Army (VIV).

(v) Sales Commission, Fee, etc., Paid, Offered, or Agreed to be Paid:

(vi) Sensitivity of Technology Contained in the Defense Articles or Defense Services Proposed to be Sold: See Annex under separate cover.

(vii) Section 28 Report: Included in report for quarter ending 31 December 1986.

(viii) Date Report Delivered to Congress: March 27, 1987.

POLICY JUSTIFICATION

Saudi Arabia—UH-60 Blackhawk helicopters, Bell 406 helicopters, and one C-12 aircraft

The Government of Saudi Arabia has requested the purchase of twelve UH-60 Blackhawk and on Blackhawk VIP configuration helicopters, fifteen Bell 406 helicopters with 7.62mm guns and 2.75 inch rocket and TOW launchers, one C-12 aircraft, spare engines, spare parts, special tools, test equipment, training, logistics and maintenance support. The estimated cost is $400 million.

This sale will contribute to the foreign policy and national security of the United States by helping to improve the security of a friendly country which has been and continues to be an important force for political stability in the Middle East.

The sale of this equipment and support to Saudi Arabia will strengthen the capability of its land forces and contribute to the Gulf Cooperation Council's regional defense posture. Saudi Arabia will have no difficulty absorbing these items into its armed forces.

The sale of this equipment and support will not affect the basic military balance in the region.

The principal contractors will be Sikorsky Aircraft of Stratford, Connecticut; Bell Helicopter Textron, Inc., of Fort Worth, Texas; and Beech Aircraft of Wichita, Kansas.

Implementation of this sale will require the assignment of 28 additional U.S. Government personnel in Saudi Arabia for periods varying from one to four years; there may also be a requirement for one additional person for a period between three and six months. This sale will also require assignment to Saudi Arabia of 15 additonal contractor representatives for three months and 25 additional contractor representatives from two to three years.

There will be no adverse impact on U.S. defense readiness as a result of this sale.●

ARMS SALE ADVANCE NOTIFICATION

● Mr. PELL. Mr. President, by agreement, section 36(b)(1) of the Arms Export Control Act provides that Congress receive advance notification of proposed arms sales under that act in excess of $50 million or, in the case of major defense equipment as defined in the act, those in excess of $14 million. Upon such notification, the Congress has 20 calendar days to review and consult with the administration on the proposed sale. Section 36(b)(1) requires that Congress receive a statutory notification of the proposed arms sales and upon such notification, has 30 calendar days to review the sale. The provision stipulates that, in the Senate, the notification of proposed sales shall be sent to the chairman of the Foreign Relations Committee.

In keeping with the committee's intention to see that such information is available to the full Senate, I ask unanimous consent to have printed in the RECORD at this point a notification which has been received. Portions of the notification which are classified have been deleted for publication, but are available to Senators at the Foreign Relations Committee.

The material follows:

DEFENSE SECURITY ASSISTANCE AGENCY,
Washington, DC, March 27, 1987.

Mr. GERYLD B. CHRISTIANSON,
Staff Director, Committee on Foreign Relations, U.S. Senate, Washington, DC.

DEAR MR. CHRISTIANSON: By letter dated 18 February 1976, the Director, Defense Security Assistance Agency, indicated that you would be advised of possible transmittals to Congress of information as required by Section 36(b)(1) of the Arms Export Control Act. At the instruction of the Department of State, I wish to provide the following advance notification.

The Department of State is considering an offer to a Middle Eastern country tentatively estimated to cost $50 million or more.

Sincerely,

PHILIP C. GAST,
Lieutenant General, USAF Director.●

RAPIDLY CHANGING TECHNOLOGY

● Mr. KERRY. Mr. President, for those of us concerned with the issue of maintaining America's technological competitiveness, a continuing concern is the question of how we can promote continuing education on technological developments, both for scientist and engineers, and for policymakers. These questions have been examined in two thoughtful editorials in Science magazine by Philip H. Abelson, former editor of Science.

As Abelson points out, education in our rapidly changing technological society must be an ongoing process. New technologies can make a university education in engineering obsolete in a short period of time. We must make education for our engineers in industry a continuing process if we are to remain competitive in the world economy. And scientists and engineers on our university faculties are also at risk.

The Massachusetts Institute of Technology [MIT] has developed an innovative program to deal with this problem. As Abelson describes in his article, more than half of the students at MIT in the early 1980's wishing to major in electrical engineering and computer science sought to take a course entitled "Structure and Interpretation of Computer Programs," which included newly developed cutting-edge material that most senior faculty members were not familiar with. Thus the MIT faculty members were placed in the position of knowing less about this important subject than their own sophomore students. The solution was a special course for faculty during the January break in 1984, including a 2-week period of total immersion in the subject at a secluded off-campus location. This enabled MIT faculty members to enjoy "a tremendous learning experience," and to once again become computer-literate.

The MIT experience has led to similar programs at other universities and at leading companies such as AT&T, GE, and IBM. This MIT program is a model for what should be a national effort at continuing education in science and technology. As Abelson points out, "A national need exists to foster lifelong learning. This need demands attention and support from universities, industry, professional organizations, private foundations, and the Government."

A second editorial by Abelson, also in Science, points out that most policymakers do not have sufficient understanding of science and technology issues, and that most scientists and engineers have little understanding of the process of politics and policymaking and how to influence that process. He also notes that "key decisions in the grand issues involving technology are made by public policy, not in the marketplace."

Given this reality, the lack of meaningful exchanges of information and ideas between policymakers in Congress and scientists and engineers involved in creating new technologies is a disturbing phenomenon. Congress, propelled by the pressure of the media, tends to focus on the immediate and the short-term crisis rather than on long-term issues and complex problems affecting the future. And Members of Congress have little time for contemplation of serious long-range issues while caught up in the whirlwind of the political process in Washington.

Abelson suggests that: "In view of the frenetic atmosphere in Washington, scientists and engineers in the hinterlands should consider the advantages of activities in the home States and districts. By the nature of their professions, scientists and engineers tend to be alert to developments that may affect the national and global future. They could provide a perspective for politicians that is missing in Washington."

We in the Congress need to make greater efforts to expose ourselves to the views of the scientific community, and to educate ourselves about complex issues of science and technology. And the scientists and engineers in our home States likewise need to make greater efforts to involve themselves in the policymaking process. This kind of interchange is no longer a luxury. It is a vital necessity if America is going to remain competitive in science and technology in the 21st century.

I ask that two editorials by Philip Abelson from Science magazine, entitled "Managing Technology" and "Lifelong Learning," be placed in the RECORD.

The editorials follow:

MANAGING TECHNOLOGY

Many thoughtful people are concerned about the future of this country. They are uneasy about loss of technological competitiveness, a mounting trade imbalance, and the probability that the nation is living beyond its means and may face the need to accept a lower standard of living. They have long been troubled by reports of deleterious side effects of technology. Their discomfort is enhanced by a feeling that they are helpless to have even a slight impact on events. Most of those who would like to influence decisions about the future do not know how. They have little knowledge about how society and its political and communications systems work. Edward Wenk, a veteran of the national political scene and an engineer, has produced a book that will interest them.[1] This volume provides insightful perspectives on how technology interacts with the various segments of society and notes that the key decisions in the grand issues involving technology are made by public policy, not in the marketplace.

Pollsters have determined that television programs are exposed an average of 7.5 hours a day in American households. Accordingly, one of the realities of the present is the great impact that the media can have on popular opinion, rendering it volatile. In

[1] E. Wenk, Jr., *Tradeoffs* (Johns Hopkins Univ. Press, Baltimore, 1986).

turn, the media recognize that if they do not produce excitement, they will lose their audience. The offerings tend to concentrate on disasters. Complex issues and important matters affecting the future get little attention. Correspondingly, as Wenk points out, pressures transmitted by the public "tilt the legislative process to favor what is urgent rather than what is important," Wenk further states: "Most issues seem propelled by either crisis or pressure. Legislative histories generally confirm this pattern, although there are exceptions. Some issues are also driven by a tidal wave of popular sentiment where people lead their leaders."

In what follows, the scene of the political action is described. Washington and the surrounding metropolitan area are largely devoted to politics and to attempts to influence legislation and the regulations pertaining to the laws. More than 45,000 lawyers are licensed to practice in the District of Columbia. The government is, of course, the largest employer of personnel, but thousands of professional and trade associations together rank second. For many years, the region has had a great building boom with tens of millions of square feet of office space added. The complement of federal employees in the Executive Branch has expanded somewhat, but the great increase has been in congressional staffers. In the last two decades, their numbers have increased about fivefold, and they now total nearly 40,000. Washington seethes with activities of major and minor players—perhaps 100,000 of them—intent on influencing events. Trying to monitor the most exciting developments is a press and electronic media corps that totals more than 5,000.

One way or another, most of the issues being dealt with have to do with money, power, and influence. They also often have a substantial content of technology. The political system seems to find it difficult to legislate simply about technology. In the last two decades, the average number of pages devoted to each law has tripled, as has the number of pages in the *Federal Register*. Last year, nearly 50,000 pages were devoted to new or amended and proposed or final regulations. The regulations are often so complex that those affected, though professionals, find it difficult to comprehend the language.

Members of Congress are in general conscientious and well meaning, but they have little free time for contemplation while in Washington. Each serves on an average of more than seven committees or subcommittees. They must manage staff, be available for key constituents, deal with the media, and attend innumerable social functions.

In view of the frenetic atmosphere in Washington, scientists and engineers in the hinterlands should consider the advantages of activities in the home states and districts. On visits home, politicians may be more receptive to well-considered positions from a group of constituents than they would be elsewhere. By the nature of their professions, scientists and engineers tend to be alert to developments that may affect the national and global future. They could provide a perspective for politicians that is missing in Washington.

LIFELONG LEARNING

At one time, a single stint of university education was sufficient to provide the structural framework for lifelong learning. It was then possible for scientists or engineers to maintain a good level of awareness about progress in much of science or engineering. But the body of knowledge is expanding rapidly, and many new specialties have arisen. In some disciplines, several hundred thousand pages in journal articles appear each year. The usual response of the individual to the flood of knowledge is to become an expert devoted to learning more and more about less and less.

Most engineers are employed in industry; there, life is increasingly turbulent as some technologies become outdated and foreign competition destroys many jobs. Even in healthy companies, older engineers find themselves obsolescent as new technologies become applicable that did not exist when they were in school. This country trains fewer engineers per capita than do our leading competitors. Both for competitive and humanitarian reasons, we cannot afford to consign older engineers to oblivion. On the basis of individual effort, it is not feasible for an engineer in mid-career to change fields or to update himself or herself extensively without some kind of structured support. Thus there is a national need to organize effective continuing education for engineers. This need has been recognized by a number of organizations, including the American Society for Engineering Education, which presents a discussion of the problem in a report on Engineering Education.[1]

The activities of engineers are relevant to the scientific community for several reasons. First, a large fraction of the basis for support of academic research is the assumption that practical applications will result. If they are to help better our competitive positions, our engineers must function effectively. A second reason is that if the engineers evolve good mechanisms for fostering lifelong learning, these will be applicable to scientists.

Engineers working in industry are not alone in becoming obsolescent. At equal hazard are faculties at universities, including scientists and engineers. A striking example and a useful remedy were experienced at Massachusetts Institute of Technology. In common with many other schools teaching engineering, MIT in the early 1980s received a large number of applications from high-quality students wishing to study engineering. After being admitted and on campus, many wanted to major in electrical engineering and computer science. More than half of the students wished to take a sophomore course entitled, "Structure and Interpretation of Computer Programs." This included newly developed cutting-edge material with which only a tiny fraction of the faculty was familiar. Senior faculty were faced with the indignities of knowing less about an important subject than the sophomores and being unable to do their share of teaching it. The crisis was met by a special course for faculty conducted during the January break in 1984. The course, given 8 hours a day for a week, with laboratory and homework, enabled some of the faculty to understand better a textbook on the topic and later to teach it. Other sections of the course were conducted employing a 2-week period of total immersion in the subject at a secluded spot off campus. Freed from the innumerable interruptions and distractions that occur on campus, the professors enjoyed a tremendous learning experience. Experience at MIT with courses designed especially for faculty has been satisfactory and has led to similar courses in other fields.

Some leading companies, including AT&T, GE, and IBM, are active in continuing education. They, too, use isolated campuses with total immersion for a week and more. At least one company conducts a written examination at the conclusion of the course.

Most universities have no structured program for faculty education. Individuals are expected to create their own programs, which may involve sabbaticals, attendance at professional meetings, and other traditional activities. These, though useful, are not sufficient for many professors. A national need exists to foster lifelong learning. This need demands attention and support from universities, industry, professional organizations, private foundations, and the government.●

[1] American Society for Engineering Education, *The Quality of Engineering Education* (Washington, DC, 1986).

AGENT ORANGE

● Mr. KERRY. Mr. President, the recognition of the film "Platoon" as Best Picture of the Year in the Academy Awards ceremony reminds us once again that, in many ways, the legacy of Vietnam is still with us. One important and tragic legacy of Vietnam that has yet to be dealt with by our society and by the Congress is the issue of agent orange.

In many ways, the agent orange issue provides a metaphor for the experience of the Vietnam war itself. The story of agent orange is a story of technology run amok, and turned upon its creators. The use of agent orange mirrors the whole effort in Vietnam to use American technological superiority to win a war which could not be won by technology. And the divisions over the issue of agent orange, which continue to this day, mirror the divisions over the Vietnam war itself.

The great Irish poet, William Butler Yeats, wrote: "Too long a sacrifice can make a stone of the heart." Many Vietnam veterans know the truth of those words all too well. They know the bitterness which comes of feeling that one's sacrifices have not been recognized or rewarded. All of us know that there was a reason for that felling of bitterness. But we also know that during the past 5 years, since the establishment of the Vietnam Veterans Memorial in Washington, and other milestones for Vietnam veterans, that the healing process has brought many of us home again.

But there are some for whom a feeling of bitterness remains. There are those for whom the sacrifices continue, and are not yet recognized or rewarded. I am referring to the victims of agent orange.

Elmo Zumwalt III has written and spoken eloquently about the subject of agent orange in the book which he wrote with his father, Adm. Elmo Zumwalt, Jr., entitled "My Father, My Son." This book is a moving, personal account of one family's personal tragedy caused by agent orange.

Elmo Zumwalt III, who served as I did as a swift-boat officer in Vietnam, wrote:

I had seen Agent Orange defoliation nearly everywhere I had patrolled, but from the air the extent of it was dramatic—trees were stripped of leaves, thick jungle growth was reduced to twigs, the ground was barren of grass. In the 11 months I was in Vietnam, I had often washed in the waters into which Agent Orange had drained, and had eaten local produce which I suspect had been doused with the chemical. I remember developing a skin rash while in the Sea Float area. I have since learned that one of the effects of Agent Orange exposure is a skin rash. But at the time, I was thankful for the defoliation. It meant the enemy could not attack Sea Float without great cost to itself.

And these are the words of Elmo Zumwalt today, knowing that he is the victim of Hodgkin's disease, a severe form of cancer, and that his son Russell is the victim of a learning disability, both probably caused by agent orange. He writes:

I am a lawyer, and I don't think I could prove in court, by the weight of the existing scientific evidence, that Agent Orange is the cause of all the medical problems—nervous disorders, cancer and skin problems—reported by Vietnam veterans, or of their children's serious birth defects. But I am convinced that it is.

Mr. President, the time has come to bring to a close the debate over agent orange, and to begin to provide compensation to the victims of agent orange. This Nation needs to take that further step in the healing process, in the process of closing the lingering wounds from the Vietnam war. And the Congress needs to be a part of that process. I am hopeful that we will finally see action in the 100th Congress to bring some measure of relief to the victims of agent orange.

I am proud to say that the State of Massachusetts has been a leader in both the medical research on agent orange, and the organization of veterans with problems which could be related to their agent orange exposure in Vietnam. The Commonwealth's Agent Orange Program has conducted research and come up with some very important findings, some of the most important in all of the research on agent orange.

In January 1985, the Massachusetts Agent Orange Program published a report, "Mortality Among Vietnam Veterans in Massachusetts, 1972-1983." The report found that deaths due to stroke and connective tissue cancer were significantly elevated among Vietnam veterans compared to both non-Vietnam veterans and nonveteran males. The increase in connective or short-tissue cancer was the most alarming, because this extremely rare disease is closely linked to dioxin exposure in scientific literature.

And in June 1986, the Massachusetts Agent Orange Commission released the results of a survey it conducted among Vietnam veterans in the State who believed they had been exposed to agent orange and to the highly toxic element of dioxin. These veterans reported very high incidents of birth defects, nervous disorders, and other ailments. Other States, including New Jersey, Wisconsin, Iowa, and New York, have also done surveys or studies on agent orange. And the results are similar.

The most recent evidence of the link between dioxins and soft-tissue sarcoma and lymphatic cancer is contained in the Kansas study conducted by Dr. Sheila Hoar Zahm and her colleagues, and published in the Journal of the American Medical Association in September 1986. The study clearly shows that farmers and workers exposed to herbicides similar to agent orange face a much higher risk of lymphatic cancer than those who were not exposed.

Given this evidence, I have been deeply dismayed by the continuing efforts of the Reagan administration to deny, delay, and even impede studies on agent orange. This administration has placed politics ahead of the health of this Nation's veterans.

A study released in September by the Harvard School of Public Health and the Mount Sinai School of Medicine, and commissioned by the House Energy and Commerce Committee, stated that the Office of Management and Budget "has delayed, impeded, and thwarted governmental research efforts designed to answer public demands for information on serious public health questions."

The study concluded that:

Conditions imposed by OMB during its paperwork review of a proposed NIOSH study of New Jersey and Missouri dioxin workers have substantially delayed the initiation of the study, will substantially increase contracting costs by more than $270,000, and may even totally block the completion of this important study.

At a time when veterans are still waiting to receive any compensation for injuries and diseases caused by exposure to agent orange in Vietnam, this intentional foot-dragging by the Reagan administration is intolerable.

Meanwhile, the VA regulations on agent orange continue to be totally inadequate to the needs of veterans. The VA regulations recognize only chloracne, a severe form of acne, as being related to agent orange exposure. They continue to deny the existence of all other diseases, including soft-tissue cancers, as being related to agent orange. They continue to state the totally unreasonable requirement that the disease must have occurred within 1 year of service in Vietnam, in contradiction of all the facts which show that such diseases may not show up for 15 years, or 20 years, or longer.

The result of those VA regulations is that not one Vietnam veteran has received compensation for diseases which were caused by agent orang That is no longer acceptable in 1987.

How many more body counts do w have to conduct before we decide tha enough people have died, and we ar now ready to say that agent orang was the cause?

How do we tell a mother who may b carrying a child with birth defects du to agent orange that we need to con duct still more studies, and wait stil more years before we draw any conclu sions?

How do we tell a father who may b dying of cancer due to agent orang that we as a society are not yet read to make a decision?

How much longer are we going t make them wait? When are we goin to say "Enough. These people hav suffered enough."

I say that the time is now.

Let us as a society make a decision that the time is now to heal the fina wounds of Vietnam, to recognize the final sacrifices, and to make the final amends. And let us begin that process by finally, belatedly recognizing the horrors that we have visited upon ourselves and our children through agent orange.

The Vietnam war has held a terrible power, an awful sway over our society. It has had the power to rend us apart, and to bring out both the best and the worst in us.

Yeats wrote, in his poem "The Second Coming":

Things fall apart; the center cannot hold;
Mere anarchy is loosed upon the world,
The blood-dimmed tide is loosed, and everywhere
The ceremony of innocence is drowned;
The best lack all conviction, while the worst
Are full of passionate intensity.

Those words could be a description of both the Vietnam conflict itself, and its effect on our society. I hope that the time has come when we can bind the center together, heal the wounds, and leave the scars and the pain of Vietnam behind us. Recognizing the pain and the wounds of agent orange, and resolving those lingering divisions between us, is an important part of that process.

I ask that an article from the New York Times Magazine by Elmo Zumwalt, Jr., and Elmo Zumwalt III, entitled "Agent Orange and the Anguish of an American Family," be placed in the RECORD.

AGENT ORANGE AND THE ANGUISH OF AN AMERICAN FAMILY

(By Elmo Zumwalt, Jr., and Elmo Zumwalt III)

When Elmo Russell Zumwalt III was a 23-year-old Navy lieutenant, he patrolled the rivers in South Vietnam, where the dense green jungle hid snipers preying on American crews. To reduce casualties, the area was systematically stripped bare by mists of the chemical known as Agent Orange. Elmo's father, Adm. Elmo Russell Zumwalt Jr., as commander of the American in-coun-

try naval forces in South Vietnam, was the one who ordered this defoliation in 1968.

The war in Vietnam has been over for more than a decade, but the Zumwalts feel they are continuing to pay a price for it. Elmo, now 40 years old and a lawyer in Fayetteville, N.C., has two forms of cancer. His 9-year-old son, Elmo Russell Zumwalt IV, is plagued by a severe learning disability. Elmo and the Admiral, now retired, both believe Elmo's exposure to Agent Orange is responsible for the cancers and for Russell's brain dysfunction. Many other Vietnam veterans and their children have suffered similar fates and have come to the same conclusion.

Through all the devastating experiences of the last several years, the Zumwalts have remained extraordinarily loving and supportive. The heart of their story is detailed in the following "dialogue."

Admiral ZUMWALT. Leaving my family to go to sea was always painful. I always had a sense of foreboding—that something would happen, and I would not be there when they needed me. That foreboding became a reality in August 1951.

Not long after the battleship on which I was serving arrived in Cuba on a shakedown cruise, I received a telegram saying that my son Elmo, then 5, had been stricken with polio. Deeply worried, I thought only in terms of permanent paralysis.

By the time I was able to rejoin my family, the news was a little more encouraging, and within 10 days, Elmo was released from the hospital.

A year later, doctors at the Newport, R.I., Navy base hospital told my wife, Mouza, and me that Elmo had tuberculosis. But my physician father, Dr. Elmo Russell Zumwalt, questioned the diagnosis and suggested we consult specialists.

At the Children's Hospital in Boston we learned that what Elmo really had was an atrial-septal defect, a hole between the left and right chambers of his heart, and that his heart was already twice the normal size because of the tremendous overload the defect put on it. We went on to consult Dr. Helen Taussig, a pediatric heart specialist at Johns Hopkins Hospital in Baltimore, who told us that without surgery Elmo had a life expectancy of perhaps 24 years. But he was too young to be operated on then.

When Elmo was 12, Dr. Taussig suggested he begin to think about having the surgery to correct his defect. She wanted it to be his decision as much as ours.

Elmo first asked how long he would live if he had the operation, and how long he would live if he didn't. Then he asked me, "Will I be able to go to the Naval Academy if I have it done?"

I said, "Yes, I think the chances are that you will."

"O.K., I'll have it done."

The operation was performed in 1958. Mouza and I sat in the waiting room, our nerves all in knots until we learned that the surgery had been successful.

ELMO. I think that period of my life was harder on my parents than on me. I also think Dad's long absences from home had a way of making me grow up fast. I sort of became a third parent to my brother, Jim, and sisters, Ann and Mouzetta. But when Dad came home from the sea, he always found time for touch football games, picnics and camping trips, and he went to all our school functions.

In the end, my high school grades were not good enough to get me into the Naval Academy. It was a disappointment, but not a bitter one. I was accepted at Elon College in North Carolina, where I did well enough in my freshman year to transfer to the University of North Carolina at Chapel Hill, from which I graduated in 1968.

Now I had a three-year Naval Reserve obligation to fulfill.

ADMIRAL. As Elmo was beginning his military career, mine was moving into an entirely new arena, Vietnam, where I would take command of what was called the brown-water navy, the ships that patrolled the inland rivers and coastline.

At one of the first briefings I attended at the headquarters of Gen. Creighton W. Abrams, Supreme Commander in South Vietnam, an Air Force colonel said that his service would transfer most of its resources to the South Vietnamese by 1976. The next thing I heard was a fist smashing the table, and Abrams shouting expletives. He was enraged that the Air Force did not understand that we had nothing like eight years in which to Vietnamize the war.

When my turn came, I laid out a plan that called for the South Vietnamese Navy to wage the in-country naval war essentially on its own within three years. An Air Force officer began to criticize my plan, but Abrams cut him off. "The Air Force has already dug itself into a cesspool," he said. "Bud Zumwalt may be doing the same thing, but so far he's making some sense."

The major problem we faced was the continued infiltration of enemy arms and men into South Vietnam, primarily along the Cambodian border. That was where I thought we should strike hard and fast. But because the waterways there were often very narrow, the men in our patrol boats could easily be hit from either side by enemy fire. Their chances of being killed or wounded were 70 to 75 percent.

I thought one way to save American lives was to destroy much of the foliage along the river banks. This would force the enemy back and make it much more difficult for its forces to ambush our patrol boats. We checked with the Army and Air Force about the possible injurious effects on humans of Agent Orange, which had been used in other defoliation efforts. We were told there were none. You trust those things, and I ordered the spraying of Agent Orange. Our patrol boat casualties dropped significantly as more and more of the chemical was used.

ELMO. I had always thought that combat was the true test of an officer, and I wanted to take that test. After four or five months in the Atlantic and the Caribbean as electronics officer on the Ricketts, a guided-missile destroyer, I asked to serve in Vietnam as an officer-in-charge of a Patrol Craft Fast, known as a swift boat.

After an intensive training course, I arrived in Vietnam in August 1969, and reported to Coastal Division 12 in Da Nang. After several weeks of patrolling in the area, I volunteered to go south, where the river fighting was reportedly heavier.

But first I flew to Cam Ranh Bay to report to the commodore in charge of the swift boats. There I learned that Bob Crosby, the lieutenant who had trained me and my crew, had been killed. My horror deepened when I learned that he had been accidently shot by an American sailor, part of a crew checking out the guns on a swift boat. Somehow, some way, a live shell had been left in one of the guns. The last crew to have patrolled with that craft before the new crew took over had been mine.

Swift boat officers-in-charge were not required, or expected, to check every gun mount after patrol. I never did, and I never saw any other officer do so. But I have never been able to escape my feeling of responsibility for Bob's death.

ADMIRAL. When Elmo came to visit me at my headquarters in Saigon, he told me about the Bob Crosby incident and the almost intolerable pain it caused him.

A Navy board of inquiry exonerated Elmo and his crew in the shooting. The only one who has never exonerated Elmo is Elmo.

ELMO. At dusk one day late in 1969, we slipped under the overhanging jungle growth along a canal bank. I knew we were a few hundred yards inside Cambodia. I also knew that just by crossing into Cambodia I was in violation of direct orders. But I disobeyed the orders because I was sure the Vietcong and the North Vietnamese were infiltrating along this particular river, even though Navy intelligence said they were not. I thought this would be the best way to prove my point. Several hours later, we heard noises coming from downriver. The South Vietnamese had been warned not to be on the rivers at night, so we could be pretty damn sure it was the enemy. It was a convoy of sampans. When they drew to within 20 or so feet of our hiding place, we opened fire. We took some return fire, but then they fled leaving behind some sampans loaded with weapons.

ADMIRAL. Elmo's unauthorized but successful ambush demonstrated that the intelligence we received gave us only part of the story. Our agents had identified the infiltration routes along the major rivers, but the Vietcong and the North Vietnamese were clever enough to switch to lesser routes. Largely as a result of Elmo's ambush, I ordered our river boats into the mouths of the smaller canals and creeks.

ELMO. The helicopter swayed in the crosswinds as we flew over the Cua Lon River. In the distance was Sea Float, the man-made island Dad had conceived of to bring an American presence into the southern part of the country.

I had seen Agent Orange defoliation nearly everywhere I had patrolled, but from the air the extent of it was dramatic—trees were stripped of leaves, thick jungle growth was reduced to twigs, the ground was barren of grass.

In the 11 months I was in Vietnam, I had often washed in the waters into which Agent Orange had drained and had eaten local produce which I suspect had been doused with the chemical.

I remember developing a skin rash while in the Sea Float area. I have since learned that one of the effects of Agent Orange exposure is a skin rash. But at the time, I was thankful for the defoliation. It meant the enemy could not attack Sea Float without great cost to itself.

ADMIRAL. As I was eating breakfast at headquarters in Saigon on April 12, 1970, a communications messenger ran in to tell me I had a telephone call from Secretary of the Navy John Chafee, who ordered me to take the next commercial flight to Washington.

When we met at the Pentagon, Secretary Chafee said, "Bud, you are the one Mel Laird and I have nominated to the President to relieve Tom Moorer as Chief of Naval Operations."

Despite my regrets about not completing my Vietnam tour, I felt very deeply that significant changes were needed within the Navy, and the one way I could effect them was as C.N.O.

ELMO. When I finally boarded the plane at Tan Son Nhut Airport at the end of June

1970, I had an indescribable feeling of exhilaration and relief knowing I was really getting out, and that my crew was leaving, too. Dad had preceded me by about six weeks.

ADMIRAL. I believe our effort in Vietnam was worse than futile. We would have been far better off never taking that stand. What has since happened to Elmo and his son as a result of that war has only intensified that feeling.

ELMO. When our son, Elmo Russell Zumwalt 4th, was born on March 12, 1977, seven years after I returned from Vietnam, he appeared to be happy, responsive and normal. But within a few months, my wife, Kathy, began to sense that something was wrong. He was slower to lift his head, crawl, sit up and walk than his sister, Maya, had been. Kathy took Russell to a pediatric neurologist in Fayetteville. He could find nothing wrong with Russell's reactions to stimuli.

But not long after Russell began nursery school, his teacher told us he did not appear to learn what she tried to teach him. She suggested that he be evaluated by a child psychologist.

It became painfully clear after a series of tests that Russell had not progressed as a normal 4-year-old should. At an age when other children were learning the alphabet sequence and how words are formed, Russell could not recognize a single letter. His speech was also below his age level.

Two years later, Kathy and I became aware through press and television accounts that many Vietnam veterans whose children had been born with serious defects believed their exposure to Agent Orange might be responsible. But I did not then make a connection between my exposure and Russell's learning difficulties.

ELMO. For weeks, I had not been able to shake a dry, hacking cough. Kathy, along with Mom and Dad, insisted that I see a doctor.

Early in January 1983, Dr. Douglas Henley, a young family practitioner, diagnosed my cough as postnasal drip, but I could see that he was concerned as he examined me further, particularly about my abdomen. After consulting with his partner, he told me my spleen had become enlarged.

I possessed enough medical knowledge to know that could mean cancer, and I asked if that was a possibility. Dr. Henley said yes, but that it could mean many other things. At his suggestion, Dr. Franklin Clark, an outstanding local surgeon, removed two of my lymph nodes and sent them to a pathologist for study.

Several days later, Dr. Clark called with the results: I had lymphoma, a cancer of the lymphatic system. My specific type, he said, was called nodular poorly differentiated lymphoma, or N.P.D.L., a very slow-moving form of the disease. When I hung up, Kathy and I wrapped our arms around each other and cried.

Later that day, I called Dad to tell him I had cancer. We Zumwalts play a lot of jokes on one another, and they can get a little rough sometimes, so Dad laughed and said, "You're kidding me."

I said I wished I were. After a long pause, Dad said, in a soft voice, "Elmo, I just don't know what to say."

When I told Mom, she cried and said how unfair she thought it was. I didn't feel any sense of unfairness or anger. I realized I had a problem to deal with, and I had better get on with it.

Dad and I began a flurry of activity to learn as much as we could. We telephoned cancer specialists around the country and consulted oncologists at several universities.

Then we went to the National Cancer Institute in Bethesda, Md., where they discovered that the cancer had spread throughout my lymphatic system and had invaded my spleen, my bone marrow and probably my liver. That was devastating to hear. But Dr. Paul Bunn, an oncologist, then at N.C.I. and now at the University Hospital in Denver, whom we consulted, offered some good news: because N.P.D.L. moves so slowly, the median survival time, even at an advanced stage, is eight years. There was, however, a dark side: my type of lymphoma was always fatal.

"Everytime?" I asked.

"Yes," Dr. Bunn said.

He was, however, able to offer some hope. Doctors at Stanford University had recently reported the cure of an N.P.D.L. patient as the result of an experimental technique involving monoclonal antibodies, which modify the body's own immune defense system so that it attacks the malignant cells and rids the body of the cancer.

Dr. Bunn said I could begin chemotherapy immediately, or I could watch and wait. He said that a 10-year comparative analysis had shown that N.P.D.I. patients who received immediate treatment did not have survival times any longer than those who waited until the disease became more active.

I decided to watch and wait.

I made a decision to volunteer for a research program at N.C.I., so that the progress of my disease could be monitored by an institution at the cutting edge of research and treatment. Several months later, I also decided to go to Stanford to see if their researchers could develop my monoclonal antibodies.

ADMIRAL. Of all the crises Elmo and I had been through together, the diagnosis of his cancer was the toughest. But he never expressed the least bit of anger, and although he maintained hope, he did not delude himself into believing that he was going to be cured.

And it seemed to me that he felt his medical condition was of secondary importance to his family's financial condition. He was deeply worried, almost to the point of obsession, about their welfare. He was most troubled about Russell's future.

To ease his mind, I placed some money I had inherited into a trust fund for Russell. And I promised I would continue contributing to the fund so that, if the worst happened, Russell would have enough money to subsist in adulthood.

ELMO. One of Russell's speech teachers attended a seminar where Dr. Salvatore DeMarco of East Carolina University spoke on sensory integration problems in children. She thought he might be talking about Russell's problem. We contacted Dr. DeMarco, who tested Russell and reported he had a sensory integration dysfunction, which originates in the brain, but the cause of which is uncertain. The symptoms are an inability to discriminate among sounds and sights and to concentrate.

There was no surgery that could improve Russell's dysfunction. And while some children's conditions are improved with drugs, they did not help Russell. In many cases, when children reach 11 or 12 they begin to outgrow these problems to some extent. But given the level of Russell's dysfunction, Dr. DeMarco did not think Russell would ever completely overcome his.

In February 1985, two years after the initial diagnosis of my lymphoma, Dr. Ivor Royston, a leading researcher in monoclonal antibodies at the University of California in San Diego, performed my ninth lymph node biopsy. When he called with the results, he reported that, incredible as it seemed, I had Hodgkin's Disease, a fast-moving, aggressive form of cancer, as well as lymphoma. One lymph node had grown so big it was impinging on my bladder and moving toward my ureter and kidney.

The time for watch-and-wait was over.

Because my cancers appeared in so many areas, radiation would not be effective, nor would surgery. The only potentially useful treatment was chemotherapy.

I am a lawyer and I don't think I could prove in court, by the weight of the existing scientific evidence, that Agent Orange is the cause of all the medical problems—nervous disorders, cancer and skin problems—reported by Vietnam veterans, or of their children's serious birth defects. But I am convinced that it is. (In May 1984, a class-action suit brought on behalf of Vietnam veterans against several chemical manufacturers involved in the production of Agent Orange was settled without trial for $180 million.)

I realize that what I am saying may imply that my father is responsible for my illness and Russell's disability. I have the greatest love and admiration for Dad as a man, and the deepest respect for him as a military leader. I do not doubt for a minute that the saving of American lives was always his first priority. Certainly thousands, perhaps even myself, are alive today because of his decision to use Agent Orange.

ADMIRAL. Knowing what I now know, I still would have ordered the defoliation to achieve the objectives it did, of reducing casualties. But that does not ease the sorrow I feel for Elmo, or the anguish his illness, and Russell's disability, give me. It is the first thing I think of when I awake in the morning, and the last thing I remember when I go to sleep at night.

ELMO. I have always fought to keep thoughts of my disease from dominating my consciousness. But after I learned that my latest lymph node biopsy showed there were Hodgkin's disease cells present, I found myself wondering what death would be like and how I would feel when it approached.

Thinking about Maya and Russell was the hardest part. After I broke the bad news of my test results, Maya asked if I wanted to die to get rid of my cancer. I told her I would rather be on earth with her.

I knew then that if my next three months of chemotherapy were not successful, there was a treatment of last resort, an experimental procedure in which I would be given total body radiation, coupled with high levels of chemotherapy. The treatment is so powerful that it completely destroys the marrow inside the bones that manufactures blood cells, which must then be replaced by transplants.

Dr. John J. Nanfro, the physician at the Naval Hospital in Bethesda, who told me about this treatment, warned that this is the most intensive medical procedure he knew. "If you combined your polio, heart surgery, Vietnam experience, cancer and chemotherapy all together, the bone marrow would still be worse. It is unbelievably difficult for the patient and the risks are very high."

A bone marrow transplant required a donor who had a perfect tissue match with me. So the first thing was to determine if any of my siblings qualified.

ADMIRAL. Elmo's sister Mouzeta provided the good news. She turned out to be a perfect tissue match.

ELMO. Less than two weeks after my final chemotherapy treatment was completed in November 1985, I discovered an enlarged lymph node in my left groin area.

This was the worst possible sign. I could not believe it had appeared so quickly in the face of nine months of potent anticancer drugs. If it were Hodgkin's, the more aggressive of my two cancers, I knew my time could be very short.

Dad and I were alone in my room at the hospital in Bethesda the morning before I was to have my 14th lymph node biopsy. Neither of us openly express our emotions often, but there were some things I felt very deeply. I told him he had done more for me than any father could possibly do for his son. He had lifted so many burdens off me that I could never adequately express by gratitude.

Dad put his arms around me and told me how glad he was to be able to help, and what I meant to him as a son. Neither of us could talk for quite a while afterward.

When the pathology report was completed, it showed the worst had happened. It was Hodgkin's disease.

ADMIRAL. I had always let myself have hope, but that hope was shattered when Elmo told me the results of his latest pathology report. I could not escape the sadness I felt at the prospect of facing life without Elmo. He is more than a son to me. He is also my partner, my brother, someone in whom I have absolute trust and confidence. I knew that without Elmo life would never have the zest and fun that he puts into it.

ELMO. I was faced with the hardest decision of my life. During the bone marrow procedure, I had a 1-in-5 chance of dying—from bacterial, viral and yeast infections, the failure of Mouzetta's bone marrow to "take" in my body, or graft-versus-host disease, in which the new white blood cells in the marrow attack the host's cells in the liver, skin, lungs and so on.

In the end, I decided on the bone marrow transplant because I love Kathy, Maya, Russell, my family and life, and I wanted to do the one thing that would give me a chance of being with them for a long time.

ADMIRAL. Kathy, Mouzetta, Maya, Russell and I took up residence on Jan. 30, 1986, in a small apartment that was a short walk from the Fred Hutchinson Cancer Research Center in Seattle, a primary facility for bone marrow transplants, where Elmo was to receive his transplant from Mouzetta.

To lessen the chances of infection, Elmo was placed in a sterile environment. His living space was an 8-by-10-foot cubicle partitioned off from the rest of his hospital room by a nylon curtain.

I brought a calendar for Elmo's wall. I thought marking off each day would give him a psychological lift, reminding him how far he had come.

Beginning Wednesday, Feb. 12, Elmo began an exhaustive procedure: two days of massive chemotherapy, a day of rest, and then six days of full-body radiation, designed to kill every last cancer cell in his body. Just as the doctors had predicted, Elmo's condition steadily worsened. With no immune system to protect him, he developed mouth, throat and esophagus sores so severe he said it felt as though someone were inside his mouth with a branding iron.

He could not take too much morphine because it would impair his kidney function. Several nights he paced until dawn because of the pain. His face puffed out and in a single hour he lost all his hair. But no matter how badly he felt, he found a way to stagger over to the calendar and cross off another day.

ELMO. Dad came by every morning for almost three months, but sometimes I felt so terrible I did not say a word to him. He would always tell me he loved me and try to cheer me up.

ADMIRAL. On Feb. 20, Mouzetta was admitted to the Swedish Hospital Medical Center, directly across the street from the Hutchinson Center. Surgeons there removed 1,000 cubic centimeters of her bone marrow, which was rushed to Elmo's bedside where it was intravenously injected into him.

Three weeks later, the doctors drew marrow from Elmo's bone for analysis. The results indicated that Mouzetta's marrow was producing both red and white blood cells. We were all jubilant. A major hurdle had been surmounted.

On Monday, March 24, 1986, we gave Russell the honor of being the first to walk into Elmo's heretofore bacteria-free bubble. It was a symbolic step, indicating that Elmo's immune system could now tolerate normal air and contact with people. That same day, Elmo was discharged from the Hutchinson Center.

It was a time of great emotion and joyous celebration.

ADMIRAL. Last month, Elmo developed graft-versus-host disease, but his doctors at Bethesda hope they can bring it under control with immuno-suppressive therapy.

It has now been three and a half years since Elmo was first diagnosed as having cancer. I think back on those times when Elmo was at his absolute worst, so fevered, pained and weakened that it was hard for him even to lift his head. I remember him whispering to me, "Dad, it will have to get a hell of a lot worse than this before I give up."●

INTRODUCTION OF CLOC/NATIONAL COMMODITY PROCESSION EXTENSION

● Mr. HEINZ. Mr. President, there are two very small pilot programs which provide our schools with flexibility and efficiency in their school lunch programs. These two programs are the National Commodity Processing and Commodity Letter of Credit programs. These programs, at little or no cost to the Government, provide school districts with responsive school lunch programs, programs which make running a school and feeding children more effective.

I am very pleased that Senator McCLURE has introduced an extension of these two programs, which sunset automatically this summer, and once more join with him as a cosponsor. I cannot describe the frustration a school district experiences when commodity shipments come late, or when great blocks of surplus commodities must be processed. These two programs provide the schools with a few options.

Under the commodity letter of credit program, selected school districts receive cash or a letter of credit in lieu of commodities. These school districts can thus purchase what they need, not what the Government says they need. National Commodity Processing takes raw commodities, allows contractors to process them into finished foods, and makes them available to the school districts.

These are sensible, efficient programs which should be continued. I urge my colleagues to join with us in extending these two progams, and I commend Senator McCLURE for his continued efforts on behalf of our Nation's school districts.●

NAUM MEIMAN

● Mr. SIMON. Mr. President, the Soviet Union has made various changes in recent weeks that support its desire to improve relations and implement a more open policy. Among these changes is the release of a number of prisoners of conscience. In addition, a Soviet official has stated that emigration levels will reach 10,000 to 12,000 this year. This would be a considerable improvement from recent years.

Although I strongly encourage the Soviets to continue with the proposed changes, their refusal to cooperate in human rights issues causes me to pause. There are several cancer patients in the Soviet Union who are in desperate need of medical attention in the West, yet they have been denied permission to emigrate. Benjamin Charny is one of these unfortunate individuals. If Benjamin does not receive treatment in the West immediately, it is likely that he will die.

I would like to commend my distinguished colleague from California, Senator WILSON, for his work on behalf of Benjamin and other Soviets cancer victims. Senator WILSON held a rally for Benjamin yesterday. Congressional pressure such as this has proven to be successful in influencing the Soviets on human rights cases.

The unwillingness of the Soviets to cooperate in a life and death situation such as the treatment of cancer has already resulted in the death of Inna Meiman. The Soviet Government did not allow Inna to receive medical attention in the United States until her illness had progressed to a point where it could no longer be treated. Naum Meiman, Inna's widower, was not permitted to join Inna in the West or to attend her funeral. The Soviets' continuous refusal to release Naum causes me to doubt their seriousness about improving relations between our countries.

I urge the Soviets officials to grant Naum Meiman an exit visa immediately.●

GREEK INDEPENDENCE DAY

● Mr. HATCH. Mr. President, on March 25, 1987, Greek Independence Day was celebrated.

The date of this celebration is significant as it marks the 166th anniversary of the revolution which eventually freed the Greek people from the Ottoman Empire in 1821. It is fitting that we, as Americans, join in celebrating this day because our two countries have shared the same ideals and goals for democracy and the Greeks have followed many of our country's founding principles. For instance, the American revolution became a standard for the Greeks as they fought for their own independence, and our Declaration of Independence served as a model for theirs.

The country of Greece, small in size by comparison, has produced some of the world's greatest philosophers, artists, and scientists, of whose talents we have been the grateful recipients. Additionally, many significant contributions have been made by Greeks in the fields of medicine, fashion, and government. In my own State of Utah, our communities have been enhanced and our lives have been enriched because of the contributions of our Greek population.

We have celebrated Greek Independence Day together for many years, and I hope this day will continue to be symbolic of the cooperative and supportive relationship the Greeks and Americans have shared throughout the years.●

FmHA REGULATIONS

● Mr. LEAHY. Mr. President, the Farmers Home Administration was created by Congress as the lender of last resort for those involved in agricultural production. It was designed to provide supervised credit for farmers and ranchers that are facing adversity; it was designed to provide a means by which young people can obtain the financing needed to begin farming; and it was designed to give all that need to utilize it, fair access to its programs. Congress has not changed this mandate. Yet at a recent hearing of the Senate Committee on Agriculture, Nutrition, and Forestry we heard disturbing testimony that these basic tenents are being challenged. Challenged by the very agency itself.

The FmHA, through the issuance of administrative rules, is trying to change the scope and nature of its mission. It is trying to limit the availability of credit to many of its present borrowers and prevent many more potential borrowers from utilizing FmHA programs. Furthermore, they have gone so far as to develop a training program to implement these rules before ever considering public comments as required by the Administrative Procedure Act.

Mr. President, members of the Committee on Agriculture, Nutrition, and Forestry find this very disturbing. Many of the members of the committee have joined me in sending a letter to the Secretary of Agriculture expressing our concerns with the proposed regulations and the process the agency followed in preparing to implement these regulations.

Mr. President, I ask that the text of this letter be printed in the RECORD.

The letter and its enclosure follows:

UNITED STATES SENATE, COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY,
Washington, DC, March 17, 1987.

Hon. RICHARD E. LYNG,
Secretary of Agriculture, Department of Agriculture, Washington, DC.

DEAR MR. SECRETARY: On March 11, 1987, the Committee on Agriculture, Nutrition, and Forestry held a hearing on the Farmers Home Administration's proposed regulations entitled "General Revision of Farmer Program Regulations; Proposed Rule," 52 F.R. 1706 (Jan. 15, 1987). You will recall that an extension of the 30-day comment period was granted by the Department as a result of requests from the Senate Agriculture Committee, other members of Congress and the public.

Two major points became apparent during this hearing. One is that the provisions of the proposed regulations would be extremely detrimental to FmHA's present farm borrowers and to those applying for FmHA loans. Second, that the Farmers Home Administration exhibited a blatant disregard for the intent of the public comment provisions of the Administrative Procedure Act, 5 U.S.C. 553.

On the first point, we believe that the proposed regulations circumvent present law, disregard due process, do not adequately consider the impact upon the rural economy and dramatically change the traditional and statutory role of FmHA as the lender-of-last-resort. We strongly disagree with the attempt to make such profound changes through the promulgation of regulations.

Second, it is apparent that the FmHA was prepared to implement the regulations as they were proposed without reviewing the public comment. FmHA prepared a training package complete with manual and tapes to instruct the field staff on how to implement the proposed regulations. This suggests that any comments would not be seriously considered. We are appalled by the agency's apparent disregard for this crucial aspect of the rule making process.

We are attaching a list of concerns which surfaced during our hearing and which must be addressed in developing a new set of proposed regulations on these items. We expect you to begin again in developing your regulations, keeping these concerns in mind. We further suggest that in the future whenever major revisions to regulations are being considered that consultation with Congress take place prior to publication of the proposal. If this procedure were to be followed we could minimize future conflicts. Moreover, we insist that you carefully consider public comments as is required by the Administrative Procedure Act.

As you pointed out in your letter to Chairman Leahy there were some benefits to farmers in the proposed regulations. These included provisions affecting cross-collateralization, conservation easements, loan consolidation at reduced rates of interest, liberalization of emergency loan purposes cover household contents and clarificati of the conditions under which FmHA w continue to fund certain housing borrowe whose farmer program loans are accele ated. We would ask that you find a way proceed with the implementation of the provisions, while starting over with anoth proposed rule for other provisions. In adc tion we would hope that the revised regul tions would enhance FmHA's ability to n gotiate with other lenders and borrowers t restructure loans whenever possible, pa ticularly when provisions of Chapter 1 bankruptcy law may compel a higher co restructuring.

Sincerely,

Patrick Leahy, Chairman, Thomas A Daschle; Tom Harkin; John Melche David Pryor; Kent Conrad; Wych Fowler, Jr.; Howell T. Heflin; an David L. Boren.

SUMMARY OF SOME OF THE MAJOR CONCERN RAISED DURING THE HEARING HELD BY TH SENATE COMMITTEE ON AGRICULTURE, NU TRITION, AND FORESTRY ON PROPOSE FMHA REGULATIONS

1. PRE-APPLICATION AND APPLICATION RISK RATIOS

FmHA was established by Congress t provide credit to borrowers who canno qualify for commercial credit. In essence the proposed new risk ratios impose com mercial credit standards on applicants fo FmHA credit. This is inconsistent witl FmHA's legislative mandate.

The proposed regulations would disqualif many of FmHA's present borrowers. Esti mates of those who are currently borrowin from FmHA who would not qualify fo loans under the proposal range from 18% t roughly 50%. Such disenfranchisement doe not appear to be consistent with the missio of FmHA. While some means to provid speedier turnaround of applications is neces sary, it is essential that any proposal fo screening incorporate explicit appeal proce dures and be supported by careful evalua tion of the impacts of the decision criteri on the eligibility of potential FmHA borrow ers.

2. SURPLUS PROPERTIES

FmHA has acquired many hundreds o thousands of acres of farmland nationwide Due to its policy of starting adverse actio proceedings on all farmers who are $100 o more delinquent for one year or more FmHA will probably acquire much more land in the future through foreclosures o conveyances. The critical issue in farm states is to whom FmHA will sell this farmland. FmHA has historically adhered to a law that requires it to restrict its sales of acquired farmland to family sized farms for a three-year period after acquisition. The proposed regulations would permit FmHA to auction its farm land to the highest bidder after only one year. This is in clear derogation of the law and the historic mission of FmHA to help protect rural community and foster family farms.

3. USURPATION OF THE ROLE OF COUNTY COMMITTEES

The proposed regulations would allow FmHA staff members to usurp the historic role of FmHA county committees in determining who is eligible to apply for FmHA loans. The rules allow state FmHA staff members to overrule favorable decisions of the committees and otherwise restrict the exercise of judgment of the county commit-

tee. Further, the use of mechanical ratios to determine eligibility obviates any meaningful decision making role for these committees. Historically the role of the county committee has been to assess the managerial and personal characteristics of applicants. We are concerned that mechanical use of financial ratios will preclude applicants who have the potential to be successful farmers from receiving FmHA funding.

4. ECONOMIC BARRIERS TO SUCCESSFUL FARMING BY FMHA BORROWERS

It is essential that FmHA borrowers be permitted to operate their farms on a comparable basis with non-FmHA borrowers. The proposed regulations would thwart FmHA borrowers' potential for success by such actions as: prohibiting loans for advance payments of cash rent (in clear contravention of statute), prohibiting the use of loans to expand production of commodities declared to be "in surplus", prohibiting further loans for production in excess of the lower of the borrower's average production over the past five years or the past two years, prohibiting replacement of foundation livestock herds with line of credit guarantees, requiring cash reserves in amounts equivalent to depreciation allowances, limiting the use of balloon payments, and requiring pledges of all assets for any loan.

5. BARRIERS TO BEGINNING, LOW EQUITY, AND REENTRY FARMERS

FmHA has proposed a number of regulations (in addition to the risk assessment ratios) that would impede beginning farmers, low equity farmers and reentry farmers. For example, FmHA would require three years' experience in operating and managing a farm within the last five years before a farmer would be eligible to apply for a loan. It would also require preferences for existing borrowers, and, prohibit loans except in limited circumstances, to an applicant who has previously entered into debt settlement with FmHA. Further, these regulations will in general prohibit extending credit to borrowers whose previous obligations have been discharged through bankruptcy proceedings.

6. REQUIRING COUNTYWIDE DISASTERS PRIOR TO REAUTHORIZING FOR EMERGENCY LOANS

The proposed regulations would not allow disaster loans unless the county as a whole suffered a qualifying 30% disaster loss. The law establishing disaster payments was intended to apply to both widespread disasters and more isolated disasters that injure only individual farmers or small groups of farmers.

7. APPRAISALS

In derogation of the law which requires FmHA to promulgate regulations to implement the FmHA appraisal process, FmHA proposes to simply delete the regulations on appraisals from the Code of Federal Regulations.

8. MIX OF OPERATING AND OWNERSHIP LOANS

Farmers' Home appears to be moving rapidly to position itself as a supplier of operating credit, to the point of discontinuing farm ownership loans. While operating credit concerns may be the primary issue in this particular phase of the business cycle, abandoning the ownership programs may have serious long term implications. The Committee would like to see evidence that movement in this direction is warranted.●

TECHNOLOGICAL EDUCATION

● Mr. KERRY. Mr. President, for those of us concerned with the issue of maintaining America's technological competitiveness, a continuing concern is the question of how we can promote continuing education on technological developments, both for scientists and engineers, and for policymakers. These questions have been examined in two thoughtful editorials in Science magazine by Philip H. Abelson, former editor of Science.

As Abelson points out, education in our rapidly changing technological society must be an ongoing process. New technologies can make a university education in engineering obsolete in a short period of time. We must make education for our engineers in industry a continuing process if we are to remain competitive in the world economy. And scientists and engineers on our university faculties are also at risk.

The Massachusetts Institute of Technology [MIT] has developed an innovative program to deal with this problem. As Abelson describes in his article, more than half of the students at MIT in the early 1980's wishing to major in electrical engineering and computer science sought to take a course entitled "Structure and Interpretation of Computer Programs," which included newly developed cutting-edge material that most senior faculty members were not familiar with. Thus the MIT faculty members were placed in the position of knowing less about this important subject than their own sophomore students. The solution was a special course for faculty during the January break in 1984, including a 2-week period of total immersion in the subject at a secluded off-campus location. This enabled MIT faculty members to enjoy "a tremendous learning experience," and to once again become computer-literate.

The MIT experience has led to similar programs at other universities, and at leading companies such as AT&T, GE, and IBM. This MIT program is a model for what should be a national effort at continuing education in science and technology. As Abelson points out, "A national need exists to foster lifelong learning. This need demands attention and support from universities, industry, professional organizations, private foundations, and the Government."

A second editorial by Abelson, also in Science, points out that most policymakers do not have sufficient understanding of science and technology issues, and that most scientists and engineers have little understanding of the process of politics and policymaking and how to influence that process. He also notes that "key decisions in the grand issue involving technology are made by public policy, not in the marketplace."

Given this reality, the lack of meaningful exchanges of information and ideas between policymakers in Congress and scientists and engineers involved in creating new technologies is a disturbing phenomenon. Congress, propelled by the pressure of the media, tends to focus on the immediate and the short-term crisis rather than on long-term issues and complex problems affecting the future. And Members of Congress have little time for contemplation of serious long-range issues while caught up in the whirlwind of the political process in Washington.

Abelson suggests that "In view of the frenetic atmosphere in Washington, scientists and engineers in the hinterlands should consider the advantages of activities in the home States and districts * * * By the nature of their professions, scientists and engineers tend to be alert to developments that affect the national and global future. They could provide a perspective for politicians that is missing in Washington."

We in the Congress need to make greater efforts to expose ourselves to the views of the scientific community, and to educate ourselves about complex issues of science and technology. And the scientist and engineers in our home States likewise need to make greater efforts to involve themselves in the policymaking process. This kind of interchange is no longer a luxury. It is a vital necessity if America is going to remain competitive in science and technology in the 21st century.

I ask that two editorials by Philip Abelson from Science magazine, entitled "Managing Technology" and "Lifelong Learning," be printed in the RECORD.

The editorials follow:

MANAGING TECHNOLOGY

Many thoughtful people are concerned about the future of this country. They are uneasy about loss of technological competitiveness, a mounting trade imbalance, and the probability that the nation is living beyond its means and may face the need to accept a lower standard of living. They have long been troubled by reports of deleterious side effects of technology. Their discomfort is enhanced by a feeling that they are helpless to have even a slight impact on events. Most of those who would like to influence decisions about the future do not know how. They have little knowledge about how society and its political and communications systems work. Edward Wenk, a veteran of the national political scene and an engineer, has produced a book that will interest them. This volume provides insightful perspectives on how technology interacts with the various segments of society and notes that the key decisions in the grand issues involving technology are made by public policy, not in the marketplace.

Pollsters have determined that television programs are exposed an average of 7.5 hours a day in American households. Accordingly, one of the realities of the present is the great impact that the media can have

on popular opinion, rendering it volatile. In turn, the media recognize that if they do not produce excitement, they will lose their audience. The offerings tend to concentrate on disasters. Complex issues and important matters affecting the future get little attention. Correspondingly, as Wenk points out, pressures transmitted by the public "tilt the legislative process to favor what is urgent rather than what is important." Wenk further states: "Most issues seem propelled by either crisis or pressure. Legislative histories generally confirm this pattern, although there are exceptions. Some issues are also driven by a tidal wave of popular sentiment where people lead their leaders."

In what follows, the scene of the political action is described. Washington and the surrounding metropolitan area are largely devoted to politics and to attempts to influence legislation and the regulations pertaining to the laws. More than 45,000 lawyers are licensed to practice in the District of Columbia. The government is, of course, the largest employer of personnel, but thousands of professional and trade associations together rank second. For many years, the region has had a great building boom with tens of millions of square feet of office space added. The complement of federal employees in the Executive Branch has expanded somewhat, but the great increase has been in congressional staffers. In the last two decades, their numbers have increased about fivefold, and they now total nearly 40,000. Washington seethes with activities of major and minor players—perhaps 100,000 of them—intent on influencing events. Trying to monitor the most exciting developments is a press and electronic media corps that totals more than 5,000.

One way or another, most of the issues being dealt with have to do with money, power, and influence. They also often have a substantial content of technology. The political system seems to find it difficult to legislate simply about technology. In the last two decades, the averages number of pages devoted to each law has tripled, as has the number of pages in the Federal Register. Last year, nearly 50,000 pages were devoted to new or amended and proposed or final regulations. The regulations are often so complex that those affected, though professionals, find it difficult to comprehend the language.

Members of Congress are in general conscientious and well meaning, but they have little free time for contemplation while in Washington. Each serves on an average of more than seven committees or subcommittees. They must manage staff, be available for key constituents, deal with the media, and attend innumerable social functions.

In view of the frenetic atmosphere in Washington, scientists and engineers in the hinterlands should consider the advantages of activities in the home states and districts. On visits home, politicians may be more receptive to well-considered positions from a group of constituents than they would be elsewhere. By the nature of their professions, scientists and engineers tend to be alert to developments that may affect the national and global future. They could provide a perspective for politicians that is missing in Washington.

LIFELONG LEARNING

At one time, a single stint of university education was sufficient to provide the structural framework for lifelong learning. It was then possible for scientists or engineers to maintain a good level of awareness about progress in much of science or engineering. But the body of knowledge is expanding rapidly, and many new specialties have arisen. In some disciplines, several hundred thousand pages in journal articles appear each year. The usual response of the individual to the flood of knowledge is to become an expert devoted to learning more and more about less and less.

Most engineers are employed in industry; there, life is increasingly turbulent as some technologies become outdated and foreign competition destroys many jobs. Even in healthy companies, older engineers find themselves obsolescent as new technologies become applicable that did not exist when they were in school. This country trains fewer engineers per capita than do our leading competitors. Both for competitive and humanitarian reasons, we cannot afford to consign older engineers to oblivion. On the basis of individual effort, it is not feasible for an engineer in mid-career to change fields or to update himself or herself extensively without some kind of structured support. Thus there is a national need to organize effective continuing education for engineers. This need has been recognized by a number of organizations, including the American Society for Engineering Education, which presents a discussion of the problem in a report on Engineering Education.

The activities of engineers are relevant to the scientific community for several reasons. First, a large fraction of the basis for support of academic research is the assumption that practical applications will result. If these are to help better our competitive positions, our engineers must function effectively. A second reason is that if the engineers evolve good mechanisms for fostering lifelong learning, these will be applicable to scientists.

Engineers working in industry are not alone in becoming obsolescent. At equal hazard are faculties at universities, including scientists and engineers. A striking example and a useful remedy were experienced at Massachusetts Institute of Technology. In common with many other schools teaching engineers, MIT in the early 1980s received a large number of applications from high-quality students wishing to study engineering. After being admitted and on campus, many wanted to major in electrical engineering and computer science. More than half of the students wished to take a sophomore course entitled, "Structure and Interpretation of Computer Programs." This included newly developed cutting-edge material with which only a tiny fraction of the faculty was familiar. Senior faculty were faced with the indignities of knowing less about an important subject than the sophomores and being unable to do their share of teaching it. The crisis was met by a special course for faculty conducted during the Janaury break in 1984. The course, given 8 hours a day for a week, with laboratory and homework, enabled some of the faculty to understand better a textbook on the topic and later to teach it. Other sections of the course were conducted employing a 2-week period of total immersion in the subject at a secluded spot off campus. Freed from the innumerable interruptions and distractions that occur on campus, the professors enjoyed a tremendous learning experience. Experience at MIT with courses designed especially for faculty has been satisfactory and has led to similar courses in other fields.

Some leading companies, including AT&T, GE, and IBM, are active in continuing education. They, too, use isolated campuse with total immersion for a week and mor At least one company conducts a written e amination at the conclusion of the course.

Most universities have no structured pr gram for faculty education. Individuals ar expected to create their own program which may involve sabbaticals, attendanc at professional meetings, and other trad tional activities. These, though useful, ar not sufficient for many professors. A natior al need exists to foster lifelong learnin This need demands attention and suppor from universities, industry, professional o ganizations, private foundations, and th government.

ARMS CONTROL PACTS CAN BE VERIFIED

● Mr. KERRY. Mr. President, it ha been argued by the opponents of arm control that we cannot reach meaning ful arms control agreements with th Soviets because such agreements ar not verifiable. This argument, if i ever had any validity, has now lost al credibility. The combination of tech nological advances in verificatior methods and substantial concession by the Soviets has made verification a problem which can be solved, if th political will to reach an agreemen exists.

Dr. Kosta Tsipis is a renowned phys icist at the Massachusetts Institute o Technology, and is the director o MIT's Program in Science and Tech nology for International Security. He has written a comprehensive article on verification issues in the current issue of Discover magazine, entitled "Arms Control Pacts Can Be Verified."

As Dr. Tsipis points out, the Soviets, who have long opposed the principle of onsite inspection, now have expressed a willingness to accept it for the sake of getting agreement on arms reduction. This is indicated not only by statements of Soviet spokesman, but even more significantly by their permitting an American environmental group, the Natural Resources Defense Council, to place seismic equipment inside the Soviet Union, for the purpose of detecting the vibrations of underground nuclear tests. As Dr. Tsipis states, with this seismic equipment in place:

> There no longer seems to be a technical barrier to monitoring compliance with a complete test ban agreement down to explosions of one kiloton or less.

Dr. Tsipis also points out that:

> As the new detection systems indicate, our intelligence gathering has reached extraordinary levels of sophistication. These capabilities are even better than the Government will admit in public.

He believes that, with this new ability to verify, we could now reach a comprehensive test ban treaty, ending all explosions of nuclear weapons, without threatening our national security. He also states that we could verify with confidence a drastic reduction in

nuclear weapons as discussed at the Reykjavik summit.

Dr. Tsipis states that:

There's little doubt that testing of full star wars systems in space—or even on the ground—can be monitored. One can't hide a laser or a particle accelerator the size of a factory or fire their beams into space without being caught.

And as he adds:

If these assertions seem overly optimistic, consider the detail in which the U.S. has complained of Soviet violations of the ABM Treaty. The charges themselves are proof of how well we watch Soviet activities relating to ballistic defenses deep inside their territory.

Dr. Tsipis concludes that:

In my view, an agreement to ban the testing and deployment of both antiballistic missiles and antisatellite weapons appears verifiable.

I agree with the conclusions of Dr. Tsipis with regard to verification. The problem is not our technical capacity to monitor Soviet actions. We have that capacity, and we are already using it. And the problem now is not even Soviet willingness to accept intrusive verification procedures. They have indicated, as Dr. Tsipis puts it, "a refreshing willingness to use advances in technology in a more cooperative manner," as their willingness to accept American seismic stations on their soil indicates.

The real question is whether the Reagan administration is prepared to reach an arms control agreement with the Soviets, or whether it merely wishes to raise verification issues as an excuse to not reach an agreement. The verification conditions which have been set by this administration in the current INF negotiations are so stringent that, if the Soviets were to accept them, our own generals would reject them. What is needed is a reasonable and realistic combination of onsite verification and national technical means of intelligence gathering. This would be sufficient to produce a verifiable arms control agreement in our national security interests.

President Reagan is the first President since the dawn of the nuclear age to fail to enter into a single arms control agreement with the Soviets. I hope that, as he looks toward the end of his Presidency and his place in the history books, he will decide that the time has come for him to reach an agreement to reduce the nuclear threat to mankind. The opportunity is in front of us to reach a major and meaningful agreement with the Soviet Union to begin to reduce the nuclear confrontation in Europe. Let us not fail to take advantage of that opportunity.

I ask that the article by Kosta Tsipis entitled "Arms Control Pacts Can Be Verified" be printed in the RECORD.

[From Discover Magazine, April 1987]

ARMS CONTROL PACTS CAN BE VERIFIED

(By Kosta Tsipis)

When fire broke out aboard a Soviet nuclear submarine east of Bermuda last October, its captain and crew weren't the only ones to hear the boat's alarms go off. The signals were also picked up loud and clear by secret American listening devices on the continental shelf several hundred miles away. Indeed, thanks to these underwater acoustic detectors, which can record the reverberations of an explosion halfway round the world, the Pentagon may well have known about this accident, which eventually led to the vessel's sinking, before the Kremlin did.

Strategically placed along the East, Gulf, and Pacific coasts, as well as in other militarily significant areas, such as the approaches used by Soviet subs into the North Atlantic above Norway and into the Pacific near the Kuriles, the automated listening posts are just one link in a vast network of high-tech snooping devices that keep a continual watch on Soviet military activities, not to mention Nicaragua, the Iran-Iraq frontier, and terrorist training camps in North Africa and the Middle East.

By far the greatest share of the U.S. intelligence budget (at least $15 billion a year) now goes for what those in the business call non-intrusive technical means of information-gathering, or TECHINT (technical intelligence), in contrast to HUMINT (human intelligence). These include giant hydrophones linked by cables on the ocean floor for monitoring the Soviet fleet of 375 submarines, reconnaissance satellites equipped with sharp-eyed cameras, radars on the perimeter of the Soviet Union looking out for missile launches, ELINT (electronic intelligence) listening posts in Turkey, Pakistan, and China, ships bristling with a variety of antennas, and large arrays of seismic detectors that pick up virtually every creak and groan of the earth, natural or man-made. Much of the information gathered by these electronic eyes and ears is screened, analyzed, and stored by computers that can process data at rates of billions of bits per second.

On balance the great investment in such sophisticated intelligence-gathering has been a force for peace. Nasty international incidents, like the crisis that ensued when Francis Gary Powers was shot down in his U-2 plane over the U.S.S.R. in 1960, are avoided.[1] Nor is one side likely to spring unpleasant surprises on the other. In 1967 President Johnson defended the billions spent for spy satellites by explaining that they told him "how many missiles the enemy has." Today they also provide clues to their quality and potential for destructiveness. Even before the Soviets test-fire new intercontinental ballistic missiles (ICBMs), the Pentagon usually has a good idea about such characteristics as "throw weight," number of warheads, even accuracy.

However, as useful as such equipment may be for collecting military intelligence, it has another important role that has yet to be fully exploited: it can monitor Soviet compliance with the terms of arms control agreements—or, in the shorthand of diplomacy, verification. At the moment, to be sure, there isn't much to verify. Only a handful of agreements exists to curb the arms race between the superpowers, notably the Limited Test Ban Treaty, which forbids nuclear testing everywhere but underground; SALT II, which limits the number of strategic missiles, warheads, and launchers, and forbids camouflaging launch sites (but which has never been ratified by the Senate, and was effectively broken by President Reagan in November when he ordered a 131st B-52 bomber with cruise missiles deployed; and the ABM (antiballistic missile) Treaty, which prohibits the introduction of exotic systems for intercepting ICBMs in flight, except to defend one mutually agreed upon site on each side. (The Soviets have chosen to defend Moscow; we've opted not to exercise the right, on the ground that any available defense would be easily penetrated.)

One reason for the lack of real progress in arms control is the widespread opinion that the Soviets will cheat on any agreement, and that undetected deception will give them the upper hand. The Reagan administration has used this argument to reject out of hand a proposal by the U.S.S.R. to halt all underground nuclear explosions. It insists—counter to the arguments of some U.S. seismologists that Soviet tests could be detected—that the U.S.S.R. could secretly continue to conduct such tests and leap ahead in weapons design. In any case, on Feb. 26 the Soviets ended their 18-month moratorium on testing by exploding a 20-kiloton nuclear bomb at Semipalatinsk. And the U.S. continuing to detonate nuclear bombs under the deserts of Nevada.

The Kremlin, which long opposed on-site inspection, seems willing to accept it now for the sake of getting an agreement on arms reduction. Moscow's change of heart has been signaled not only by the statements of high-level spokesmen, from General Secretary Mikhail Gorbachev on down, but also in such direct action as permitting the Natural Resources Defense Council a private American environmental group, to place seismic equipment inside the Soviet Union that could pick up the vibrations of undergound tests. On Feb. 28 the U.S.S.R. proposed the withdrawal of all Soviet and American medium-range missiles in Europe independent of an agreement on the Strategic Defense Initiative (SDI), a proposal quickly welcomed by President Reagan.

But, as Reagan stressed, before we can sign an arms control deal with the Soviets, we must first ask ourselves how good our ability to detect violations is. Clearly, the same equipment that keeps tabs on Soviet military activities will have to be used to monitor the Kremlin's compliance with a pact. But after the initial intelligence collection, the two processes—military reconnaissance and treaty monitoring—diverge subtly. In the analysis of the data, verification must decide whether a suspicious activity—say, the construction of a new radar or a change in the throw weight of a new missile—violates the agreement or not. Often the decision may be clouded by ambiguity. The suspected violation may not have been observed in enough detail to show an undisputed transgression. Or even if it shows up clearly, the treaty provisions may be too murky for it to be declared a violation. Thus verification makes its own very special demands on intelligence analysts.

These demands are complex and interrelated. First and foremost, verification must enhance national security. We have to be

[1] Although the Soviets originally considered satellite overflights a violation of their national sovereignty, as do many other nations, they stopped complaining once their own surveillance program got under way. However, the issue of where national sovereignty ends and space begins has never been satisfactorily resolved.

able to tell whether the Soviet Union is doing anything forbidden by the terms of an arms control treaty that could damage us if undetected for any length of time.

Second, verification must have a deterring effect: if the Soviet Union knows that cheating will be discovered, it won't attempt it.

Third, verification should enhance stability, mutual trust, and confidence among the signatories of an arms control agreement. If we're convinced that the U.S.S.R. is abiding by the terms of the pact, we won't engage in the paranoia of "worst case" analyses, whereby even the suspicion of a violation leads us to declare bomber or missile "gaps" and begin expansive arms build-ups. Instead, there will be exchanges like those that occured in 1973, a year after the signing of SALT I. U.S. satellites had spotted what looked like the excavation of silos for a powerful new ICBM in northern Siberia in violation of the new treaty, and the Nixon administration complained to the Soviets. Keep watching, they replied. Sure enough, as the work continued, satellite observations showed that the Soviets weren't digging missile silos. They were building underground command posts, which were in fact permitted by the treaty.

Finally, verification must satisfy domestic political requirements. No U.S. administration can hope for ratification of an arms control treaty by the Senate, to say nothing of acceptance by the public, unless it can convincingly show that it can monitor compliance.

Proponents of a comprehensive test ban claim that since the U.S. is able to detect an underground nuclear detonation with a yield of only a few hundred tons of TNT, our means of verification are adequate. The explosive power of some of the Soviet warheads is equivalent to millions of tons of TNT. Therefore a test of a single warhead of less than a kiloton, even if undetected, couldn't alter the strategic balance or threaten our national security. In other words, adequate verification is a function of the size of the arsenals, a relative, not an absolute, concept.

The argument goes something like this: If we agreed with the Soviets to allow 10,000 nuclear bombs each, our security couldn't be affected very much if they secretly increased their inventory to 10,100. But if we agreed to reduce our total arsenals to only 50 bombs each, it would matter a great deal if they secretly tripled their number to 150, even though the actual increase—100 bombs—is the same in both instances. (The opponents of arms control agreements say that what matters, at least for now, isn't whether those 100 secret bombs pose a military threat but that we be able to verify that there's no cheating at all.)

If we're to be assured that we can always monitor Soviet compliance with any arms control agreement, we should be able to determine whether an event has or hasn't happened, or is in the process of happening. There are two kinds of event; one, like the firing of a missile, changes the scene temporarily; the other, like the construction of a large radar or a missile silo in the middle of a forest, creates a permanent change.

Permanent changes, or even semi-permanent ones—for example, the slow movement of a division of troops or a wing of mobile missile from one part of the country to another—are detected by before-and-after comparisons. Usually this is the task of photo reconnaissance satellites, which routinely photograph whatever comes into their field of view (it can also be done by high-flying planes like the U-2, whose ceiling is 90,000 feet, and the SR-71, or Blackbird, which can travel at Mach 4 at 125,000 feet, or by small remotely piloted vehicles). By comparing different images of the same scene, taken under similar lighting conditions over a period of time, we can detect changes—the laying of a keel for a nuclear submarine, say.

But such transient events as the flight test of a new missile or the underground detonation of a nuclear explosive must be observed while they're occurring. Therefore the detection systems (radars and telemetry receivers in the case of missle tests, seismographs for underground explosions) have to be on at all times. Such vigilance can be expensive. And so we depend on the synergy of a variety of intelligence-gathering tools, e.g., if satellite photos tell us the Soviets are preparing a missile for launch, we may be able to get the exact time of the test by listening in on their telephone calls. Or we can be on the lookout for the activation of Soviet radars whose beacons track their missiles in flight. Then we can turn on our own monitoring radars and telemety receivers to "see" and "hear" the details of the test.

One such missile-watching installation is the Cobra Dane phased-array radar on Shemya Island in the western Aleutians, which tracks warheads as they head from their launch sites at Tyuratam or Plesetsk across eastern Siberia for impact areas on the Kamchatka Peninsula or in the Pacific. We may also send up reconnaissance planes, usually lumbering RC-135s called Cobra Ball aircraft, to track a warhead with a battery of cameras working in various wavelength ranges while the plane's ELINT equipment searches for the missile's telemetry. (Some U.S. officials think the Soviets may have shot down Korean Air Lines Flight 007 because they mistook the Boeing 747 for an American spy plane on just such a mission.)

In the seas, the Navy's hydrophone network, known as SOSUS (sound surveillance system), can recognize the distinctive patterns of individual Soviet submarines from thousands of miles away. Each detector consists of a score or more of hydrophones sealed in large vats, said to be as big as oil storage tanks, and buried in the sea floor. Because the microphones are tuned to different frequencies, they can pick up different and distinctive sounds—engine noise, prop wash, the whirr of pumps—from a submarine. This cacophony is relayed by satellites in geosynchronous orbit to analysis centers, where computers sort and compare the signals with those in their memories. The objective is to form a sonic profile of each submarine in the Soviet armada, which can then be used to identify it wherever SOSUS may pick up its telltale sounds.

Because a single source of information—whether a radar, a camera, or a hydrophone—can rarely tell the whole story, the intelligence analyst must fit together myriad pieces of information from different sources, from realtime detectors like radars that observe events as they unfold and from off-line detectors like photo satellites that provide delayed but consecutive observations of the same scene, before he obtains a complete picture of a suspicious event.

Of course, even without any agreements, simply as a matter of national prudence, we must be able to observe the development, testing, and deployment of Soviet nuclear weapons systems. We must be able to detect and measure the amount of energy released by underground nuclear explosions. We must also make sure that nuclear explosive aren't placed under water or in earth orbit and we must be certain the Soviets aren't secretly exploding nuclear weapons in such exotic locales as behind the sun (a site physicist Edward Teller once suggested they might use).[2]

We also have to be able to count the number of Soviet ICBMs and bombers, know how many warheads each can carry, and tell whether new Soviet missiles vary from older ones by more than five percent in any of a number of important performance characteristics (because this would be a violation of SALT II). If the types of sweeping arms control agreements discussed by Reagan and Gorbachev are ever to be signed, we should also be able to count how many missiles have been destroyed, and to make sure their nuclear warheads are dismantled. We should determine that no intermediate-range ballistic or cruise missiles are deployed in European Russia, and we should have a way of finding out whether the Soviets are producing any more plutonium or weapons-grade uranium and other ingredients for nuclear explosives. Finally, we must be certain they aren't developing or testing ballistic missile defense systems beyond those allowed by the 1972 ABM Treaty, or anti-satellite (ASAT) weaponry that could knock out our unmanned orbital observatories.

Many technical experts working on arms control verification systems now think that such a task can be accomplished, thanks to recent advances in technology. Detection depends on the fact that all objects emit or reflect electromagnetic radiation of some sort (infrared or visible light or radio waves) and that almost all events involve the release of some energy in the form of electromagnetic or sound waves.

Consider the testing of a new missile. As it sits on the pad, the missile reflects sunlight, which allows the optical camera on a satellite to photograph it. As its engines start up and it lifts off, the exhaust plume of hot gases sends out large amounts of infrared and visible radiation, which can be detected by special infrared cameras that stare at the entire Soviet land-mass from a fixed position in geosynchronous orbit 22,300 miles above the earth. As the missile arcs across the sky, we can follow its motion in the minutest detail, spotting course deviations of much less than one degree, by illuminating it with giant radars directed toward the interior of the Soviet Union. And as the missile's sensors broadcast data about its performance in flight—telemetry signals—for Soviet engineers on the ground, antennas aboard our satellites and at our listening posts intercept them, decode them, and let us know how the missile behaves.

The best known system for intercepting these electromagnetic waves is the satellite-borne photographic camera. The first successful photo reconnaissance satellite, a 300-pound package of miniaturized optics publicly called Discoverer to create the impression that it was purely for scientific purposes, though known privately in the intelligence community as Corona, was launched in 1960. Three years earlier the Soviets had orbited a similar machine, Sputnik 1, the earth's first artificial satellite, which astonished the world but could do little more than send out beeps. The cameras aboard

[2] Even a test of this sort could probably be spotted by keeping watch on the moon for a faint flash of reflected light from the blast.

Discoverer satellites and succeeding spies in the sky contained large rolls of film, which enabled them to record many sequential images of the terrain below. When a roll was completely exposed it was ejected inside a protective canister. At it entered the atmosphere a parachute opened to slow its descent and a plane equipped with special hooks snared it in mid-air. Once the film was developed, an analyst could see what the camera had seen.

Even the early photo reconnaissance satellites told us how many ICBMs and bombers the Soviets had, how many warships they were building, and how many submarines were in their pens. They could be raised or lowered through adjustments in their orbits, which allowed them to sweep down for a closer look at suspicious activity. But the satellites had disadvantages. First, they were wasteful. A single camera-satellite complex cost many hundreds of millions of dollars, only to become a piece of space junk once all its film was exposed, sometimes within only weeks or months. Second, additional time would elapse before the film was developed and analyzed. That was all right for monitoring events that proceeded slowly, like the construction of a missile silo, but not for more rapid developments, like the installation of mobile missiles and radars, or even a short conflict like the Six-Day War. Third, bad weather might keep large areas hidden under clouds for months at a stretch.

The first two drawbacks were overcome in the mid-70s with a new technology called charge-coupled devices (CCDs). Using essentially the same technology as that in home video cameras, they take and transmit pictures electronically. Each CCD consists of an array of tiny sensors, or pixels (for picture elements), numbering in the thousands, arranged in a grid. As light waves fall on the array, each sensor stores a quantity of electrons proportional to the intensity of the light that has hit it. A counter tallies up the number of electrons each sensor has accumulated, and that number, as well as the location of the sensor in the grid, is transmitted to a receiving center on the ground. There a computer uses the information to construct on a TV-type screen an exact copy of the original image captured by the CCD. Meanwhile, aboard the satellite, as the electrons drain from the individual pixels the array becomes ready for another exposure. All this happens in millseconds. No film has to be ejected, captured, and developed. Someone sitting at a console in Fort Belvoir, Va., the site of the CIA's satellite imagery center, can see in real time what the satellite is seeing in the Soviet Union. If something tweaks his curiosity, he can zoom the lens and take a more detailed picture on the next pass. And the CCD array can be used again and again, inexhaustibly.

How much the camera will see depends on its resolution, the size of the smallest object it can distinguish. That depends on its distance from the scene, its focal length, and the size of the individual pixel. The smaller the pixel d and the longer the focal length f, the smaller s will be—that is, the better the resolution of the system. Let's say the satellite is at an altitude h of 100 kilometers, that the individual pixel size is 2 microns, and that the focal length of the camera is 4 meters. You quickly find out that the resolution on the ground of the hypothetical camera is 5 centimeters, which means it can detect objects as small as two inches from an altitude of about 60 miles above the earth.[3]

Although the capabilities of the satellite cameras are secret, stories circulate that we've been able to follow the pucks during ice hockey games at outdoor rinks in Moscow or see astonishing closeup details of Soviet submarines. Says one intelligence analyst, "You can tell if the guys on the bridge watch have their parka hoods up."

High resolution can be a mixed blessing, however. Say the camera takes a picture of a scene 100 x 100 meters on the ground. If the resolution is one meter, the picture will be composed of 100 x 100, or 10,000 pixels. But if it's 5 centimeters, the number of pixels increases to 2,000 x 2,000, or 4,000,000 pixels. As a result, 400 times as much information will be transmitted to the receiving station. This means the satellite must have a very large transmitting antenna (to handle the increased flow of data) and a lot of electrical power, which isn't always available from its solar cells. Ground controllers often order photo satellites to conserve their energy by taking pictures at lower resolution.

Also the satellites may take too many pictures, overloading the analysts. Since new pictures are compared with earlier ones of the same scene, the process can be mechanized with the help of electro-optical scanners. A flesh-and-blood photo-interpreter would be needed only when the machine points out a change. Even so, the number of pictures would be overwhelming if the satellite camera took pictures of all the terrain it flew over. So the camera is turned off when it encounters clouds, or when it's over oceans or other areas where we would expect nothing to be happening, like the Sahara or the Soviet Arctic. But this practice can lead to oversights, such as the alleged installation of a nuclear explosives test facility by South Africa—which was discovered by a Soviet photo reconnissance satellite—or the construction of a large early warning radar near Krasnoyarsk, in central Siberia, in apparent violation of the ABM Treaty, which was only noticed by one of our satellites two to three years after construction had begun. (The Soviets presumably have photographed our modernizations of the early-warning radars in Thule, Greenland, and Fylingdales Moor, England, which they claim are breaches of the treaty. We insist that they're "grandfathered" under the accord and therefore legitimately open to upgrading.)

Besides cameras, some satellites, like the Air Force's Big Bird, one of the KH (for Keyhole) series, carry sensitive listening devices that allow us to intercept radio and microwave telephone signals within the Soviet Union as well as transmissions from Soviet satellites. Such eavesdropping is supplemented by listening posts in Norway and elsewhere that can pick up the Russians' own ferret satellites (so named because they fly low enough to trigger tracking radars) as they download streams of intercepted American signals. This technology, which is of the same kind that enables us to receive and interpret signals from the eight-watt radio aboard the spacecraft Pioneer, now almost four billion miles away from earth, not only listens in on internal Soviet communications but also picks up the telemetry from Soviet missiles during testing. These signals establish a missile's rate of acceleration, fuel consumption, and temperatures and pressures at different points in the engine. Even though the Soviets encode some of these messages—in violation of SALT II, say some experts, but not in my view—we can compensate for the loss of a portion of this information through radar and satellite tracking.

These satellites monitor other activities as well. When American bombers attacked Libya last April, their targets were picked out with the help of a photo reconnaissance satellite and a signals intelligence satellite (SININT) whose orbit had been changed so that it passed over North Africa rather than Eastern Europe. Some satellites, like the Velas, orbiting in pairs at an altitude of 70,000 miles, nearly a third of the distance of the moon, carry a variety of sensors to detect nuclear explosions in the atmosphere. (The chores of the Velas are gradually being assumed by the new NAVSTAR global position system [GPS]; its primary function is as an extremely precise navigation aid, but its satellites also carry detectors for spotting detonations.) Other satellites are designed to ferret out the characteristics of Soviet radars and electronic jamming devices. Still others are equipped with special radars to obtain images at night or to penetate cloud cover. These are known as synthetic aperture radars (SARs). Conventional radars, even when they send out beacons at very short wave-lengths, can't provide very high-resolution images, because their resolution is limited by the ratio of the wavelength of their radiation to the diameter of the antenna. Even if the wavelength were one millimeter and the antenna ten meters long, the resolution of the radar flying 800 kilometers above the surface of the earth would still be only 80 meters (in contrast to my imagined camera's five centimeter resolution).

But in the case of the SAR, after the radar's waves are bounced off the ground they're tricked electronically into "thinking" the satellite's receiving antenna is as long as the distance the spacecraft has traveled during that interval. A typical SAR with a ten-meter antenna, orbiting at 800 kilometers, will have a resolution of just five meters. (To achieve this resolution with an ordinary radar would require an antenna almost 20 kilometers long, or about twelve miles.) The size of the antenna can't be reduced to achieve higher resolution because the radar beam will be spread out and diffuse by the time it reaches the ground, thereby spoiling the image. But even with this limitation, satellite SARs can achieve resolutions approaching one meter and provide almost photographic images of the terrain they survey.

In radar systems of this sort the amplitude and arrival time of each reflected wave must be briefly stored. Then all the pulses returning from a given point on the earth must be added up electronically. In the past this information had to be transmitted to the ground and processed by computers before it could be viewed on a monitor. But now that computers have shrunk in size and their power requirements have been reduced, very complex computational capability can be carried on board the satellite, which makes it possible to send back pictures in real time. This is a significant advance, considering that large areas of the Soviet Union are blanketed by clouds for extended periods and that the northernmost regions are cloaked in the darkness of the polar night for several months a year.

Of course, such surveillance requires that we have at least one fully operational photo reconnaissance satellite in orbit—preferably

[3] The formula: $s=(h/f)d$.

more. The halt in space shuttle launches after the Challenger catastrophe and the loss of two Titan boosters and their satellite payloads, all in the past year and a half, have crippled our satellite-orbiting capability. Before the Air Force finally managed to loft a ferret satellite in February, our watchdog capacity had dwindled. For notable example, we were left only a single KH-11, the workhorse of our reconnaissance program. This advanced satellite is equipped with a large optical telescope that has a primary mirror of 70 or 80 inches, high-resolution CCDs, and multi-spectral and infrared imagers. It will be replaced by a new super satellite, the KH-12, which will have not only extraordinary resolution—less than three inches, according to reports[4]—but also extraordinary night-seeing ability. However, it's so heavy it can only be carried into orbit by a shuttle or a modified Titan booster.

Large phased-array radars on the ground and on ships monitor the maneuverings of satellites (which are also observed with very large optical telescopes installed on Maui and in Florida), the testing of missiles and aircraft, and the trajectories of ballistic missile re-entry vehicles. Activities that take place too deep inside Soviet territory to be observed by radars on the periphery of the country are monitored by "over the horizon" radars that seem to defy the physical law that all radio waves travel in a straight line. They bounce powerful beams at small grazing angles off the surface of the sea. These are reflected off the ionosphere, flooding the interior of the Soviet Union with radar waves. If missiles or aircraft happen to pass through them, the waves are disturbed in characteristic ways, so that when they're eventually recaptured by receivers at the other end of the continent—by listening posts in the Aleutians, say—they can provide information about the performance of the vehicles that caused the disburbances.

Beginning with Eisenhower, every American president except Reagan has tried to limit or to ban nuclear testing. John Kennedy agreed with the Soviet Union to stop all tests except those conducted underground. During the Nixon years, Washington and Moscow agreed to stop detonating nuclear explosives with a yield greater than the equivalent of 150,000 tons of TNT. Although Congress had urged the U.S. to join in the U.S.S.R.'s moratorium, the administration continued its test program. If we could in fact get a comprehensive test ban treaty, as the Carter administration had hoped, could the U.S. confidently detect a small, chandestine Soviet nuclear explosion?

When a nuclear explosive detonates underground, it releases a portion of its energy as earthquake-type waves. In addition to pinpointing the test site with standard seismic techniques, seismologists can calculate the size of the explosion. They start by measuring the amplitude of the waves, which are proportional to the amount of energy released. They then take into account what type of rock the pulses have traveled through, since the terrain will affect how quickly they lose their strength. (In general, higher-frequency waves are attenuated more rapidly than those of lower frequencies.) From these two measurements they can estimate the size of weapon yields with an accuracy of 10 to 20 per cent, with the uncertainty reduced further as their knowledge of the geology of the test site increases. In any event, seismometers are now so sensitive that the U.S. and the U.S.S.R. both claim to have recorded unannounced tests by the other with yields as low as one kiloton.

The detection technology consists of arrays of sensitive seismometers and the recording and computerized analysis of the signals they pick up. Such arrays are located in Norway, Montana, Turkey, and Japan, and two new ones may be operating now in China's Sinkiang province, only 300 miles from the U.S.S.R.'s underground test site at Semipalatinsk in Kazakhstan. To ensure that an underground test will be detected, the seismometers must be permanently on. Unfortunately for analysts, the earth's crust is a noisy place, shaken by numerous earthquakes, big and small, by the pounding of the oceans on shorelines, the rumbling of construction and mining operations, even the swaying of skyscrapers and large trees buffeted by high winds. As a result, there's always a risk that the waves caused by a detonation will be drowned out by the earth's other tremors, or that a nuclear test will be mistaken for an earthquake.

Nonetheless, seismologists have learned to discriminate between quakes and underground nuclear detonations. They've found that the relative magnitudes of the surface and body waves generated by a quake are distinct from those given off by an explosion. So when the needles of their seismographs come alive, they compare the size of the two types of waves that have been recorded. This tells them unambiguously whether they were generated by an earthquake or a nuclear test. Yet in spite of these advances, or perhaps because of them, the Defense Department has cut funding for the seismic research. Some scientists suspect the reason may be the Reagan administration's distaste for any test ban.

Test ban monitors might be duped in two ways. One, an underground nuclear test might be conducted at the very moment an earthquake is taking place in the area (the Soviet Union has many quake-prone regions). The waves from the quake might obscure the waves generated by the explosion. Two, a cavity hundreds of meters in diameter could be dug and a nuclear explosive detonated at its center. The waves from the blast would be very small, because the giant hole would have "decoupled" the explosion from the surrounding soil, and they might escape detection.

Both these possible ploys have been overcome by seismologists at the U.S. Geological Survey in Menlo Park, Calif., and the University at Colorado at Boulder, who can now detect very small detonations, even those under 1,000 tons of TNT and even if they occur during an earthquake or take place in muffling underground cavity. The technique is based on the fact that a quake releases its energy over a large area, from a rupture in the earth that may be tens or hundreds of kilometers long, primarily in the form of long, low-frequency waves, whereas a nuclear blast is effectively a point source that emits predominantly short, high-frequency waves. Consequently, seismometers used to monitor test-ban violations are turned to pick up higher-frequency seismic waves. So even if a quake is occurring at the same time as a test, the instruments will ignore the quake's low-frequency waves and "see" only the high-frequen signature of the explosion. This selecti monitoring also works for tests conducted decoupled cavities, since they attenuate tl low-frequency waves but not the high-fr quency ones.

However, there are limitations. High-fr quency waves don't travel underground far as low-frequency ones, so if we're to confident of our detection procedures, must place seismometers near the test site This creates a sticky political problem, b cause neither superpower likes the idea foreign scientists snooping on—or under—i soil, particularly around test sites. Sand National Laboratories in Albuquerque, Mex., may have provided a solution with tl development of an unmanned, tamperpro seismic station. It can be installed inside tl Soviet Union and monitored by a satellit which relays the signals detected by tl seismometer and alerts the controlling fac ity in the U.S. if anyone tries to tamp with the equipment. Several of these sei mic stations are now in operation in tl U.S. and Canada to test their sensitivity an tamper-proof qualities. Although the Sovi Union had resisted the placement of thes "black boxes" on its territory, it has no agreed to accept them, so there no longe seems to be a technical barrier to monito ing compliance with a complete test ba agreement down to explosions of one kil ton or less.

As the new detection systems indicate, ou intelligence gathering has achieved extrao dinary levels of sophistication. These cap bilities are even better than the governmen will admit in public. Given this rosy asses ment, what kinds of arms control measure could be undertaken with the Soviet Unio without threatening our national security?

A prime example would be a compreher sive test bank treaty, ending all explosion of nuclear weapons. With unmanned seismi monitoring stations inside the U.S.S.R., w should be able to detect even the sub-kilc ton blasts. But political obstacles remair When the Soviets said they would resum underground testing in response to the U.S testing, they told visiting American seis mologists to halt their studies of Soviet ge ology during the test period.

A second objective could be a ban on th testing of ballistic missiles, especially thos with several warheads, or MIRVs (multipl independent re-entry vehicles). It coul easily be verified because a multi-stag rocket lifting off is hard to miss even i you've got only a few radars and listenin posts. Besides, new missiles require tens o tests, and honing their accuracy at leas twenty more, so the probability that th Soviet Union can develop, test, and deplo an improved ICBM without our knowledg is virtually zero.

Missiles that can carry many warhead must be able to release them sequentiall with great precision by performing delicat maneuvers in flight. Such maneuvers car readily be observed by radar. But the would still be easier to spot if the Soviet and we agreed to install a transponder on al test missiles. During flight it would broad cast a continuous stream of signals tha would enable the other nation's detectors t spot changes in speed or direction, thereb providing a foolproof check on whether th missile had been MIRVed.

Another class of arms-control agreemen that we could verify with confidence is th sort of drastic reduction in nuclear arms dis cussed at the Reykjavik summit. Photo re connaissance satellites and other space

[4] This means you couldn't quite tell whether a man sitting in Gorky Park was reading Izvestia or Pravda, as it is often said you could. But as former CIA director William Colby once testified before Congress, "You can see the tanks, you see the artillery, [even if] you may not quite see the insignia on the fellow's uniform."

borne intelligence-gathering devices can see and count the dismantling of ballistic missiles and their silos, fleets of bombers, and ballistic-missile-carrying submarines if the Soviets agree not to conceal them. However, they can't monitor the disassembly of nuclear warheads and the peaceful disposal of their radioactive materials, since this work has to be done indoors in special laboratories. The only workable check would be the presence on site of inspectors.

Cruise missiles pose a special verification problem. Tactical cruise missiles with convention explosives and long-range ones with nuclear explosives look alike, so it would be very difficut to check compliance with an agreement limiting the number or means of deployment of these weapons unless both types were barred. This is a good example of a more general principle in arms control: it's easier to monitor a complete ban than a partial one, since the discovery of only a single event or a single proscribed weapon would be a clearcut tip-off to a violation.

In conjunction with any drastic reduction in the number of nuclear arms each country would be allowed, there would probably have to be a limitation on the production of plutonium, weapons-grade uranium, and large quantities of deuterium and tritium—all of them components of nuclear warheads. This ban could be monitored with existing technical means by making sure that nuclear reactors dedicated to the production of these materials were shut down, a relatively simple assignment for infrared sensors. Yet small quantities of fissile materials, enough perhaps to build a few tens of new warheads per year, could be produced clandestinely in small research reactors or reactors ordinarily used for power production. At present, with the U.S. and the Soviet Union each having approximately 25,000 nuclear warheads—enough to blow the planet to eternity many times over—a few additional warheads wouldn't make much difference in the strategic scheme of things. But in a future arms regime, when each side has slashed its nuclear arsenal by, say, 90 percent or more, a handful of contraband warheads could be significant. To avoid such a situation, Soviet and American power reactors would have to be monitored by on-site inspectors to reassure one another that no weapons-grade materials were being diverted. The necessary monitoring technology exists, and all it would take is the political will to install it.

In recent years, because of the emergence of President Reagan's Strategic Defense Initiative to provide a shield against ballistic missiles and because of the administration's complaints that the Soviet Union has been violating the ABM Treaty, which bars certain practices related to land-based ballistic-missile defenses, considerable work has been done on devising technical methods to monitor the testing of systems that could be used in ballistic missile defenses. While laboratory tests of small SDI components could perhaps be conducted unobserved, there's little doubt that testing of full Star Wars systems in space—or even on the ground—can be monitored. One can't hide a laser or a particle accelerator the size of a factory or fire their beams into or from space without being caught. Nor can a nation conduct secret tests of the kinetic energy kill weapons or the radars needed for a defensive network.

If these assertions seem overly optimistic, consider the detail in which the U.S. has complained of Soviet violations of the ABM Treaty. The charges themselves are proof of how well we watch Soviet activities relating to ballistic defenses deep inside their territory. In my view, an agreement to ban the testing and deployment of both antiballistic missiles and anti-satellite weapons appears verifiable.

Together, verification and arms control create a bootstrap process: advances in verification make arms control agreements possible, and the confidence and trust these agreements breed make more cooperative verification approaches acceptable. Until very recently, verification was based exclusively on non-intrusive, unilateral national technical means. Now the Soviets are showing a refreshing willingness to use advances in technology in a more cooperative manner, viz., their acceptance of seismic stations on their soil. If the sweeping reductions of nuclear arsenals so grandly envisioned by Reagan and Gorbachev at Reykjavik are to be implemented, verification will have to move into its third and final stage: the bilateral, cooperative use of technical means and human observers to monitor agreements that preserve a common security for both the U.S. and the U.S.S.R., and for the rest of the world.

ORDER OF PROCEDURE

Mr. BYRD. Mr. President, I ask unanimous consent that I may proceed for not to exceed 5 minutes and my only intentions are to make a brief statement, probably have a little colloquy with the distinguished Republican leader, and ask for consent for committees to meet. I have nothing else in mind during that 5 minutes.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. BYRD. Mr. President, I have in my hand several requests for committees to meet on this day. The distinguished Republican leader has approved these. I, therefore, ask unanimous consent that I may submit them en bloc, that they may be spread upon the record severally, and that the Senate approve the meetings of those committees. The committee meetings may have occurred already. Some of them are still occurring, but I want it made clear that the Senate is approving the meetings of those committees throughout this day.

The PRESIDING OFFICER. Is there objection?

Mr. DOLE. Mr. President, let me indicate that the distinguished majority leader is correct, that we have approved each of the requests.

Mr. BYRD. I thank the distinguished Republican leader.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The committee meeting requests are printed in the RECORD under Routine Morning Business.)

ORDER OF PROCEDURE

Mr. BYRD. Mr. President, I have had a little chat or so with the distinguished Republican leader. I have a feeling that the Senate is not going to vote on the veto message tonight. The Senate has not yet voted on the motion to reconsider.

May I make it clear for the record that there is no way that I can force a vote on the veto message. Under the somewhat peculiar rules of the Senate, the only way that a vote on the veto message could be forced would be if cloture were involved. As I have said many times, the rules of the Senate are much different from the rules of the other body. But there are many people, I am sure, who wonder why we just cannot force a vote. We cannot do that. That is one of the reasons why the Senate is the unique institution that it is.

We have heard it said that there is unlimited debate in the Senate. Well, to a degree, that is correct. It is unlimited until such time as a time agreement is entered into by unanimous consent or cloture is invoked, in which case the time for debate ends in due course.

As the situation now stands, I cannot force a vote on this veto message. I have discussed this with the minority leader. I am under the impression that we could go until midnight or longer and still not vote. So I do not see the point in staying in late this evening. It would be futile.

So, shortly, I am going to move to go out until tomorrow and, if we can come back and have some rest in the meantime and have our battles anew, perhaps a final decision can be made in the morning.

Mr. HELMS. Mr. President, will the Senator yield for a question?

Mr. BYRD. Yes, I am happy to yield to the distinguished Senator.

Mr. HELMS. I thank the Senator.

Is there any way I could persuade the distinguished majority leader to make the pending business right now, if possible, the resolutions of disapproval of certification with reference to foreign aid to Mexico, Panama, and so forth? Now, as the distinguished majority leader knows, the deadline is midnight tonight. If we do not act on it, the question becomes moot. Is there any way we could get a vote on it? It would not take long.

Mr. BYRD. There are three joint resolutions on the calendar.

Mr. HELMS. That is correct.

Mr. BYRD. It would take unanimous consent, in the first place.

Mr. HELMS. Yes, sir.

Mr. BYRD. Because, under the previous order of the Senate, no motion to go to any other matter is in order while the veto message is pending. At this hour, I think we ought to go out.

Mr. HELMS. Well, this involves a lot of the taxpayers' money going to countries which are not being fully cooperative, as the law requires, foreign aid money to countries that are still trafficking in drugs, laundering

money, and all the rest of it. And we have been caught by the schedule of the Senate.

I understand the predicament the majority leader is in and I am sympathetic. But, on the other hand, it gives me some discomfiture to have been shut out on a proposition by the circumstances. I know the majority leader did not intend to go that way, but this is a right important question. The foreign aid money will continue to go to these countries even though they are laundering drug money and they are not cooperating in many ways in terms of trying to stop the drug trafficking into this country.

Would the Senator be willing to propound a unanimous consent request in that connection?

Mr. BYRD. Mr. President, I know that some Senators have gone. I know of at least one Senator on the other side of the aisle who has gone, and that Senator and others I am sure would like to be here for any rollcall votes. I would hesitate to bring about a situation in which there might be one or more rollcall votes at this hour when Senators have left.

Mr. HELMS. Well, I can understand that, of course. Could I make a proposition to the majority leader? Would he be willing to statutorily write into the joint resolutions a time extension so that we could consider them tomorrow or the next day? I do not know whether that would have any effect or not, but at least we could make a run at it.

Mr. BYRD. I would not want to take the liberty of doing that. The chairman of the Foreign Relations Committee is not on the floor, and there are other Senators who are involved in these joint resolutions. I know one other Senator, I believe, who is the author of two of the joint resolutions. He is not on the floor at this time.

Mr. HELMS. Senator KERRY?

Mr. BYRD. Yes, Senator KERRY.

I could not take the liberty of doing that. I regret that this whole thing is being caught up in this veto override situation. I hesitate to let anything else intervene until we get that matter settled. It would take unanimous consent to do it in any event. And I do not wish to propound a unanimous-consent request with the other Senators not here and knowing that there could very well be rollcall votes, and probably would be rollcall votes.

I do not want a situation now to arise in which there would be, No. 1, an intervention of another matter at this point when we have this very important veto override still pending before the Senate, and, second, when the other Senators are not here to speak for themselves.

Mr. HELMS. It looks like I have been shut out.

Mr. BYRD. Well, the distinguished Senator is very gracious about it all. He does understand the extenuating circumstances in which we find ourselves here at this particular moment. I am a bit of a prisoner of circumstances myself.

Mr. HELMS. At least I tried.

Mr. BYRD. The Senator did try.

Mr. HELMS. I thank him very much.

Mr. BYRD. I thank the distinguished Senator.

FEDERAL-AID HIGHWAY ACT OF 1987

Mr. BYRD. Mr. President, I had indicated that it was my impression, based on my conversations with the able Republican leader, that we would not be able to go forward tonight to a completion of the vote on the override of the President's veto of the highway bill. Let me ask the distinguished Republican leader if there is anything that he would like to say, or if he might wish to comment on my statement.

Mr. DOLE. Let me first state to the majority leader that I certainly appreciate his consideration because I came to him at 5 o'clock and said, "If you give me a few minutes on a quorum call, maybe I can get back to you, save a lot of time and a lot of votes." He was most gracious. It is now 10 after, almost quarter after 7, and nobody has pressed for any vote, which could have been done. I appreciate that. I know my colleagues do on both sides.

Mr. BYRD. May I say to the distinguished Republican leader that he has always been very courteous out of consideration for my conveniences and necessities. And I have tried to do likewise. I am sure he would have done the same for me.

Mr. DOLE. The Senator is correct. I would have. I appreciate that. But having said that, I must say in all honesty I do not think we can vote tonight. I do not know whether the vote is going to change tomorrow—probably not. That would be my guess. I think right now the vote would be 67 to 33, and the veto would be overridden. But there is still some effort being made to enlighten a number of my colleagues. [Laughter.]

I think there was a feeling if the majority side could persuade 1 out of 1 we ought to be able to persuade 1 out of 13. [Laughter.]

But in any event, it just makes it impossible for me to cooperate with the majority leader any more this evening.

Mr. BYRD. Mr. President, I respect the Republican leader for the situation he is in.

ORDERS FOR THURSDAY

RECESS UNTIL 10 A.M.

Mr. BYRD. I ask unanimous consent that when the Senate completes its business today it stand in recess until the hour of 10 o'clock tomorow morning.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

PROGRAM

Mr. BYRD. May I make it clear now to those Senators who are present, and those who are listening in, that the situation in the morning will be as follows. The Senate will come in at 10 o'clock, and immediately after the prayer by the Chaplain, the two leaders will be recognized for not to exceed 10 minutes each, and then we are right back where we are now.

I wonder if the distinguished leader would want to cut the time down for the two leaders. If he would rather not, I will certainly respect that request.

Mr. DOLE. I would be very happy to. I would like unanimous consent, if the majority leader does not mind, to have a couple of statements included in today's RECORD; one congratulating Abby on her first day as the secretary for the majority, the first, I think, woman in that position. I have a statement on that, and another concerning the death of John C. Calhoun.

Mr. BYRD. Yes; as a matter of fact, I would be happy if the distinguished Republican leader would like to read those tonight. I will either say something shortly about Abby or I will have a statement for the record. But I have no problem with the Senator, if he wishes to read them. And I will join him, and I would be happy to do it.

DISAPPROVAL RESOLUTIONS

Mr. WILSON. Mr. President, would the distinguished majority leader yield for a question?

Mr. BYRD. Yes.

Mr. WILSON. Forgive me. I came rushing over because I saw Senator HELMS on the television, and I was eager to participate in what seemed to be a colloquy on the subject of the resolutions that are pending to disapprove Presidential certification required under last year's drug legislation.

If I understand, the Senator from North Carolina was making a request that we temporarily lay aside the pending business, the highway bill, in order that we might deal with those resolutions. If I may second him in that, the urgency which he may very well have outlined to the Senator as a prime sponsor is that our understanding is that unless acted upon by midnight tonight, they will have no legal effect. The purpose obviously of seeking to set aside the legislation is to avoid that.

And whether we prevail or not, the debate is essential because this is the

irst test of the will of the Congress nder that new legislation in this very, ery serious area. And three nations hat have been certified as having conormed to the requirements of the legslation frankly have not done so. They are continuing to engage in pracices very much to the detriment of he American people, and those who re victimized by the drug trafficking.

If I am mistaken, I would be happy o be set straight on the matter. But I hink that unless we act tonight, we re in danger of taking an action at ome later date that will be ineffectul. And I cannot help but think that he American people will be badly diserved by what is in effect a rather utile gesture that will have the effect f encouraging those nations who ave been certified as conforming hen they have not.

So, let me implore a correction of my nderstanding if that is in order. But f I am correct in my understanding, I ould urge that we not simply adjourn r recess until tomorrow without some ction on these because tomorrow will e too late to make an effectual disaproval.

Mr. BYRD. Mr. President, I ask nanimous consent that I may proceed or not more than 2 additional mintes.

The PRESIDING OFFICER. Withut objection, it is so ordered.

Mr. BYRD. Mr. President, I am orry to have to say to the distinuished Senator that we caught up in situation here that nobody foresaw. Vithout unanimous consent, no notion can be made to take up any ther matter—that means nominaions or measures, and that includes he three joint resolutions on the calndar—as long as this veto message is ending before the Senate. And that is ur situation. We are not going to reolve the matters tonight.

On the strength of what we have aid tonight earlier, Senators have eft, some on both sides of the aisle. So would have to say to the distinuished Senator that there is no hance of having those joint resoluions brought before the Senate under he circumstances that I have outined, no chance of having those rought before the Senate, certainly ot today, not before midnight, and e are going out soon.

Mr. WILSON. Let me say to the maority leader that I understand this as not foreseen and it certainly is not he wish of anybody to have this esult. It would seem to me, as one of he cosponsors, and I see Senator HELMS here, though I do not see Senaor KERRY, and this is a bipartisan coponsorship of these resolutions, that t would not take much time. We could nter into a unanimous-consent agreenent to both set aside the pending usiness and return to it within a halfour. I understand we are not going to settle this tonight. It would simply be to take a half-hour in an attempt to do what I think is business of enormous importance, considering that if we fail to do it, we will have rendered rather hollow that whole certification process.

I would ask the Senator if he would seek unanimous consent so that we might do that. It will do no violence whatever to the pending business, but what we will do is address that legislation within the timeframe that was intended by us when we passed the Omnibus drug bill last year.

Mr. BYRD. Mr. President, if I may have 2 more minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I know that I cannot get consent, and it would require consent, to go to any other matter. We have already told other Senators that the veto matter would not be resolved tonight and they knew that as long as that message is pending before the Senate no motion is in order to go to any other matter—even in executive session, let alone legislative session.

If we were to try to do that, we would get into a situation in which there could and probably would be rollcall votes and then those Senators, some of whom are on the Senator's side of the aisle, would miss those votes.

I just feel constrained to respectfully say to the distinguished Senator that I do not see how, as I said to Mr. HELMS, a few minutes ago, we can hope to get those measures up this evening.

Mr. WILSON. Let me ask the majority leader this, and he has been most courteous and I appreciate the courtesy: I understand the difficult situation in which we find ourselves. I have no desire to embarrass any absent Senator of either party by urging that we go to a rollcall vote in their absence.

I am emphatic, however, in saying that this is important business, business of enormous importance. I think through the fault of no one we find ourselves in the embarrassing position of having allowed the 30 days to lapse without the necessary action.

I will simply implore both leaders to work with the sponsors of those resolutions to find some way that we can rectify this situation.

We will not go past midnight and past the effective date for registering congressional disapproval. I do not think there is anyone on this floor, and I am convinced that everyone that voted for that omnibus drug bill did so conscientiously in the expectation that it would make a significant difference—I do not think there is anybody who wants us to default and yet, through no one's fault, we are in that awkward position.

I think it is incumbent upon this body to cure that fault.

I will look forward to counseling with the majority leader and the minority leader so we can do that at the earliest opportunity. This is unfinished business, I think of the greatest importance.

Mr. BYRD. Mr. President, I will be available and happy to discuss this with the Senator on tomorrow. At the moment, I would not know what to advise the Senator, but I will be very happy to counsel with him tomorrow.

Mr. WILSON. I thank the distinguished majority leader.

Mr. BYRD. I thank the distinguished Senator.

BICENTENNIAL MINUTE

APRIL 1, 1850: DEATH OF JOHN C. CALHOUN

Mr. DOLE. Mr. President, on April 1, 1850, 137 years ago today, Senator Andrew Butler of South Carolina entered the Senate Chamber, and in a voice choked with emotion, announced the death of his colleague John Calhoun. Calhoun had died the day before, Sunday, March 31 at 7:30 a.m. His death came as no surprise—he had been failing for weeks and looked, said colleagues, like the specter of death himself. Still, the news was a blow.

Senator Butler praised Calhoun's life and accomplishments, and noted that his name carried associations that "reached the heart of the Nation." Henry Clay of Kentucky rose next to laud his long-time adversary: "I have seen him surpassed by no one . . . I am his senior only in years." Daniel Webster of Massachusetts, who had vigorously attacked Calhoun's fourth of March address less than a month before, followed Clay by saying, "We shall carry with us a deep sense of his honor and integrity, his amiable deportment in life, and the purity of his exalted patriotism."

While Webster paid tribute to his old foe Calhoun, Thomas Hart Benton of Missouri turned his back refusing to listen. As a senior Senator, Benton should have at least found a few words about his long-time colleague: Webster even prodded him to do so. But, Benton refused. He had said of Calhoun that his doctrines were treasonous and that he, Benton, "Could make no distinction between the treason and the traitor." The day's business ended with the adoption of a resolution providing that each Senator would wear a black armband for 1 month to mourn the death of a distinguished colleague.

The following day, April 2, funeral services for Calhoun were conducted in the Senate Chamber. President Zachary Taylor attended along with scores of Government Dignitaries. Among the pallbearers were Webster and Clay. Each had less than 3 years to live. With the death of John C. Cal-

houn the golden age of the Senate began to fade.

CONGRATULATIONS TO ABBY SAFFOLD

Mr. DOLE. Mr. President, while all of us are sorry to see David Pratt leave, we are at the same time very pleased that Abby Saffold will take over as Secretary to the majority.

Her appointment to this position is a historic occasion—she becomes the first woman to hold this job. And I cannot think of anyone more qualified or deserving of this honor. Those of us in the Republican leadership know how dedicated and knowledgeable Abby is about the workings of the Senate. As a member of the Democratic policy committee staff, and a floor assistant for the distinguished majority leader, she has always been both courteous and helpful to us. And I have no reason to doubt that will change with her new and enhanced status.

So, I personally congratulate Abby on her appointment, as well as Senate Democrats, who showed the wisdom of elevating a qualified woman to this important post.

ORDER OF PROCEDURE TOMORROW

Mr. BYRD. Mr. President, if I could ask the Republican leader, would it be possible at this time to set a time for a vote on tomorrow? As a suggestion, I would suggest 11 o'clock for a vote on the override. We could, by unanimous consent, in that fashion, waive the vote on the motion to reconsider, then go directly to the override vote at 11 o'clock. All Senators would know we are going to have a vote at that hour; it can go one way or the other. Then we can get on with other business tomorrow. That would leave plenty of time for other business to be done tomorrow.

Mr. DOLE. If the majority leader would yield, Mr. President, I cannot do that now. I think we can do it tomorrow morning. I think we should give Senators notice. It is a critical vote, no doubt about it. I think we could probably tell by 10 a.m.

Mr. BYRD. Very well. I thank the distinguished leader.

DISAPPROVAL RESOLUTIONS

Mr. DODD. Mr. President, will the majority leader yield?

Mr. BYRD. Mr. President, I suppose I have run out of time. I ask unanimous consent to proceed for an additional 2 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. I yield to the Senator from Connecticut.

Mr. DODD. I thank the leader. I missed some of the colloquy that had gone on before in the discussion of three resolutions that had been introduced or at least sponsored by the Senator from North Carolina [Mr. HELMS]. He and I had more procedural disagreements than substantive disagreements, because the matters that he raised are legitimate matters.

There is a serious problem, of course, with drugs that are coming into this country and nations that are not doing enough, in any of our minds, to eradicate that problem. We have a problem with legislation that we have to grapple with. My hope would be that the administration would come before the respective appropriate committees to explain how they arrived at the certification on a couple of these matters. We really did not get an adequate explanation of that. The Senator from North Carolina is correct in his concerns about that.

I would like to support that effort, anyway, to see that we do get a full reading. We can revisit this situation next year if we do not establish some sort of procedure by which we can examine certification; otherwise, we are going to be confronted with serious foreign policy questions.

We did not get to the matter on a procedural basis tonight, so the matter is sort of moot. I agree with the Senator that we must change the law or correct the law or at least set up a process by which we can examine this certification process.

Mr. BYRD. Yes, Mr. President. I thank the Senator. I propose that the Senator from California and the Senator from North Carolina counsel with the Senator from Connecticut and the distinguished chairman of the Foreign Relations Committee and see if something can be worked out. Frankly, I know very little about these resolutions. It is mainly because I have been so involved in other matters—I have been pretty much involved in the matter that is presently before the Senate. Perhaps something can be worked out. I do not know. I would like to revisit that matter at the Senator's convenience.

Mr. HELMS. Mr. President, will the distinguished Senator yield?

Mr. BYRD. I ask unanimous consent for 1 more minute, Mr. President.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HELMS. Would he allow me, in the time yielded to me, to raise a parliamentary inquiry?

Mr. BYRD. Absolutely. I yield for the purpose stated.

Mr. HELMS. I thank the Senator.

The PRESIDING OFFICER. The Senator will state his inquiry.

Mr. HELMS. Mr. President, will the three resolutions still be privileged tomorrow?

The PRESIDING OFFICER. The resolutions would retain their privilege.

Mr. HELMS. Very well. And therea ter?

The PRESIDING OFFICER. An thereafter. The Senator is correct.

Mr. HELMS. I thank the Chair. thank the Senator from West Virgini

Mr. BYRD. I thank the distin guished Senator.

The PRESIDING OFFICER. Th Senator is referring to Senate Join Resolutions 90, 91, and 92.

MORNING BUSINESS

Mr. BYRD. Mr. President, I as unanimous consent that the Senate b deemed to have conducted mornin business today. This will allow Sena tors to have introduced their bills an resolutions, memorials, petitions, an statements in the RECORD. I ask unani mous consent that Senators may b deemed to have been permitted t speak during that period of mornin business.

The PRESIDING OFFICER. I there objection? Without objection, i is so ordered.

MESSAGE FROM THE HOUSE OF REPRESENTATIVES

Mr. BYRD. Mr. President, I ask unanimous consent that I may yield for the presentation of a message from the other body without losing my right to the floor.

The PRESIDING OFFICER. The Senator retains his right to the floor when the Senate receives a message.

The message is as follows:

MESSAGES FROM THE HOUSE

At 7:31 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House has passed the following joint resolutions, without amendment:

S.J. Res. 18. Joint resolution to authorize and request the President to issue a proclamation designating June 1 through June 7, 1987, as "National Fishing Week";

S.J. Res. 47. Joint resolution to designate "National Former POW Recognition Day";

S.J. Res. 64. Joint resolution to designate May 1987, as "Older Americans Month";

S.J. Res. 74. Joint resolution to designate the month of May 1987, as "National Cancer Institute Month"; and

S.J. Res. 96. Joint resolution designating April 3, 1987, as "Interstate Commerce Commission Day".

The message also announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 184. An act to establish the Big Cypress National Preserve Addition in the State of Florida, and for other purposes;

H.R. 278. An act to amend the Alaska Native Claims Settlement Act to provide Alaska Natives with certain options for the continued ownership of lands and corporate shares received pursuant to the act, and for other purposes;

H.R. 317. An act to amend the Wild and Scenic Rivers Act by designating a segment of the Merced River in California as a component of the National Wild and Scenic Rivers System; and

H.R. 1783. An act to make technical corrections in certain defense-related laws.

The message further announced that the House has agreed to the following concurrent resolutions, in which it requests the concurrence of the Senate:

H. Con. Res. 34. A concurrent resolution concerning the continued violations by the Soviet Union of its international human rights obligations, especially its violations of the right to emigrate;

H. Con. Res. 86. A concurrent resolution expressing the sense of the Congress congratulating the people of Berlin on the occasion of the city's 750th anniversary in the year 1987, commending the people of Berlin for the centuries of great tradition and continuing courage in the face of historical adversity, and recognizing the deep and lasting relations they have with the people of the United States of America; and

H. Con. Res. 91. A concurrent resolution authorizing the 1987 Special Olympics Torch Relay to be run through the Capitol Grounds.

PROGRAM

Mr. BYRD. Mr. President, the Senate will come in at 10 a.m. Following the two standing orders for the recognition of the two leaders or their designees, the Senate will be right where it is at this point from the standpoint of the veto override. The motion to reconsider will be before the Senate. That motion is not debatable under the circumstances in the particular instance.

If the motion to reconsider is agreed to at some point, then the Senate will be back on the override of the President's veto. There will be no debate on that matter.

So Senators are on notice that a rollcall vote or rollcall votes could come early. I would suggest that Senators ought to be prepared for rollcall votes as early as 10:30 tomorrow morning.

RECESS UNTIL 10 A.M. TOMORROW

Mr. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the order previously entered, that the Senate stand in recess until 10 o'clock tomorrow morning.

The motion was agreed to and the Senate, at 7:32 p.m., recessed until Thursday, April 2, 1987, at 10 a.m.

91-059 O-89-19 (Pt. 6)

HOUSE OF REPRESENTATIVES—*Wednesday, April 1, 1987*

The House met at 2 p.m.

The Reverend Randy Ray, Metropolitan Baptist Church, Madison, TN, offered the following prayer:

Let us bow our heads for prayer:

Heavenly Father, we are grateful to the Americans and I pray that You would keep America strong and pure.

May our strength afford us the power of gentleness and may our leadership be respected around the world.

I pray today for our President that You would give him the leadership that would initiate that respect.

I pray for our judiciary that they might be empowered to continue to monitor the dealings of our Nation that we might stay true and pure to our Constitution. And Heavenly Father, I pray for the Members of this body.

I pray that You would give them the wisdom to know the laws that should be enacted and passed, that our lives might be made better and that our reputation as a country might be more effective.

So on this day we pray an extraordinary amount of wisdom to these who have gathered here, in Jesus' name we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 790. An act to regulate nonbank banks, impose a moratorium on certain securities and insurance activities by banks, recapitalize the Federal Savings and Loan Insurance Corporation, allow emergency interstate bank acquisitions, streamline credit union operations, regulate consumer checkholds, and for other purposes.

The message also announced that pursuant to the provisions of Public Law 99-603, the Chair on behalf of the President pro tempore appointed Russell Pitzer of West Virginia, to the Commission of Agricultural Workers.

THE REVEREND RANDY RAY

(Mr. BONER of Tennessee asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BONER of Tennessee. Mr. Speaker, it is a personal privilege and special honor for me to welcome Rev. Randy Ray to our Nation's Capital and to thank him for delivering today's opening prayer. Reverend Ray is a most respected and distinguished theologian and administrator from Madison, TN. Currently he is the pastor of Metropolitan Baptist Church, one of the leading independent Baptist Churches in the Nashville area. Under Pastor Ray's leadership the church operates a bus ministry, a ministry to the deaf and mentally handicapped as well as one of the fastest growing Christian schools in the area.

A native of Nashville, Pastor Ray serves as a director on two Christian mission boards and as a member of the board of directors of the president's board of the Bill Rice Ranch. In addition, he is a member of the executive committee of the Tennessee Association of Christian Schools.

I have known Randy and his wife Jan ever since she attended East High School and he graduated from Goodlettsville High School. With them today are their three children, Nathan, Matthew, and Paul. Mr. Speaker, I want to thank Rev. Randy Ray for serving as the chaplain of the day for the U.S. House of Representatives. His Christian leadership has been an inspiration to the people of Nashville, TN.

EXPRESSING THE SENSE OF CONGRESS CONGRATULATING THE PEOPLE OF BERLIN ON THE OCCASION OF THE CITY'S 750TH ANNIVERSARY

Mr. HAMILTON. Mr. Speaker, I ask unanimous consent that the Committee on Foreign Affairs be discharged from further consideration of the concurrent resolution (H. Con. Res. 86) expressing the sense of the Congress congratulating the people of Berlin on the occasion of the city's 750th anniversary in the year 1987, commending the people of Berlin for their centuries of great tradition and continuing courage in the face of historical adversity, and recognizing the deep and lasting relations they have with the people of the United States of America, and ask for its immediate consideration.

The Clerk read the title of the concurrent resolution.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. FASCELL. Mr. Speaker, I rise in strong support of House Concurrent Resolution 86, congratulating the people of Berlin on the 750th anniversary of the founding of their great city.

The city of Berlin is a city of great tradition. In recent times, it has stood as a clear symbol of the openness and diversity that typifies Western culture and political institutions. The spirit of Berlin stands in stark contrast to the tyrannical uniformity imposed on the people of East Berlin by Soviet military power and the Berlin wall.

The postwar period has produced deep and abiding personal bonds between the American people and the people of Berlin. President John F. Kennedy captured the essence of these bonds with his famous words "ich bin ein Berliner," symbolizing the steadfast commitment of the United States to freedom in the face of military and political blackmail.

As one of the four powers administering ultimate political control over the city, the United States together with France and the United Kingdom have successfully resisted repeated threats to the political and economic viability of the city of Berlin.

As a result of this longstanding relationship, House Concurrent Resolution 86 recognizes that on Berlin's 750th birthday, the city looks confidently to a future of freedom and accomplishment in close partnership with the United States. This resolution recognizes this important relationship and its importance to the achievement of ongoing U.S. foreign policy objectives in Europe.

Mr. Speaker, I urge the unanimous adoption of this resolution.

Mr. BROOMFIELD. Mr. Speaker, I support this concurrent resolution congratulating the people of Berlin on the 750th anniversary of that great city. Few cities in the world have the history, culture, and commitment to freedom that Berlin has today. The freedom loving spirit of Berlin symbolizes the goals and aspirations which all Americans had for Europe at the end of the Second World War. We hoped that Europe would rebuild as democratic societies which would cherish freedom and liberty as much as Americans do.

The Berlin airlift of 1948 was our commitment to ensuring that Berlin would remain free. After Soviet troops denied access to that city, American aircraft airlifted food to that city for 11 months as a sign of our support for that city and its people. While the Soviet Union hoped that their efforts would force the Western powers to abandon that city, the Soviet blockade only strengthened our commitment.

The United States unwavering commitment to a free Berlin and to support our allies in Europe is even stronger today. I am sure that

future generations of Americans will share the common bond and dedication to the goal of one day seeing a united and free Berlin.

I urge my colleagues to join me in support of this timely resolution.

Mr. GILMAN. Mr. Speaker, I rise to join my friend and colleague the gentleman from Indiana [Mr. HAMILTON] in offering my strong support to House Concurrent Resolution 86, which expresses the sense of Congress in congratulating the people of the city of Berlin on its 750th anniversary in 1987.

Berlin has been one of the world's most vital and important centers of civilization for more than seven centuries. It was in this century however that this city and its people had to face its greatest challenge. Since the end of the Second World War Berlin has been the focus of the tensions between East and West. These have been difficult and trying times but the people of Berlin have met them with courage and dignity.

The people of the United States and the people of Berlin have a special relationship as a result of the challenges we have faced together. It is entirely appropriate then that we in the Congress extend our heartfelt congratulations to the city of Berlin on this important anniversary.

I urge my colleagues to support this resolution.

The Clerk read the concurrent resolution, as follows:

H. CON. RES. 86

Whereas 1987 marks the seven hundred and fiftieth anniversary of the great city of Berlin;

Whereas Berlin is renowned for its traditions of openness and diversity;

Whereas Berliners have bravely constructed a flourishing democracy in the midst of Communist tyranny;

Whereas the bonds linking Berliners and Americans are profound and lasting;

Whereas Berlin looks confidently to a future of freedom and accomplishment in close partnership with the United States; and

Whereas the words "Ich bin ein Berliner," ring eternal in the hearts of both Americans and Berliners: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That the Congress—

(1) expressly congratulates Berlin on the occasion of the city's seven hundred and fiftieth anniversary in the year 1987;

(2) commends the people of Berlin for their centuries of great tradition and continuing courage in the face of historical adversity; and

(3) recognizes the deep and lasting relations Berliners have with the people of the United States of America.

Mr. HAMILTON. Mr. Speaker, House Concurrent Resolution 86 expresses the sense of Congress in congratulating the people of Berlin on the city's 750th anniversary in 1987.

This resolution comes up now because of the planned April visit to Berlin by the Speaker and a bipartisan congressional delegation. It will be important for our Speaker to have this resolution to take with him as an expression of the American people.

The city of Berlin has become one of the most important historical and political symbols of this century. Since the end of the Second World War, the city has been divided. The Berlin airlift in 1948, the construction of the Berlin wall in 1961, and the continued commitment of the people of Berlin to build a prosperous, democratic society are important symbols of political freedom.

The United States has shared a special relationship with the people of Berlin. U.S. aircraft provided much of the material relief sent to Berlin during the airlift. It shares with its fellow Western allies, France and Great Britain, the commitment of armed forces to the city's freedom. American Presidents and other political leaders have visited Berlin to restate their commitment to freedom.

Beginning this month through October, the city of Berlin will host a series of events to celebrate its anniversary. Prime Minister Thatcher, President Mitterrand, and President Reagan plan to visit the city during this period and as I indicated our Speaker will be there in April. This resolution states congressional recognition of the importance of Berlin and its role as a symbol of political freedom.

I urge my colleagues in the committee to support this resolution.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. HAMILTON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the concurrent resolution just agreed to.

The SPEAKER pro tempore. (Mr. BONIOR of Michigan). Is there objection to the request of the gentleman from Indiana?

There was no objection.

THE AMERICAN COAL MINER

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

Mr. RAHALL. Mr. Speaker, on this date in 1898, the United Mine Workers of America obtained its first 8-hour-per-day work agreement. Most UMWA contracts in America provide for this day to be set aside as a coal miner holiday. In some quarters of the Appalachian coalfields, this day is known as John L. Lewis Day.

I believe it is important for us all to reflect on a day such as this upon the valuable contribution made to the industrialization of this great country by the American coal miner. We should not forget that the fuel we are so dependent upon to light our cities and heat our homes is produced by hardy men and women who are engaged in one of the most dangerous occupations in the Nation, that of coal mining.

Mr. Speaker, on this day I salute the American coal miner. We all owe the American coal labor work force our appreciation.

INFORMING AMERICAN CONSUMERS OF THE ORIGIN OF FRESH FRUITS AND VEGETABLES

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

Mr. HORTON. Mr. Speaker, today, I am introducing a bill amending the Tariff Act of 1930, which would assure that American consumers know where the fresh fruits and vegetables they purchase are grown. At present, the Tariff Act specifically requires that the country of origin of fresh produce be printed on the package, so it can be seen by the ultimate purchaser. However, in the present day marketing practices dealing with produce, fruits and vegetables are often sold in bulk bins, or are repackaged by someone in the distribution chain. Once this occurs, the Bureau of Customs has not required that country of origin information be displayed.

It seems meaningless to require this information on bulk packaging such as that received in a supermarket stockroom, and yet not require that the ultimate purchaser, the American consumer, be provided with this information. It is the consumer, not the supermarket personnel, that need to know the source of the food they purchase and consume.

I have received a legal opinion that the Tariff Act as presently written now could be interpreted to require that country of origin information be required at the point of retail sale, even when produce is sold in bulk, or is repackaged. However, to clarify any ambiguity, the bill which I have introduced today makes this requirement clear. It provides for forfeiture of any produce not labeled with the country of its origin if not from the United States, as well as a civil penalty of $1,000 for a first violation, and $5,000 for each subsequent violation.

Importation of food products increasing yearly. The amount of imported fresh fruits alone has doubled since 1979. American consumers have the right to know where the food they eat is grown. Such information is common on many canned foods, as well as many other imported consumer items. My bill will assure that consumers will know the country of origin of the produce they purchase.

"FREE LUNCH" HAS ITS PRICE

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

Mr. KLECZKA. Mr. Speaker, some years back, the eminent Nobel Prize-winning U.S. economist Milton Friedman opined that even the proverbial free lunch has a price.

Now our ally and principal trading partner, Japan is about to learn the hard way that free trade also has a price.

It's been a long time since this administration has done something that would move me to stand up and cheer. But I must applaud President Reagan's decision to dispense with the hype about free trade and get down to the business of enforcing it.

Although late in coming, the President's action demonstrates that there is, in fact, a price associated with the idea of free trade. Monetarily, the price right now is a modest $300 million penalty. More important than the money, however, is the warning this action issues to Japan and, we hope, to our other trading partners:

The price of free trade, friends, is diligent compliance with the terms of our trade agreements. And compliance is a good deal cheaper than the alternative.

Well done, Mr. President. Now, how about Canada, Brazil, and Korea?

□ 1410

SOVIET JEWRY

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

Mr. INHOFE. Mr. Speaker, I rise today to remember the plight of Soviet Jewry. The Kremlin is currently engaged in a slick public relations campaign to convince the world that there is a new openness in the Soviet Union and that the Soviets are making a serious attempt to improve their human right record. Gorbachev is even attempting to give the impression that the Soviet Union is becoming a true democracy.

Let us not be mislead. The Soviet Union is still an atheistic totalitarian state dedicated to promoting world revolution and the destruction of our capitalist system. The Soviets are also dedicated to keeping their own people enslaved.

A prime example of the true nature of the Soviet State is the persecution experienced by Soviet Jews. Almost 400,000 Soviet Jews have expressed a desire to emigrate from the Soviet Union. Nearly 50,000 have applied for exit visas and been refused. Yet with all these people waiting to leave the Soviet Union, a mere 1,140 were allowed to leave in 1986.

Don't be fooled by lipservice to human rights. Let us instead focus on the facts. Last November, the Soviet Foreign Minister announced a new emigration policy that was ostensibly designed to simplify and accelerate the emigration process. This policy is a farce. In the first 2 months of 1987, only 244 Soviet Jews were allowed to leave the Soviet Union.

Many times we bandy about so many statistics that we forget the real human side to this human rights tragedy. In 1979, while serving as mayor of Tulsa, I had the opportunity to convey a special message to former Soviet Premier Leonid Bresnev that was signed by hundreds of Tulsans who were petitioning for the release of refusenik Boris Penson from a Soviet labor camp. His crime was working for increased emigration from the Soviet Union by Soviet Jews. For his courage and determination to speak out he was rewarded with a prison sentence.

Much to our surprise the Soviet Government relented and shortly thereafter permitted Boris Penson to leave the Soviet Union. Upon his release he came to Temple Israel in Tulsa and thanked the citizens of Tulsa for their help in securing his release. He reminded us that there are countless Soviet Jews that are not only denied the right to emigrate, but who are being held in slave labor camps or insane asylums. Boris remembered the plight of his fiance, Ida Nudel, who to this day, is still being held a prisoner in a Soviet prison for her beliefs.

We must not lose sight of the suffering of Ida Nudel or the countless others who are enslaved just because they have petitioned their Government for the right to emigrate.

Because I was recognized by Boris Penson as having played a role in his release I was viciously attacked by the newspaper of the Communist Party of the United States, the Daily World, for allegedly stirring up anti-Soviet feelings. That personal experience demonstrated to me that the Soviets and their Communist sympathizers are devoid of respect for basic human rights and are dedicated to the cause of spreading Marxism and Leninism across the globe.

I call upon the Soviet leaders to prove to the world that they are serious about the cause of human rights by adhering to the Helsinki accord. It is time that they allow Soviet Jews the right to freely emigrate and in the words of Moses, "Let my people go."

We in Congress will continue to support those in the Soviet Union who continue to seek recognition and observance of their human rights, including the right to emigrate. It is ironic that in the same year, the Soviet Union adopted a new emigration law to control people who want to leave, the United States passed a new immigration law to control the inflow of the millions of people who want to move to our country. Here is the true story of people's preference for living in open societies.

SHAMROCK SUMMITS CREATE SHAM PROPOSALS ON ACID RAIN

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

Mr. SIKORSKI. Mr. Speaker, for the third time in as many years, President Reagan and Canadian Prime Minister Mulroney will be meeting this weekend for their annual summit. These shamrock summits have a history of producing sham proposals on acid rain.

The record shows that the President's acid rain positions are nothing more than public relations ping-pong. The promises he makes, he breaks. The studies he calls for, he ignores. The evidence he reads, he forgets.

I have a whole file of press clippings announcing "immediate action" on new acid rain initiatives, envoys, studies and projects—each matched by smaller clippings detailing denials, cancellations, and recissions of same. And the press buys into this tennis match. Where are the line judges? The score so far is love-love for the Prime Minister and the President. And that's zero-zero for acid rain progress. Zip—nothing for America's lungs and lakes, hunting and fishing, our environment and our economy.

THE BUDGET COMMITTEE TWO-STEP

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

Mr. PORTER. Mr. Speaker, the budget Democrats say they can't meet the $108 billion Gramm-Rudman target, and instead will only save $36 billion. And they say new taxes are necessary. Standing alone, either of these statements have some credibility. Combined, they reveal the majority's refusal to address the deficit crisis.

Can we meet the $108 billion target by saving $60 billion? Absolutely. CBO numbers show we can freeze all domestic discretionary and defense spending, freeze COLA's and Federal pay, reform some entitlements, sell the assets recommended by OMB, and tack on a few billion in new user fees. But everyone knows we won't do this.

So, are substantial taxes needed to get a mere $36 billion in reductions? Absolutely not. A freeze on discretionary spending and defense spending plus a handful of entitlement reforms and program eliminations produce $36 billion in savings.

So when the majority says they are only going for $36 billion in deficit reduction, and they are using taxes to get there, grab your wallet. What they means is that they aren't serious

about holding the line, and they want those new taxes for new spending.

THE PRESIDENT'S BUDGET REQUEST FOR FOREIGN AID IS UNREALISTIC

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

Mr. McHUGH. Mr. Speaker, I believe that foreign assistance, when used wisely, is an important tool of American foreign policy; and I share the concern of those in Congress and the administration that substantial cuts in foreign aid could damage U.S. interests abroad. However, it's important for the administration to understand that its foreign aid request for next year is unrealistic in two respects.

First, the President can hardly expect Congress to approve a significant increase in foreign aid when his budget once again proposes to cut deeply into important programs here at home. While the President is requesting an increase of $1.8 billion in foreign assistance, he proposes to eliminate economic development and rural housing programs, and to substantially cut health care and education.

The President's foreign aid request is also unrealistic in that it continues to place inordinate emphasis on military aid. Grant military assistance alone has grown more than 700 percent since President Reagan took office, and now he has requested an increase of $800 million in military aid. In contrast, programs like UNICEF and the Peace Corps would be cut or frozen at current levels.

Mr. Speaker, the answer is not to gut foreign aid, but for the President to work cooperatively with Congress in fashioning a more balanced set of priorities in the budget as a whole, as well as in the foreign assistance account.

COMMITTEE ON BANKING, FINANCE AND URBAN AFFAIRS—THE FORMULA FOR DISASTER

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

Mr. PARRIS. Mr. Speaker, the Committee on Banking, Finance and Urban Affairs just adopted a bill calculated to permanently and fatally impact on the Nation's thrift industry. It can be summarized as follows: Cover up the serious nature of this situation with accounting gimmicks; postpone a painful resolution as long as possible; if money is needed to bail it out, get the winners in the program to subsidize the losers; provide Band-aids and window dressing and show appropriate concern and compassion by ordering forebearance through the use of capital certificates of an insolvent agency; and finally tap the Treasury only in desperation after all else fails.

This is a formula for disaster; it will not correct the crisis, and we will one day regret our actions.

Stay tuned this afternoon for a special order on this subject. We are going to talk about this legislation and the problem which it addresses for 2 hours later today.

FEDERAL FUNDING FOR VOCATIONAL EDUCATION PROGRAMS

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

Mr. FLIPPO. Mr. Speaker, I rise today in strong opposition to President Reagan's budget proposal to eliminate entirely Federal funding of vocational education programs.

All too often, President Reagan has criticized Congress for playing beltway politics. Yet, the President's budget leaves no doubt about who is playing games with the American people.

In June of 1983, President Reagan was happy to declare that "the vocational classroom is just as important as any other classroom," before over 6,000 members of the vocational industrial clubs of America, meeting in Louisville, KY. Yet, today, President Reagan would lead us to believe that the vocational classroom is not important enough to merit even 1 cent of Federal support.

President Reagan's budget would have the Congress dissolve the 68-year-old vocational education partnership between Federal, State, and local governments. He would have us abandon our commitment to leadership and assistance in efforts to obtain excellence in vocational education.

The facts are clear. Last year, the Congress approved $900 million for vocational education, after strongly rejecting the President's proposal to cut funding levels by 52 percent. The Congress was definite in its dedication to promote improvements in vocational education, but obviously that has been forgotten. The President's budget forgets both Congress and the American people by requesting elimination of vocational education funding for fiscal year 1988, and the recision of $389 million already appropriated for fiscal year 1987.

President Reagan seems to believe that the Federal Government has no role to play in promoting quality vocational education. But he would learn that this assumption is profoundly misplaced if he were to hear what we, the Members of Congress, hear from State and local education leaders, from vocational education teachers, and from the students themselves.

In the State of Alabama alone, over 125,000 students would be affected by the President's proposed elimination of Federal funding, and a new generation would be placed in jeopardy. I have been proud and confident of the ability of my home State to improve the quality of education, but education leaders in Alabama know that I understand, and hope that the President can understand, that Alabama cannot carry this burden alone. At a time when the dropout rate in my State is 38.5 percent, we cannot afford to lose one more student because of a failure of vision in Washington.

The Federal role in vocational education has been applauded throughout the Nation for its leadership and incentives for program improvements, innovations, and expansion. Federal funding has been vital in encouraging a broad outlook based on national economic needs and developments. The Federal investment in vocational education is profitably returned in increased productivity, and shows up each week in the paychecks of millions of Americans. The Federal commitment to equity has been vital in meeting the needs of those previously unserved or underserved. And as this Nation faces the demands of adapting to new technologies in the work place, vocational education provides the experience and skills needed by business and labor. I urge my colleagues to join me in supporting full funding for vocational education so that this Nation can meet the needs of today and the challenges of tomorrow.

A LESSON IN COMPETITION AND DEREGULATION

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

Mr. HASTERT. Mr. Speaker, while I was a member of the Illinois General Assembly, I authored the 1985 Public Utilities Act which rewrote our State statutes dealing with regulation of the telephone industry. Before we passed our bill, the local telephone companies in Illinois operated as regulated monopolies; they had few incentives to innovate and offer new services, and they did not have the flexibility to price services in response to market demand. There simply was no competition in the local exchange.

We thought we could spur competition, encourage innovation and, in turn, stimulate our economy, by deregulating telephone service at the local level. We bet that business and residential consumers would benefit from a wider choice of carriers and services. We bet that the only way information age services would come to consumers—in small towns—or farms—

or in the big cities—would be through more options by the local telephone companies. We were right.

Illinois now has local telephone competition and we've proven a lot of critics wrong. There may be a lesson in all this—less regulation and more competition could be a winning combination for all local telephone customers.

The U.S. District Court for the District of Columbia currently is in the process of reviewing the Justice Department's triennial report and recommendations on the AT&T consent decree's line-of-business restrictions. We should keep an eye on that court to see whether the judge modifies the decree as the Justice Department has strongly suggested. I don't see how the judge can fail to do so in view of the evidence before him. We need not consider legislation addressing these issues at this time. Let's let the court proceed without interference. There will be time for Congress to act if it is dissatisfied with the court's ruling.

□ 1420

REFLECTIONS ON THE APPROPRIATENESS OF AN APRIL FOOL'S DAY BUDGET FROM THE PRESIDENT

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

Mr. SABO. Mr. Speaker, as the gentleman from Pennsylvania, Mr. GRAY, and the Budget Committee begin the task of producing a budget for us for 1988, I want to wish them well. The task is both simple and difficult. The simple part for the Budget Committee is going to be present a budget that is better than the President's. The difficult part is going to be to present a budget to us that is realistic and fair.

How unfortunate, however, that the simple part is to present a budget that is better than the President's. Again we have failed Presidential leadership. It would have been so much more appropriate if the President had presented his budget to us on today, on April Fool's Day.

GRAZING FEE LEGISLATION

(Mrs. VUCANOVICH asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. VUCANOVICH. Mr. Speaker, today legislation is being introduced that will preserve the formula used to determine the proper fee for grazing livestock on public lands and I am very pleased to be an original cosponsor of this bill.

When section 6(a) of the Public Rangeland Improvement Act [PRIA] expired in December 1985 the President issued an Executive order to extend the grazing fee formula established under PRIA with the exception that a minimum fee of $1.35 per annum be established.

Unsuccessful attempts were made last year to overturn the Executive order and are underway again this year. Those efforts would replace the Executive order with legislation which would increase the fee by nearly 300 percent. Increasing grazing fees on our Western rangelands by 300 percent would create financial havoc and quite likely financial ruin for our livestock producers.

I strongly support the continuation of the PRIA formula which is based on the ability to pay concept. When farm income increases, so do the grazing fees; and those fees decrease when income is down.

My State of Nevada is 86 percent owned or managed by the Federal Government, which means my livestock producers are forced to rely on public lands to graze their stock. This bill is extremely important to Nevada and I will work hard for its passage.

URGING SUPPORT FOR LEGISLATION TO MAINTAIN GRAZING FEES

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

Mr. CAMPBELL. Mr. Speaker, I also rise today as an original cosponsor of a bill to maintain the present fee formula for grazing on public lands. I want to command the sponsors of the bill for their efforts to protect stockmen in my district and in all the Western United States from being driven out of business by this outrageous fee increase. The National Cattlemen are here in Washington today. They are aware and certainly supportive of this bill.

We all know that the agricultural economy in America is in terrible shape. This is not the time to be raising grazing fees in a depressed agricultural economy.

Mr. Speaker, I realize that there are concerns among some that grazing leads to the deterioration of the public lands. My district in Colorado is made up of diverse economies that complement each other. The million of acres of public land in my district contribute to the tourism economy, and it is very important for us to maintain the quality of these lands. Maintaining the public land is also important to the stockmen in my district who use this land in cooperation with these other users. This working relationship between the economies is working very well in my district, and I urge my colleagues to support this needed legislation.

INTRODUCTION OF A BILL TO AMEND THE POWERPLANT AND INDUSTRIAL FUEL USE ACT OF 1978

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

Mr. TAUZIN. Mr. Speaker, today April Fool's Day, is a very appropriate day to introduce legislation which will repeal a very bad trick that has been played on our Nation's energy policy. I am introducing legislation with my colleagues, Congressmen BRYANT, BRUCE, SYNAR, LELAND, RICHARDSON, and some 22 cosponsors, legislation which will benefit America's energy consumers—legislation which will increase our energy independence—legislation which will correct a flawed and antiquated policy.

The Fuel Use Act of 1978 prohibits new electric powerplants and major fuel-burning installations from using natural gas or petroleum as a primary energy source. Since the enactment of this law in 1978, we have seen a dramatic change in our energy markets throughout the country. The extreme shortage of natural gas that was predicted during the energy crisis in the 70's has never materialized.

The time has come to amend that energy policy which is a detriment to both the consumer and the producer. Our legislation amends the Powerplant and Industrial Fuel Use Act to eliminate those gas market restraints on use in new powerplants. It redefines the definition of "coal capable" to require a new gas fired powerplant to be technologically capable of burning coal or some other type of fuel. Finally, our legislation establishes a procedure for electric companies to follow in order to certify that their new powerplants are coal capable.

I want to commend the coal industry, the utility industry, and the gas producers for reaching this long-awaited consensus. I urge my colleagues to join us in support of this bill.

REPEAL OF THE FUEL USE ACT

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

Mr. BRUCE. Mr. Speaker, I am happy to follow the gentleman from Louisiana [Mr. TAUZIN] in announcing that we are going to introduce, along with the gentleman from Texas [Mr. BRYANT] and others, legislation that is designed to repeal the Fuel Use Act. The name of the gentleman from Texas [Mr. LELAND] should also be mentioned as one who played a major role in getting us to this point.

Currently the Fuel Use Act mandates that all new powerplants be designed to burn coal. When Congress

first passed this legislation we were being dominated by OPEC and we were fearful of depleting our more flexible fuels such as oil or natural gas.

Now however, we are experiencing an oil glut and a gas bubble. It is not currently necessary that we restrict the use of these fuels. In addition, allowing plants to use them will provide consumers with relief from rate shock.

The legislation we will be introducing is very similar to that which this House passed last year, only to see it die in the Senate.

There is however an important difference between this year's bill and last year's. We now have included a provision which I call coal convertability. Simply put, this bill stipulates that any new powerplant must be designed so that it may be converted to coal use should it become necessary in the future.

Given the historical volatility of the world's energy economy, this coal convertability provision guarantees that our energy policy not only seeks to restrain energy costs for consumers, but also preserves the infrastructure of our energy industry so that we will be able to convert to our most abundant fuel and meet any future OPEC-like embargo.

Mr. Speaker, I see this bill as a compromise that serves the individual, consumer and our Nation as a whole all at the same time, I hope my colleagues will be able to support it.

LAND AND WATER CONSERVATION FUND ACT AMENDMENTS OF 1965

Mr. BEILENSON. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 135 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 135

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 1320) to amend the Land and Water Conservation Fund Act of 1965, and for other purposes, and the first reading of the bill shall be dispensed with. All points of order against the consideration of the bill for failure to comply with the provisions of clause 7 of rule XIII are hereby waived. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interior and Insular Affairs, the bill shall be considered for amendment under the five-minute rule. It shall be in order to consider the amendment in the nature of a substitute recommended by the Committee on Interior and Insular Affairs now printed in the bill as an original bill for the purpose of amendment under the five-minute rule, said substitute printed in section two of this resolution shall be considered to have been adopted in the House and in the Committee of the Whole. No other amendment to said substitute shall be in order except the amendments printed in the report of the Committee on Rules accompanying this resolution, by and if offered by, the Member designated, or his designee, and each amendment shall be debatable not to exceed thirty minutes, and shall not be subject to amendment. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

SEC. 2. Page 13, line 11, strike "without further appropriation,"; page 13, line 23, strike "without further appropriation,"; and page 19, after line 15, insert the following new section:

SEC. 4. The President shall submit as part of the annual budget message a detailed list and accounting of all fees received pursuant to this Act by each collecting agency and each collecting unit and shall include proposed distributions of fee receipts from the previous year by function within each unit. Appropriations shall be made as required in this Act. No funds shall be transferred from fee receipts made available under this Act to each unit: *Provided, however*, That in making appropriations, funds derived from such fees may be used for any purpose authorized herein.".

The SPEAKER pro tempore (Mr. TAUZIN). The gentleman from California [Mr. BEILENSON] is recognized for 1 hour.

□ 1430

Mr. BEILENSON. Mr. Speaker, I yield the customary 30 minutes to the gentleman from Missouri [Mr. TAYLOR] for purposes of debate only, pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 135 is the rule providing for consideration of H.R. 1320, the Land and Water Conservation Fund Act Amendments of 1987. It is a modified closed rule which provides for 1 hour of general debate, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interior and Insular Affairs.

The rule makes in order the committee amendment in the nature of a substitute now printed in the bill, as modified by the amendments contained in section 2 of this resolution, as original text for the purpose of amendment. Under this rule, two specified amendments are permitted, and 30 minutes are allotted for debate on each.

The rule also waives clause 7 of rule XIII, requiring cost estimates in committee reports, which is necessary because the Interior Committee did not have a CBO estimate before it filed its report, although the estimate is available now. And, finally, the rule provides for one motion to recommit, with or without instructions.

The rule before us will allow the expeditious consideration of H.R. 1320, legislation which permanently extends the higher entrance fees for many of our national parks which Congress approved last fall, and which extends the authorization of the Land and Water Conservation Fund Act for 25 years. The Rules Committee believes that this particular measure warrants a more restrictive rule than is usually the case for bills reported by the Interior Committee. By limiting amendments, the rule ensures that the park entrance fee structure approved by the Interior Committee will remain intact throughout the House consideration of this bill. That way, if the full House approves this measure, we will provide for uniform entrance fees at similar types of parks, and we will keep those fees at their current level. The bill will not have been subjected to amendments which would alter admission fees at individual parks or throughout the park system.

The two amendments that are permitted under this rule would not affect the basic fee provisions and are, in the committee's view, matters which are appropriate for resolution by the full House membership. One amendment, to be offered by Mr. LAGOMARSINO or his designee, would raise the price of a Golden Eagle Passport, the pass which admits a family to all national parks for a year. The other, to be offered by Mr. HANSEN or his designee, would establish a one-time charge for a Golden Age Passport, the pass which admits persons aged 62 or older to all national parks free of charge. Both amendments were printed in the Rules Committee report on this resolution, and both are restricted from further amendment. The rule provides for 30 minutes of debate on each one.

The rule also effectively modifies the committee amendment in the nature of a substitute, with amendments that are printed in section 2 of this rule. These amendments are needed in order to correct House Rules and Budget Act violations in the committee amendment as reported by the Interior Committee.

As reported, the committee amendment provided that amounts collected from park entrance fees would be available to the parks without further action by Congress. That provision violated clause 5(a) of rule XXI, which prohibits appropriations in a legislative bill, as well as section 303(a)(1) of the Congressional Budget Act, which prohibits consideration of new budget authority prior to the adoption of the budget resolution.

The amendments contained in this rule, which are deemed adopted upon the rule's passage, subjects the funds raised through entrance fees to the appropriations process. In other words, instead of allowing those funds to be distributed directly to the national parks, they will be provided to the park system through an appropriation, the same way all other funds for park operations and activities are provided under current law.

The amendments thus ensure that this legislation will not violate two important budgetary safeguards in our legislative process. In our opinion, subjecting the park fees to the appropriations process is a better way to distribute the funds, because it allows Congress to monitor and control their use. And, I would like to add that this change is supported by both the chairman of the Interior Committee's Subcommittee on Parks and the chairman of the Appropriations Committee's Subcommittee on Interior.

Mr. Speaker, H.R. 1320 provides for a very reasonable schedule of entrance fees to our national parks, which are such an important part of the heritage of all Americans. Under this bill, the maximum fees would be the same as those established temporarily by the Fiscal Year 1987 Continuing Appropriations Act, which are high enough to bring in much-needed revenues for our parks without being unduly burdensome to our citizens. Urban park units would continue to be exempt from fees; children would continue to be admitted free at units that charge for entrance; and senior citizens and frequent park visitors would continue to be eligible for special passes to the parks.

In addition, the legislation provides for a long-term extension of the Land and Water Conservation Fund Act, which is the law that authorizes collection of revenues from oil and gas leasing and other sources to pay for the acquisition of recreation lands and protection of our Nation's most valuable natural resources.

Mr. Speaker, I urge adoption of House Resolution 135, so that we can proceed to consideration of H.R. 1320.

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

Mr. Speaker, the provisions of this rule represent a compromise worked out yesterday during a recess in the Rules Committee meeting. I would particularly like to commend the chairman of the Committee on Interior and Insular Affairs, the gentleman from Arizona [Mr. UDALL] and the chairman of the Appropriations Subcommittee on Interior, the gentleman from Illinois [Mr. YATES] for their willingness to sit down together and hammer out a settlement of their differences.

This compromise rule provides that upon adoption of the rule, the bill will be considered to have been amended in two areas. First, the language in the bill bypassing the Appropriations Committee is dropped. Second, spending guidelines which are acceptable to both the Appropriations Committee and the Interior and Insular Affairs Committee are added.

In addition to these two changes which will be considered to have been adopted when the rule is agreed to, the rule provides for the consideration of two other amendments which are debatable for 30 minutes each.

Mr. Speaker, there is only one waiver of a point of order in this rule, but it is significant. The committee report contains no cost estimate either from the Congressional Budget Office or from the committee itself. The rule requiring a cost estimate in each committee report is one of the few ways we have to try to keep an eye on spending. We should not make a habit of waiving this rule.

Mr. Speaker, the bill made in order by this rule deals primarily with admission fees to national parks and other Federal lands. However, it exempts parks in urbanized areas from entrance fees, while imposing fees on parks in rural areas.

Mr. Speaker, I hope when this bill gets to conference there will be some effort to deal with this disparity.

Mr. Speaker, I yield 5 minutes to the gentleman from Wyoming [Mr. CHENEY].

Mr. CHENEY. I thank the gentleman for yielding me this time.

Mr. Speaker, I would like at this point, if I might, explore with the distinguished chairman of the Subcommittee on Public Lands and Parks the agreement that was reached yesterday concerning the amendment that will be adopted to the bill if the rule is approved.

Specifically, it is my understanding that the language that was adopted will not alter the way in which funds are allocated among the various units of the Park Service or the way that the process would function and that ultimate result would be the same as that that was intended by the Parks and Public Lands Subcommittee when we passed this legislation.

Mr. Speaker, I yield to the gentleman from Minnesota [Mr. VENTO] for his response.

Mr. VENTO. I thank the gentleman.

Mr. Speaker, the gentleman is correct that obviously it was our intent, because of the limited number of dollars involved that there would not be a necessary appropriation action; at least that was the intent of the subcommittee.

Subsequently, the Appropriations Committee objected to that particular provision and asked that we strike that, and after some degree of compromise yesterday, we did. We kept in place the same formula, that is that 50 percent of the revenue goes to the park that collects it and 50 percent goes across the board to 338 units on a different formulation. It is limited to the utilization, in terms of entrance fees for interpretation for research and for resource protection; the three.

In the Appropriations Committee, in looking at that, may well decide that all of it, for instance, might be best placed in research, but indeed, it will be limited to 50 percent. It is our intention that this legislation will limit it to 50 percent of the fees that are collected at the park and would in fact go back into that park. If it happens to be Yellowstone Grant Tetons or it happens to be Glacier or, for instance, Voyagers in Minnesota, that would be the intent.

I thank the gentleman for yielding.

□ 1440

Mr. CHENEY. Mr. Speaker, I thank the gentleman for his clarification, and with the understanding as stated by the gentleman from Minnesota, I would urge my colleagues to approve the rule.

Mr. TAYLOR. Mr. Speaker, I yield 5 minutes to the gentleman from Pennsylvania [Mr. WALKER].

Mr. WALKER. Mr. Speaker, I thank the gentleman for yielding me the time.

Mr. Speaker, I rise in opposition to the rule. Somebody said to me the other day, "Walker, is there any rule that you would find acceptable out here on the floor?"

And I said, "Yes, one that allows us to debate under the established procedures of the House and one that didn't waive the Budget Act." This rule does not quite make that, and let me explain what I have got as a problem with this particular rule.

First of all, as explained by the gentleman from Missouri, the gentleman explained, I think, quite accurately that in this particular rule the committee has failed to provide a cost estimate as required by the rules of the House, and the gentleman said quite correctly that that is not a practice that we want to encourage, because one of the few ways that we have around here of figuring out just how much these bills cost is to look in the committee report and figure out just exactly what somebody has calculated the cost of the bill to be. In this particular case, the committee for some reason, I do not know the reason, has decided not to include the cost estimate, and instead of requiring that before we bring the bill to the floor, that the Rules Committee simply waives that requirement and says, "Go ahead, we don't really need that information."

I would suggest that some of us would like to have that information

when we consider bills that might cost the taxpayers some money.

Second, I have a problem with this bill because it is a gag rule. Once again we are not being permitted the opportunity to consider this bill under an open rule to allow Members the full ability to debate the bills and offer amendments. We have had a series of bills on the floor now, only one of which we have been permitted to debate under the rules of the House.

We have consistently had come out of the Rules Committee in this particular Congress gag rules.

I have to assume that under the new regime that is the pattern that we are going to adopt, that the Members are not going to be given their opportunity to debate these, that the entire body is not going to be given its full share of the action when it comes to the rules of the House.

I might suggest, Mr. Speaker, that the more appropriate pictures to have in the front of this Chamber, the two great pictures of Washington and Lafayette, would be more appropriate to this regime if we stuck gags in their mouths, because the fact is that this is exactly the way we are proceeding around here is with gag rule after gag rule after gag rule that does not allow us to open debate.

So I would suggest to the Members to vote "no" on this particular rule would be entirely appropriate. We ought to vote against the gag rule. We ought to vote against a rule that says we do not even have a cost estimate as we consider the legislation.

Mr. VENTO. Mr. Speaker, will the gentleman yield?

Mr. WALKER. I am very glad to yield to the gentleman from Minnesota.

Mr. VENTO. Mr. Speaker, I appreciate the gentleman yielding and I understand his frustration.

I just want to say that on a bipartisan basis the subcommittee, the committee did request this rule, and certainly not to deny the gentleman. We obviously would all be well-served by the passage of a budget resolution, which I understand is on the way and I expect there will be some philosophic differences discussed here next week on that matter; so obviously I think the gentleman recognizes that we are all at work acting on these matters and that we ought to be afforded the opportunity to come to the House in a timely manner.

As the gentleman is aware, last year in the appropriations measure they sent into place certain fees which were to go into effect in Pennsylvania, New York, and other areas. There is a certain urgency to address those concerns so that we can set a policy that is reasonable and with some degree of certainty.

Mr. Speaker, if the gentleman will continue to yield, I will just finish my conclusion.

The fact is that we are dealing here with some small receipts, small amounts of receipts that come in from the Park Service vis-a-vis these fees. We are talking about something currently around $25 million and perhaps under an optimistic scenario it may be increased to $50 million. The President, of course, has sought an extra $25 million in terms of that area, which I do not agree with. I do not think most Members of the House agree with him.

What we are concerned about is as we look at the 340 units or so that make up the parks in the different national parks, we would be faced on the floor here with repeated amendments. Over the years I guess we have learned that it is much easier to vote specifically against the fees in these 130 different units than it is to vote for them.

What we are trying to do and what this committee I think tried to do, and I think we have brought a pretty good bill, is one that sets a policy path. It talks about urban areas. It talks about destination parks. In doing that, we feel that we have offered and afforded the minority the amendments that they requested with regard to this and we hope that will be acceptable.

I just want the gentleman to be aware of that.

Mr. WALKER. Well, Mr. Speaker, I thank the gentleman for that. Let me just reclaim my time and say to the gentleman that one of the problems with democracy is that it does tend to get a little messy. I mean, there might actually be Members who would come to the floor and offer amendments to the gentleman's bill. That would be a real tragedy. You know, horror of horrors, we migh even have several Members come to the floor and offer amendments to the gentleman's bill. The fact that there is a bipartisan consensus to shut down that kind of democracy does not strike this gentleman as being a very good idea. I mean, we have bipartisan bad ideas around here. I think this may be one of them.

The SPEAKER pro tempore (Mr. TAUZIN). The Chair wishes to assure the House that regardless of how this healthy debate turns out, the Chair will see to it that the nice portraits in this Chamber are not mutilated.

PARLIAMENTARY INQUIRY

Mr. WALKER. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. WALKER. Mr. Speaker, based upon the statement of the Chair, can I assume that only the Members are mutilated, not the portraits.

The SPEAKER pro tempore. We will try to see to it that no one is mutilated.

Mr. TAYLOR. Mr. Speaker, I yield 2 minutes to the gentleman from Wyoming [Mr. CHENEY].

Mr. CHENEY. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, I share the concerns of the gentleman from Pennsylvania [Mr. WALKER] about rules that limit debate and I always support the gentleman in that venture.

A couple points I would make, No. 1, at one time the bill was going to be brought up under the Suspension Calendar and that would have been even more restrictive than the procedure here today.

Second, I think it is important that the Members understand that what we are talking about here is not taking money out of the Federal Treasury and spending if for parks purposes. What we are talking about in this legislation is charging fees at national parks, raising money, and then allocating that money. It is a relatively small amount of money, as the gentleman pointed out; but the net effect overall will be in fact that the bill is basically a revenue raiser. In that regard I think it is important that people understand and Members not misunderstand that this is not a bill that is intended to take tax dollars out of the Treasury and expend them for some other purposes.

Mr. TAYLOR. Mr. Speaker, I have no further requests for time and I yield back the balance of my time.

Mr. BEILENSON. Mr. Speaker, I would like to end by just telling our colleagues that our friends, the gentleman from Wyoming and the gentleman from Minnesota, have spoken to the question of the limitation of the number of amendments and pointed out the bipartisan reasons for requesting that.

I would again at this point like to point out to my colleagues that the waiver of clause 7 of rule 13 that the gentleman from Pennsylvania mentioned, that rule generally requires cost estimates in committee reports. That cost estimate is in fact now available. It was not available in time to be printed in the report. It is now available and it does show, as the gentleman from Wyoming suggested, an increase in revenues, not in cost. That is available to any Member, if the gentleman from Pennsylvania is interested in looking at it.

Mr. BEILENSON. Mr. Speaker, I have no further requests for time, and I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appear to have it.

Mr. PARRIS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 303, nays 110, not voting 20, as follows:

[Roll No. 42]

YEAS—303

Ackerman
Akaka
Alexander
Anderson
Andrews
Anthony
Applegate
Atkins
AuCoin
Badham
Barnard
Bateman
Bates
Beilenson
Bennett
Bereuter
Berman
Bevill
Biaggi
Bilbray
Boggs
Boland
Boner (TN)
Bonior (MI)
Bonker
Borski
Boucher
Boxer
Brennan
Brooks
Brown (CA)
Bruce
Bryant
Bustamante
Byron
Campbell
Cardin
Carr
Chapman
Chappell
Cheney
Clarke
Clinger
Coelho
Coleman (MO)
Coleman (TX)
Collins
Conte
Conyers
Cooper
Courter
Coyne
Crockett
Darden
Daub
Davis (MI)
de la Garza
DeFazio
Dellums
Derrick
Dickinson
Dicks
Dingell
Dixon
Donnelly
Dorgan (ND)
Dowdy
Downey
Duncan
Durbin
Dwyer
Dymally
Dyson
Early
Eckart
Edwards (CA)
Emerson
English
Erdreich
Espy
Evans
Fascell
Fazio
Feighan
Flake
Flippo
Florio
Foglietta
Ford (MI)
Ford (TN)
Frank
Frost
Gallegly
Garcia
Gaydos
Gejdenson
Gephardt
Gibbons
Gilman
Glickman
Gonzalez
Goodling
Gordon
Gradison
Grandy
Grant
Gray (IL)
Gray (PA)
Gregg
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hansen
Harris
Hatcher
Hawkins
Hayes (IL)
Hayes (LA)
Hertel
Hochbrueckner
Holloway
Horton
Houghton
Howard
Hubbard
Hughes
Hutto
Hyde
Ireland
Jenkins
Johnson (CT)
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kastenmeier
Kemp
Kennedy
Kennelly
Kildee
Kleczka
Kolbe
Kostmayer
LaFalce
Lagomarsino
Lancaster
Lantos
Leach (IA)
Leath (TX)
Lehman (CA)
Lehman (FL)
Leland
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (FL)
Lewis (GA)
Lipinski
Lloyd
Lott
Lowry (WA)
Lujan
Luken, Thomas
MacKay
Manton
Markey
Marlenee
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McDade
McEwen
McHugh
McKinney
McMillen (MD)
Meyers
Mfume
Mica
Miller (CA)
Mineta
Moakley
Mollohan
Montgomery
Moody
Moorhead
Morrison (CT)
Mrazek
Murphy
Murtha
Myers
Nagle
Natcher
Neal
Nelson
Nichols
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (UT)
Packard
Panetta
Pashayan
Patterson
Pease
Penny
Pepper
Perkins
Pickett
Pickle
Price (NC)
Pursell
Quillen
Rahall
Rangel
Ravenel
Ray
Regula
Rhodes
Richardson
Ridge
Rinaldo
Robinson
Rodino
Roe
Rose
Rowland (CT)
Rowland (GA)
Roybal
Russo
Sabo
Savage
Sawyer
Scheuer
Schroeder
Schulze
Schumer
Sharp
Sikorski
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter (NY)
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith (TX)
Snowe
Solarz
Spence
Spratt
St Germain
Staggers
Stallings
Stark
Stenholm
Stratton
Studds
Swift
Synar
Tallon
Tauzin
Taylor
Thomas (CA)
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Walgren
Watkins
Waxman
Weiss
Wheat
Whitten
Williams
Wilson
Wise
Wolpe
Wyden
Yates
Yatron
Young (AK)
Young (FL)

NAYS—110

Archer
Armey
Baker
Ballenger
Bartlett
Barton
Bentley
Bilirakis
Bliley
Boehlert
Boulter
Broomfield
Brown (CO)
Buechner
Bunning
Burton
Callahan
Carper
Chandler
Coats
Coble
Combest
Craig
Crane
Dannemeyer
Davis (IL)
DeLay
DeWine
DioGuardi
Dornan (CA)
Dreier
Edwards (OK)
Fawell
Fields
Fish
Frenzel
Gallo
Gekas
Gingrich
Green
Hammerschmidt
Hastert
Hefley
Henry
Herger
Hiler
Hopkins
Hunter
Inhofe
Jacobs
Jeffords
Kasich
Konnyu
Kyl
Latta
Lent
Lightfoot
Livingston
Lowery (CA)
Lukens, Donald
Lungren
Mack
Madigan
Martin (IL)
Martin (NY)
McCandless
McGrath
McMillan (NC)
Michel
Miller (OH)
Miller (WA)
Molinari
Morella
Morrison (WA)
Nielson
Oxley
Parris
Petri
Porter
Roberts
Rogers
Roth
Roukema
Saiki
Saxton
Schaefer
Schneider
Schuette
Sensenbrenner
Shaw
Shumway
Shuster
Slaughter (VA)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Solomon
Stangeland
Stump
Sweeney
Swindall
Tauke
Upton
Vucanovich
Walker
Weber
Whittaker
Wolf
Wortley
Wylie

NOT VOTING—20

Annunzio
Aspin
Bosco
Clay
Coughlin
Daniel
Foley
Hefner
Hoyer
Huckaby
Kolter
McCollum
Owens (NY)
Price (IL)
Ritter
Roemer
Rostenkowski
Stokes
Sundquist
Weldon

□ 1500

Mr. McMILLAN of North Carolina and Mr. BOEHLERT changed their votes from "yea" to "nay."

Mr. STUDDS and Mr. SKEEN changed their votes from "nay" to "yea."

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore (Mr. TAUZIN). Pursuant to House Resolution 135 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 1320.

□ 1509

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 1320) to amend the Land and Water Conservation Fund Act of 1965, and for other purposes, with Mr. KLECZKA in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the first reading of the bill is dispensed with.

Under the rule, the gentleman from Minnesota [Mr. VENTO] will be recognized for 30 minutes and the gentleman from Wyoming [Mr. CHENEY] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Minnesota [Mr. VENTO].

□ 1510

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

Mr. Chairman, H.R. 1320 would amend the Land and Water Conservation Fund Act of 1965 to modify and restrict the collection and utilization of current recreational use fees. The bill also provides for an extension of the monumental land and water conservation fund for a period of 25 years at its current authorization level.

As the sponsor of H.R. 1320, I am pleased to bring before the House legislation that I believe sets in place a reasonable and workable policy on entrance and user fees, for our park and recreation areas, while at the same time addressing important national conservation needs. H.R. 1320 represents the bipartisan efforts of many Members and I am pleased with the constructive input I have received from Members interested in this matter.

The fact that the committee was able to forge a bipartisan agreement on this matter was a feat in itself. Frankly, the fee proposals of the administration did not make our task easier. The various dubious formulas and allocations that have been advanced by the administration does not hide the fact that by and large, they were seeking funds to replace moneys they have simultaneously axed out of the National Park Service budget. Our national park units are a unique system that preserves and protects several of our national treasures that are the very symbols of our country. We should not and cannot allow our parks to become another of the administration's revenue enhancers. Mr. Chairman, the American citizen has grown weary of this type of nit-picking taxes every time they turn around. The fact is that under the most ideal

collection system for access fees, the National Park Service and parks will only receive a token amount from such fees, in fact less than 5 percent of the $1 billion used to fund these programs in the current year cycle. Many Members of Congress, and the public in general, have no objection to reasonable fees, even entrance fees, if they are carefully controlled in both place and amount. I believe that H.R. 1320, as reported by the committee, meets that test. The legislation provides for a limited and targeted entrance fee program for national park units, protecting such national treasures as the Statue of Liberty and Independence National Historical Park and the Washington Monument from entrance fees. Therefore, limiting and denying access to these national parks—really worth tens of billions dollars investment, and invaluable cultural, historical, and natural resources—being denied access by charging and discouraging U.S. citizens from enjoying and being educated by exposure to these outstanding resources is a far greater loss than the small amount of revenue that might possibly be generated or gained.

H.R. 1320 provides that the single-visit permit at any designated area shall not exceed $5 per vehicle for those entering by private noncommercial vehicle and $3 per person for those entering by other means. The bill permits the sale of the Golden Eagle Passport at a fee not to exceed $25 and authorizes the establishment of an annual admission permit for a specific park or group of parks at a fee not to exceed $15. In crafting H.R. 1320, it was my intention and the committee's intention to assure that entrance fees be set and maintained at a fair and reasonable level. This measure is being put forth with the understanding and agreement that such fees should in no way dissuade use of national park units by the public. In fact, the bill contains provisions requiring the Secretary of the Interior to report to Congress on the fee program and to be fully able to justify both the imposition of an entrance fee at a specific park unit, as well as the level of the fee proposed to be charged within the caps contained in this measure.

At present, there are approximately 338 units of the National Park System. Under H.R. 1320, only about 130 parks would have an entrance fee. These units, in large measure, are our "destination parks" that are the focal point for a trip or vacation. The legislation includes language prohibiting an entrance fee at those national park units located in an urbanized area where a fee was not charged prior to September 30, 1986. Many other parks will never have an entrance fee proposed because they do not meet the criteria contained in section 4(d) of the Land and Water Conservation Fund Act.

H.R. 1320 not only takes steps to limit the imposition of entrance fees but just as important, the fee receipts generated under authority of the Land and Water Conservation Fund Act would be returned to individual park and recreation units to enhance certain operational and resource protection efforts, rather than being used as an offset against existing appropriations. The bill would make all entrance fees generated by the NPS available for resource protection, research and interpretation activities on the basis of the following allocation: 50 percent of entrance fee funds available shall be provided to all units of the park system based on each unit's proportion of operating expenses and 50 percent shall be provided to units with entrance fees, based on each collecting unit's proportion of total entrance fee collections. All other recreational fees generated by the NPS as well as other Federal agencies will be available for those activities cited earlier with the addition of funds availability for maintenance activities related to resource protection.

The ability to generate entrance fee receipts has little bearing on the value of a park unit to the system as a whole. As has been reiterated in law and policy each park unit is equally important. The formula in H.R. 1320 will assure that extra funds will be available to enhance and protect each and every park unit. I know this is a concern shared by my distinguished colleague, Mr. YATES. I was pleased to be able to work out language in the bill with him to assure that the allocation of the fee receipts receives continuing congressional oversight. As part of the annual budget submittal, the administration will submit to the Appropriations Committee a detailed list and accounting of the fee receipts received by the collecting agency under authority of this act. The administration's report shall include the proposed distribution of the previous year fee receipts by function within the individual park unit or recreation facility.

In accordance with the provisions of this act, the Committee on Appropriations may adjust the projects proposed to be funded within a particular park unit or recreation facility; provided that no action is taken to decrease the overall amount available from fee receipts and that funds may not be transferred among park units or recreation facilities.

I would like to point out to Members that the new subsection (i) to section 4 of the Land and Water Conservation Fund Act exempts the U.S. Fish and Wildlife Service from its provisions. This was done for two reasons. First, it is our intent to clarify that no revenues currently received and distributed pursuant to the Refuge Revenue Sharing Act be affected by this act. Second, last year Congress passed the Emergency Wetlands Resources Act of 1986. This Act authorized the Fish and Wildlife Service to charge entrance fees at certain national wildlife refuges. The act directed that 70 percent of the entrance fees be deposited into the migratory bird conservation fund and the remaining 30 percent be made available, without further appropriation, for refuge operation and maintenance. It is our intent to abide by the entrance fee allocation provided for under that act.

H.R. 1320 repeals inconsistent provisions in law and makes several additional national park units subject to the provisions of this Act, rather than the piecemeal exemptions that now exist in law. To further a reasonable and workable policy with regards to recreation use fees, the legislation includes language that: First, permit the use of volunteers in fee collection, subject to training and bonding requirements; second, prohibits charging an entrance fee to those 16 years of age or less; third, allow for transportation fees in lieu of an entrance fee in those park units that furnish bus tours of the park; fourth, permit sale of Golden Eagle Passports by private businesses; fifth, require a study of alternative fee pricing to aid in distributing use at parks over a greater portion of the year; and sixth, authorize a higher entrance fee at three specific national park units, namely Grand Canyon, Yellowstone, and Grand Teton.

Last, but not least, H.R. 1320 would continue the current authorization of the historic land and water conservation fund. Since creation of the Fund in 1965, this landmark measure has assisted in over 31,000 projects, protecting many of the important natural and cultural resources of the country and assisting in furthering a wide spectrum of recreational opportunities for the American people.

Mr. Chairman, because of the committee's deadline for filing the report on H.R. 1320, several Members who wished to be added as cosponsors were not able to be officially listed on H.R. 1320, as reported. I want to list these Members because I know they share my interest in furthering a sound policy with regard to recreational use fees. Mr. LEHMAN of California, Mr. SCHULZE, Mr. YATRON, Mr. SCHEUER, Mr. KILDEE, Mr. OWENS, Mr. BEVILL, Mr. RICHARDSON, Mr. CLARKE, Mr. MRAZEK, Mr. DARDEN, Mr. HOWARD, Mr. KOLTER, Mr. LAGOMARSINO, Mr. CHENEY, and Mr. HUCKABY.

The broad spectrum of Members who have cosponsored H.R. 1320 is indicative of the bipartisan support in furthering the national conservation policy objectives contained in the legislation. While there is not complete unanimity, both philosophically and

politically, with this legislation we have before us a measure that I believe is worthy of this House's support and I urge the adoption of H.R. 1320, as reported by the committee.

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

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

Mr. Chairman, I urge my colleagues to support this legislation, because we have an obligation to maintain America's national parks for the sake of today's park users and tomorrow's visitors as well.

The continuing resolution passed by the 99th Congress took a step in the right direction by adjusting park entrance fees and by improving the formula governing the spending of fee revenue. But that was only a temporary measure, and it will expire later this year. During the past 3 months, Members from both sides of the aisle have worked out a careful compromise that provides for a permanent nationwide system of park entrance fees.

This bill would enact a fee system adequate to reflect the present and future needs of America's national parks, recreation areas, and historic sites. It also gives authority to the National Park Service to retain every cent that is collected at park entrance stations.

The old system was a deception, because most park visitors must have thought that the money they handed to the ranger at the entrance kiosk would somehow be spent at the park where it was collected. But instead, entrance fee revenue went elsewhere. Under the formula in this bill, each park that collects entrance fees will keep half of the revenue. The other half will be distributed by the National Park Service to all its units. This bill assures that the money will be spent where it's needed.

We must provide the professional park managers with the resources to protect and maintain the natural wonders that are the pride of America's National Park System. The fees provided in this bill are, by any measure, a bargain. At most parks, the fee would be a maximum of only $5 for a carload of visitors. Because Yellowstone, Grand Teton, and Grand Canyon are so clearly destination parks, the fees at those three parks would be capped at $10 for a car full of visitors.

Ten dollars is all a family of four would pay to visit both Yellowstone and Grand Teton parks for a week. That is remarkably reasonable, especially if you compare it to the cost of lunch at a fast food restaurant or the cost of a few rolls of film. And for people who live near a national park, the bill authorizes a $15 pass for unlimited visits all year long.

Mr. Chairman, it is essential that we preserve the natural resources of America's parks. It is equally important that we maintain park visitor facilities. I urge my colleagues to support a permanent system of park entrance fees before the temporary system expires. I urge my colleagues to support this legislation.

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

Mr. VENTO. Mr. Chairman, I yield 4 minutes to the gentleman from California [Mr. LEVINE].

□ 1520

Mr. LEVINE of California. Mr. Chairman, I am here first to compliment the gentleman from Minnesota [Mr. VENTO], as well as the bipartisan leadership of the Committee on Interior and Insular Affairs, for the compromise that they have struck on this legislation.

It is a good bill and a bill that accomplishes a number of important objectives that have been accomplished with a very thoughtful bipartisan effort.

I have personally, Mr. Chairman, been concerned about one significant aspect of this bill which I would like to bring to the attention of my colleagues and place in the RECORD on the House floor. This is language that is contained on page 7 of the committee report, where the report states that "the Committee believes it would be appropriate for the Secretary to establish a priority program at one or two park units where overnight camping or lodging is not permitted to study the feasibility and desirability of such a proposal" where free access for indigent persons or families could be established in the National Park System.

Mr. Chairman, I do not think anybody on this floor ever wants to see a fee at a national park preclude any American from the ability to enjoy the marvelous wonders of our National Park System. Although we did not specifically craft in legislative language an indigent program, I do think the report language sufficiently encourages the department to look into the feasibility of a program whereby no person would be deprived of access to our parks because of the inability to afford it.

I simply want to underscore the importance of this report language and strongly suggest to the department, in implementing this legislation, that they proceed along these lines vigorously so that no American will ever be deprived of the ability to see our parks because of any economic hardship.

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

Mr. LEVINE of California. I yield to the gentleman from Minnesota.

Mr. VENTO. Mr. Chairman, the gentleman has worked hard to bring this point home to the subcommittee and to the committee, and certainly I think that all of us are concerned about the impact or imposition of any type of entrance fee in terms of discouraging individuals from access to the parks.

While we have frozen the fees in this bill generally at the $5 and $3 level, and slightly higher, at the $10 level for the Grand Canyon and for Yellowstone/Teton combination, the fact is that we have put this language in the report that we hope the Park Service will look at and explore the possibility of, in fact, providing an opportunity where there may be some concern where fees are put in effect and they may limit access.

We do not think that they will do that, especially since we have put the prohibition in with regard to urban areas.

I would just like to point out to the gentleman section 4 of the Land Water Conservation Fund language, which is referenced in the legislation before us, but is in the existing law, and, of course, will be continued by this measure.

That points out, in clause (d):

> All fees established pursuant to this section shall be fair and equitable, taking into consideration the direct and indirect cost to the Government, the benefits to the recipient, the public policy or interest served, the comparable recreation fees charged by non-Federal public agencies, the economic and administrative feasibility of fee collection and other pertinent factors. Clear notice that a fee has been established pursuant to this section shall be prominently posted at each area and at appropriate locations therein and shall be included in publications distributed at such areas. It is the intent of this Act that comparable fees should be charged by the several Federal agencies for comparable services and facilities.

That means that they will be equitable with those that are charged in surrounding outside areas.

Furthermore, of course, this legislation does not anticipate that we would have a significant growth in the number of fees or that we would exclude people on the basis thereof, and it does propose the desirability of trying some various means to other parks.

I might say again that it only imposes fees on about 130 out of the 338 parks.

Mr. LEVINE of California. Mr. Chairman, I thank the gentleman and again the minority, as well, for including this in the report language. I anticipate that this will result in an equitable process.

Mr. CHENEY. Mr. Chairman, I yield 3 minutes to the gentlewoman from Nevada [Mrs. VUCANOVICH].

Mrs. VUCANOVICH. Mr. Chairman, thanks to my colleagues from Arizona and Minnesota for introducing this legislation. I rise in support of H.R. 1320, a measure to amend and reauthorize the Land and Water Conservation Fund.

This bill would reauthorize the fund at its current level of $900 million annually through the year 2015. It will reestablish special recreation-fee accounts for the seven Federal land managing agencies which collect recreation fees. These fees will then be made available to the agencies for resource protection, research and maintenance of facilities.

The Land and Water Conservation Fund has been a way to provide Federal and State governments with the means to acquire land for public recreation. It is funded primarily with revenues from Outer Continental Shelf mineral leasing and well as from entrance fees.

In my State of Nevada the Land and Water Conservation Fund has assisted in some very important projects, one of the most recent being the acquisition of land to expand the Red Rock recreation area in the southern part of the State. Red Rock is a magnificant area that is visited by thousands of tourists annually and extensively used by the local folks. On a much smaller scale, the tiny town of Carlin, NV has just applied for matching grant funds to construct a public swimming pool.

This is an important fund for the people of my State, as well as for the country. It is a good bill and I urge its passage.

Mr. VENTO. Mr. Chairman, I yield 4 minutes to the gentleman from Pennsylvania [Mr. FOGLIETTA].

Mr. FOGLIETTA. Mr. Chairman, I rise today in favor of H.R. 1320, the Land and Water Conservation Act Amendments of 1987. This is a very important bill which brings about consistency in our National Park System, and ensures all Americans access to our natural resources.

Our National Park System is one of the country's most treasured resources. From Independence National Historical Park in Philadelphia, PA, to Klondike Goldrush National Historical Park in Alaska, millions of Americans enjoy our national preserves each year.

The maintenance of our national parks is not inexpensive, but it is a responsibility that the Federal Government should continue to uphold.

I am not opposed to the idea of entrance fees, but I do feel the National Park Service has been inconsistent in implementing their program.

There are certain areas in which everyone should have free access. A perfect example is Independence National Historical Park in Philadelphia. This park is the birthplace of our Nation. It is the home of the Liberty Bell, the location of the signing of the Declaration of Independence, and the signing of the U.S. Constitution. It is one of the most sacred places in this country, full of the history of how our Nation was born.

Last year, the National Park Service announced its intention to charge an entrance fee at Independence Park. This proposal was especially distressing because it was to be implemented this year, the Bicentennial of the Signing of the United States Constitution. 1987 in particular should be a year when all Americans take part in the recognition of this document, which has no rival in the world. To charge a fee at the place where the U.S. Constitution was drafted and signed, excluding people from the enjoyment of this educational experience would be a tragedy. There has been overwhelming agreement that this proposal was misguided, and the Secretary of the Interior has agreed to rescind it.

I use this example to show the inconsistent manner in which the park service has gone about implementing its fee program.

This bill goes a long way toward rectifying this situation. H.R. 1320 establishes a fair and equitable system of charges at our national parks. It protects the interests of both the elderly and the young by providing them with free access. It also takes into account the important role of national parks in urban areas and protects them from entrance fees.

At the same time, this bill recognizes the need for responsible fees at certain national parks units. It requires the National Park System to submit a full outline of its plans, to be reviewed by the appropriate House and Senate committees.

This bill ensures that the revenues from these fees will not replace regular appropriations, but will supplement them and enable parks to improve their facilities. It provides for an equitable allocation of these revenues for all parks, and for the specific parks where fees are collected.

In conclusion I wish to state that the Land and Water Conservation Act Amendments are a fiscally responsible means of protecting this Nation's natural resources. They will ensure that our national treasures remain viable and accessible. I am proud to be a cosponsor of this legislation and I commend the chairman and his subcommittee on the work they have done.

□ 1530

Mr. CHENEY. Mr. Chairman, I have no further requests for time on this side of the aisle, and I reserve the balance of my time.

Mr. VENTO. Mr. Chairman, I yield 2 minutes to the gentleman from New Jersey [Mr. GUARINI].

Mr. GUARINI. Mr. Chairman, I want to compliment my good colleague, the gentleman from Minnesota, Mr. BRUCE VENTO, and his fine committee for this sound legislation and recognize the efforts of the Senator from New Jersey, Mr. BILL BRADLEY, for taking a special interest in eliminating the fee of $1 for every American to visit the Statue of Liberty. Although I am in complete agreement with this bill, I just want to limit my comments to those concerning the Statue of Liberty as symbolizing the significance of the bill itself.

As Representative of the Statue of Liberty's home district, I have a special interest in free access to this national monument. For over a century now the Statue of Liberty has symbolized the freedom which all Americans enjoy. I consider the imposition of a fee at the entrance of the Statue of Liberty, which is second only to the American flag in the minds and hearts of our fellow Americans, to be both inappropriate and unfitting.

A users' fee at our Nation's urban parks is nothing more than another tax. The taxpayer is already paying almost $1 billion in appropriations for America's parks, and any visitor to the Statue of Liberty will accordingly be taxed twice.

The American public has contributed generously to renovate and restore the Statue of Liberty. It now stands in the forefront of our country's national symbols as a place belonging to all our citizens. Generations of Americans, countless immigrants and millions of newcomers to our shores have embraced this monument to the opportunity which our land possesses. There is indeed a part of every American in this statue.

It is wrong to place a price tag on Liberty and impose a fee at this focal point of our national consciousness. Mr. Chairman, the $1 fee at the entrance of the statue is a slap in the face to all those who reached into their pockets to support the Centennial Commission's plans to renovate Lady Liberty.

The Statue of Liberty is distinctly a National Park Service facility in one of the most densely populated urban areas of the United States. The public should not be restricted from visiting this monument which provides the residents of this great metropolitan area with needed recreational space.

In addition, the Statue of Liberty should represent the bounty which our Nation makes available to all its citizens. This gift from France was intended to commend our Nation's founders for their perpetual commitment to the principles of freedom. Any restrictions on public access to this place simply will not do.

Mr. Chairman, I would also like to say that it is inspirational, it is educational, and it is cultural. It would be like charging a fee to visit the public library in any of our communities. It would be like paying a fee to visit the U.S. Capitol itself.

Mr. Chairman, we all recognize that the Statue of Liberty holds a unique

place among the sites held in trust by the National Park Service. As a symbol commemorating our Founding Fathers' commitment to the principles of freedom, it offers a vast opportunity to deepen our sense of pride. Our national parks were not intended to be revenue raisers, but rather sites bestowing cultural and educational benefits to both the rich and the poor alike. To charge admission would hurt poor and large families the most. A dollar per head reduces this national monument to the level of crass commercialism and cheapens the very purpose of Lady Liberty especially in the Bicentennial Year of the Constitution, when great efforts are being taken to renew our dedication and commitment to the principles of our great land.

Let the young and old, rich and poor enjoy a day's outing in Liberty Park, visit Ellis Island, pay tribute to Lady Liberty, in a truly American spirit without having to reach into their pockets. I urge my colleagues to support this measure, to do otherwise would be a national shame.

Mr. VENTO. Mr. Chairman, will the gentleman yield to me?

Mr. GUARINI. I yield to the gentleman from Minnesota.

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

I think this points out one of the problems we have is that very often people do pay to go out on the boat to make it to the island. The problem is that once they are there, they can go into the gift shop and do a lot of other things, they can walk around the island, but except for the price of a fee they may not go inside the statue. That is the type of problem we are going to run into again and again.

Furthermore, the gentleman's observations with regard to fund raising for the Statue of Liberty and Ellis Island are exactly right. Here we have had a private fund raising effort for the Statue of Liberty that raised nearly $90 million to renovate it and repair it. Now, of course, instead of permitting those families that have in essence paid for that to be able to enjoy it when they make their infrequent trips to New York, they have to pay that extra dollar. I just think that is inappropriate.

Mr. GUARINI. Mr. Chairman, I agree with the gentleman. I think deep in the hearts of all Americans they would like to feel they have access to Lady Liberty, the Statue of Liberty, Ellis Island, and many of our national park services, and to be able to put it on a commercial basis is nothing short of crass commercialism.

Mr. VENTO. Mr. Chairman, I yield 2 minutes to the gentleman from Hawaii [Mr. AKAKA].

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

Mr. Chairman, I rise in opposition to this measure and the imposition of national park entrance fees.

Several weeks ago, I testified before the Subcommittee on National Parks and Recreation regarding my concerns about the collection of fees to enter national parks in Hawaii. I appreciate the committee's attention to some of my concerns and its inclusion of report language to address these issues.

In its report to accompany H.R. 1320, the Interior Committee has focused on two problems regarding the implementation of park fees in Hawaii: The use of parkland for religious purposes by Native Americans and commuting through park units. I am pleased that the committee "concurs in the National Park Service policy of permitting Native Americans free entry into * * * areas for religious purposes." Likewise, I am grateful that the committee has encouraged the Park Service to resolve the matter of crossing parklands for commuting purposes only in an expeditious and satisfactory manner.

The report language, quite frankly, is not enough. I remain adamantly opposed to the collection of fees to enter our national parks and intend to vote against H.R. 1320.

In taking this action, I am accurately representing the views of over 800 constituents who have contacted me to voice their opposition to entrance fees. Representatives from Native Hawaiian groups have written to me about the entrance fees. The mayor of the county of Hawaii has expressed his opposition to the fees. Elementary school students, tour operators, and members of both the Leleiwi Community Association and the Volcano Community Association have all contacted me. Their's is a loud, clear and organized voice opposing the collection of fees to enter our national parks.

I strongly agree with my constituents. It is unfair to force taxpayers who have paid for these parks with their hard-earned tax dollars to accept a fee to enter them. Why must our citizens pay to use the land they already own? Our parks are our Nation's greatest treasure, enjoyed by millions of Americans. The parks provide the opportunity for outdoor recreation, which is increasingly important in today's hectic world. We should not be restricting the use of these family recreational opportunities in any fashion.

The existing park entrance fees are regressive and could potentially deny many low-income Americans the right to visit our national parks. These avenues of recreation and enjoyment must not be closed to those less fortunate. They, too, are entitled to open access to our country's national parks.

My constituents are also concerned about the effects that entrance fees may have on the preservation of their religious beliefs and cultural heritage. For Hawaii's residents, the significance of her national parks transcends their recreational value. Hawaii Volcanoes and Pu'uhonua o Honaunau, for example, have played a meaningful role in Native Hawaiian culture and religion for over a thousand years. Aside from their historical importance, these areas have a profound relationship to Hawaiian legend, spirituality and unique traditional observances. While the committee has encouraged the National Park Service to waive the payment of entrance fees for Native Hawaiians when exercising their religious beliefs, it is clearly difficult to implement such a policy in an equitable manner.

The National Park Service oversees about 245,000 acres of Federal land in Hawaii. Our State is small in size when compared to its mainland counterparts and is separated from the rest of the United States by a vast ocean. My constituents cannot simply get in their cars and drive across State lines to visit a nearby national park. Many Hawaii residents never leave the State or, for that matter, the island where they were born during their lifetime. The National Park Service is currently collecting entrance fees at the three park units in Hawaii which comprise all but 58 acres of the Federal land managed by the Service. I question the fairness of charging fees to residents to enter virtually every acre of Federal parkland within their access.

I honestly believe the people of Hawaii deserve better and urge my colleagues to join me in opposing H.R. 1320.

Mr. Chairman, I want to commend the chairman of the full committee, the gentleman from Arizona [Mr. UDALL], and also my friend, the gentleman from Minnesota [Mr. VENTO], who has done a good job as chairman of this subcommittee. I want to thank the subcommittee chairman for his effort in helping the people of Hawaii in placing language in the bill, language that would permit Native Americans free entry into the parks for religious purposes and would allow waiver of entrance fees for bona fide educational and scientific purposes.

This will certainly help the people of Hawaii in understanding what the committee is trying to do, and I want to commend the committee for this.

Also I want to tell the committee that, since this bill has been offered I have received about a thousand letters from constituents of mine who are opposing the fees.

Mr. VENTO. Mr. Chairman, will the gentleman yield to me on the remainder of his time?

Mr. AKAKA. Certainly, I yield to the gentleman from Minnesota.

Mr. VENTO. Mr. Chairman, let me say that I know the gentleman from Hawaii has appeared before the sub-

committee and has worked diligently to work an agreement whereby those who were going to enter public parks for religious purposes, those who had to cross park property for access to work, or those who would follow the daily routine in terms of commuting would not have to pay the fee. Now, very many of them may choose to do so, but obviously they have a right to avoid it.

This was the same problem that was brought up by the gentleman from Utah [Mr. HANSEN], in the subcommittee, as well as by the gentleman from Montana [Mr. MARLENEE], in terms of this commuter traffic that sometimes goes through the parks. The gentleman from Hawaii, I understand, was not completely satisfied with our responses and the fact that this bill does not completely waive the fees for all in Hawaii, but we hope that this will at least deal with the most acute problems the gentleman had.

Mr. Chairman, I want to thank the gentleman from Hawaii for his cooperation in this endeavor.

Mr. Chairman, I yield 3 minutes to the gentlewoman from California. [Mrs. BOXER].

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

Mr. Chairman, I am pleased to offer my support for and endorsement of this important bill, but first I wish to clarify one point with the chairman of the subcommittee, Mr. VENTO. Am I correct in my understanding of H.R. 1320 that these amendments to the land and water conservation fund expressly prohibit the Park Service from requiring entrance or user fees for urban parks units for which no fees were collected prior to Sept. 30, 1986?

Mr. VENTO. Mr. Chairman, if the gentleman will yield, that is correct.

Mrs. BOXER. The provision protecting parks units in urbanized areas from fees and that such parks remain free and open to the public is important and commendable. I would like to clarify the applicability of this provision to two California parks—Golden State National Recreation Area and Point Reyes National Seashore. In your bill, the provisions of the enabling legislation for both of these parks prohibiting the collection of fees has been repealed and these parks are to be brought under the provisions of H.R. 1320. Is that correct?

Mr. VENTO. Mr. Chairman, if the gentleman will yield, that is correct.

Mrs. BOXER. Both parks serve the San Francisco metropolitan area and its some 5 to 6 million people; both parks are accessible by mass transit. Both parks are heavily used—providing important sources of recreation and other amenities to the population of the bay area. It is clear to me that both parks fall within an urbanized area. Is it your understanding and intention that these two parks fall within the definition of an urbanized area for purposes of your bill?

Mr. VENTO. Yes, it is.

Mrs. BOXER. It is your intention, therefore, that there will be no entrance fees charged at either park and that the Park Service, according to the terms and conditions of your bill, will be prohibited from charging entrance fees at either park?

Mr. VENTO. That is my intention, Mr. Chairman.

Mr. KOSTMAYER. Mr. Chairman, I rise in support of H.R. 1320, legislation to amend the Land and Water Conservation Act of 1975. This bill will revise the current system of entrance fees at our national park units and would extend for a period of 25 years the land and water conservation fund, one of our most important national conservation initiatives.

Mr. Chairman, this legislation addresses in a fair and equitable manner the concept of park entrance fees. Philosophically, I and other members of the National Parks Subcommittee are not opposed to park entrance fees under certain circumstances. What we are opposed to however, is the administration's highly subjective approach to initiating these fees at certain parks.

Of particular concern to me is Independence National Historical Park in Philadelphia. On September 17, 1987, the Nation will celebrate the bicentennial of the signing of the Constitution. Many special events are planned to commemorate this very historic event. All eyes will be on Philadelphia where a joint session of Congress is also planned and thus I find the charging of admission fees at Independence particularly untimely.

I object to the administration's plan to charge at this and other urban parks simply because such a system is easier to implement and administer. I find less objectionable, however, the charging of admission fees at parks that are clearly destination points in and of themselves, such as Yosemite. Parks such as Yosemite also differ from Independence in that a purely recreational experience is provided as compared to the historical and educational experience offered by our national shrines. However, in so doing, we must be careful to ensure that these fees are affordable to the average American.

This legislation also addresses yet another important issue—that of entrance fees versus user fees. Again, I think the Congress accepts the concept of entrance fees at certain parks, provided it is done so fairly, and provided the parks remain affordable. However, the fees collected should be used to supplement the budget of the National Park Service, not to replace moneys that have been eliminated by the administration. Our system of national parks should not be dependent on fee revenue for continued operation and maintenance. Instead, revenues collected should go to the enhancement of existing park operations. H.R. 1320 addresses this issue by stipulating that all revenues generated by the program are returned to the park system for the sole purpose of enhancing park operations, not to a general operating account.

Mr. Chairman, this legislation resolves once and for all, in a fair and equitable manner, the question of park entrance fees. It also provides a 25-year reauthorization of one of our most important cultural and natural protection programs and I urge the support of my colleagues for this important legislation.

Mr. LAGOMARSINO. Mr. Chairman, I rise in strong support of H.R. 1320, to provide permanent authority for recreation fee collection at national park units. There is no doubt that more Americans are taking vacations today and many of them are deciding to see the national treasures of the United States rather than travel abroad. As visitation continues to increase at our national park units, the resources and infrastructures at many units are being strained to the limit. Unfortunately, Federal expenditures have been unable to keep pace with this increased use due to the fiscal constraints facing the Federal Government. The combination of these factors has resulted in a serious crisis for our National Park System. H.R. 1320 seeks to address this grave situation by providing a workable solution.

The bill contains a number of important provisions. These include: First, capping fee levels at $5 per vehicle or $3 per person, except for three of the larger and more popular western parks—Grand Canyon, Grand Teton, and Yellowstone National Parks where the cap is $10 per vehicle or $5 per person; second, increasing the fee for the Golden Eagle Passport, or annual general admission permit to the national parks, from $10 to $25; third, authorizing a park-specific annual pass for a fee of $15; fourth, exempting urban area parks from fees; fifth, requiring reports to Congress by the National Park Service on the fee schedule and any proposed changes; sixth, permitting volunteers to collect fees after adequate training and bonding; seventh, requiring the fee revenue to be returned to the National Park Service through the appropriations process for resource protection, research, and interpretation activities at all park units; and eighth, reauthorizing the Land and Water Conservation Fund Act for 25 years.

I believe it is particularly important to note that this bill establishes a fair and equitable formula for the distribution of the fee revenue. Under the bill's provisions, 50 percent of the fees collected would be returned to the collecting units on a proportionate basis and 50 percent would be distributed to all of the national park units based on each unit's proportion of operating expenses. By returning a portion of the fees to the collecting parks, this formula encourages more effective fee collection by the National Park Service and fosters a spirit of cooperation among park visitors who are more willing to contribute to the fee program if they are directly assisting the park they are visiting.

The language on the distribution of the fee revenues was recently modified as a compromise between Appropriations and Interior Committee members. It now requires the appropriation of the revenue to the Park Service in the fiscal year following its collection rather than a direct return of the funds to the agency. While this language obviously provides the Appropriations Committee and Congress discretion over how the revenue will be used in the areas of resource protection, re-

search, and interpretation, it is my hope that the Park Service will be able to provide input on this matter and be given some degree of flexibility on the use of the revenue. Furthermore, I am hopeful that the Congress, and particularly the Appropriations Committee, will ensure that the total amount of the fee revenue is returned to the Park Service as an addition to, rather than an offset of, the agency's regular appropriations. This is clearly the intent of the legislation and if carried out, will improve the efficiency and effectiveness of the fee collection program.

Under the 1987 continuing resolution—Public Law 99-591—the National Park Service [NPS] was permitted to increase existing entrance fees and establish new entrance fees for a 1-year period at all national park units, except urban recreation areas and those units where entrance fees were prohibited by law. Entrance fees were frozen by law in 1979 and had not been increased since 1972.

Unfortunately, this has resulted in problems for the national parks. Fee increases are long overdue and are clearly needed. Therefore, the gentleman from Alaska [Mr. YOUNG] and I introduced fee legislation—H.R. 1542—this year which embodied the administration's fee proposal and which we felt was a good solution to the problem. Our colleague, the gentleman from Wyoming [Mr. CHENEY], who has also been very interested and active in the recreation fee issue, also introduced a very similar bill—H.R. 1089—this year. Hearings were held on these bills and on H.R. 1320 by the Interior Committee earlier this year. Following the hearings, a compromise between the bills was reached. Although the compromise which is before us does not include all of the provisions of our fee bills, H.R. 1320, which will raise an estimated $55 million in fee revenues in fiscal year 1988, will greatly assist in alleviating the strain on the resources and infrastructures at many national park units.

I believe H.R. 1320 is a good compromise and a solid solution to the funding and overuse problems facing the national parks today. While it may very well need to be fine tuned in the future, the bill provides this necessary flexibility. Safeguards are included in the bill to insure that the fee levels will be fair and reasonable to prevent the fee program from creating a financial hardship for visitors to our national park units. And, along this same line, urban park units are exempted from fees. In addition, fees are proposed to be charged at only about half of the units within the National Park System. Furthermore, the administration strongly supports the fee concept embodied in H.R. 1320 and is pressing for congressional passage of fee legislation this year. Passage of H.R. 1320 will help to preserve and protect the natural and cultural resources of our National Park System, improve and maintain park visitor facilities and enable a high quality visitor experience—the type envisioned when the Park System was created—all at no additional cost to the Government.

For these reasons, I urge all of my colleagues to support and vote for this important bypartisan legislation.

Mrs. SAIKI. Mr. Chairman, I rise in opposition to the bill.

Mr. Chairman, I am opposed to H.R. 1320 for several reasons. The provisions of this bill which mandate the collection of admission fees at our national parks are not considerate of the unique system of national parks in Hawaii. In Hawaii, we are fortunate to have several wonderful parks in the National Park System. Many of these parks serve, not simply as a tourist attraction, but also as a community resource and as a site for native Hawaiians to hold ceremonies of religious and cultural significance. In particular, the Hawaii Volcanoes National Park, the Haleakala National Park, and the Pu'uhonua o Honaunau National Historical Park are used in this way. For native Hawaiians, paying an admission fee for these parks is like paying to go to church.

The National Park Service has thus far exempted native Hawaiians from admission fees if they enter the parks for religious purposes or for subsistence fishing. I endorse this policy and trust that it will continue. It is my understanding from discussions with my colleagues on the Interior Committee that nothing in this legislation jeopardizes the continuation of this policy, and that the Congress endorses this approach.

However, my own view is that the current policy does not go far enough, and that Hawaii residents should be exempted from paying admission fees to enter Hawaii national parks. These parks are a community resource, a cultural center for our families to gather and work to preserve Hawaiian heritage. In addition, Hawaii is unique in that we are an insular State, separated from the mainland by thousands of miles of ocean. Our residents cannot get in their cars and drive to a national park in California or Montana. Therefore, it is particularly important that our residents not have to pay to enter the parks in Hawaii.

I regret that I cannot support the approach brought to the House floor today. I hope that, if this measure is defeated, a new version of the bill will be reported quickly which takes into account Hawaii's unique situation.

□ 1540

Mr. VENTO. Mr. Chairman, I yield 1 minute to the chairman of the committee, the gentleman from Arizona [Mr. UDALL].

Mr. UDALL. I thank the gentleman for yielding me this time.

Mr. Chairman, the subcommittee, under Chairman VENTO with the cooperation of Mr. CHENEY, MR. HANSEN, and Mr. LAGOMARSINO, and others, have pulled the teeth of what little controversy we had in this bill and it is now in the form of what we try to do in our committee, and that is to have solid, bipartisan support for the bill.

I might just put a touch of history in here. In 1964, the environmental and conservation movement was really coming of age and we passed a number of important bills, including the Wilderness Act that year. Little noticed was the Land and Water Conservation Fund Act in 1964, which was based on an interesting rationale. The Government owns billions of barrels of oil on the Outer Continental Shelf, and someday, not too far in the future I am afraid, we are going to pump all that oil out and we will have nothing left. But the land and water conservation fund said let us take a piece of that revenue from the Outer Continental Shelf that we all own; let us use it only to buy land, and beaches, and waters, and resources, and when we get all the oil and gas pumped out, we will have something left.

This has produced little parks, and State parks, and Federal parks; half the money goes to the States. I saw a printout once of just my district in Arizona where there was a couple of hundred little parks and small units that were, in part, paid for by the land and water conservation fund.

The fund is a good idea; it has not only the oil resources, but it has the resources of the fees that are charged and the places where they will be charged under the limitations we have adopted. It has a few other miscellaneous sources, including the motor fuel tax used on boats that otherwise would go to the highway fund.

So this is a good bill; a good result. I congratulate everybody, and we have struck a blow today for environment, and good living, and all the other things the environmental movement stands for.

Mr. CHENEY. Mr. Chairman, before I yield back the remainder of my time, let me reiterate something I said at the outset. It has been a pleasure to work with the distinguished chairman of the subcommittee, Mr. VENTO, on this particular measure. It is a bill that folks in Wyoming have been interested in for some time.

I also want to thank the distinguished vice chairman or ranking member of the committee, Mr. LAGOMARSINO, who, as I mentioned before, would be here today to manage the bill but he is unavoidably detained in a markup in another committee.

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

Mr. Chairman, I would like to pay my compliments to Mr. LAGOMARSINO who is not here. He has worked very hard on this as well as Mr. CHENEY. I would also like to commend the distinguished chairman, Mr. UDALL, who has also been instrumental in terms of guiding us along the path dealing with this important issue. They have all been essential for us to bring a bipartisan bill to the floor today.

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

The CHAIRMAN. All time has expired.

Pursuant to the rule, the committee amendment in the nature of a substitute now printed in the reported bill is considered as an original bill for the purpose of amendment, and is considered as having been read.

The amendments printed in section 2 of House Resolution 135 are considered as having been adopted. No other amendments to said substitute are in

order except the amendments printed in House Report 100-35, if offered by the Member indicated in said report or his designee.

The amendments shall not be subject to amendment, and each amendment shall be debatable for 30 minutes.

The text of the committee amendment in the nature of a substitute, as amended by section 2 of House Resolution 135, is as follows:

H.R. 1320

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be referred to as the "Land and Water Conservation Fund Act Amendments of 1987".

SEC. 2. PARK SYSTEM ADMISSION FEES: USE OF RECEIPTS.

(a) Section 4(a) of the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 4601-6(a)), is amended as follows:

(1) Paragraph (1) is amended by striking out "$10" and inserting in lieu thereof "$25" in the first sentence.

(2) Paragraph (1) is further amended by striking out "(1)" and inserting in lieu thereof "(1)(A)" and adding the following new subparagraph:

"(B) For admission into a specific designated unit of the National Park System, or into several specific units located in a particular geographic area, the Secretary is authorized to make available an annual admission permit for a reasonable fee. The fee shall not exceed $15 regardless of how many units of the park system are covered. The permit shall convey the privileges of, and shall be subject to the same terms and conditions as, the Golden Eagle Passport, except that it shall be valid only for admission into the specific unit or units of the National Park System indicated at the time of purchase.".

(3) Paragraph (2) is amended by adding the following sentences at the end thereof: "The fee for a single-visit permit at any designated area applicable to those persons entering by private, noncommercial vehicle shall be no more than $5 per vehicle. The single-visit permit shall admit the permittee and all persons accompanying him in a single vehicle. The fee for a single-visit permit at any designated area applicable to those persons entering by any means other than a private noncommercial vehicle shall be no more than $3 per person. The maximum fee amounts set forth in this paragraph shall apply to all designated areas except those specified in paragraph (9).".

(4) Paragraph (3) is amended by adding the following new sentence at the end thereof: "Notwithstanding any other provision of this Act, no admission fee may be charged at any unit of the National Park System if—

"(A) the unit is located in an urbanized area; and

"(B) no fee was charged for admission to the unit as of September 30, 1986.".

(5) Add the following new paragraphs:

"(6)(A) No later than 60 days after the date of enactment of this paragraph, the Secretary of the Interior shall submit to the Committee on Interior and Insular Affairs of the United States House of Representatives and the Committee on Energy and Natural Resources of the United States Senate a report on the entrance fees proposed to be charged at units of the National Park System. The report shall include a list of units of the National Park System and the entrance fee proposed to be charged at each unit. The Secretary of the Interior shall establish and include in the report an explanation of the guidelines used in applying the criteria contained in subsection (d).

"(B) Following submittal of the report to the respective committees, any proposed changes to matters covered in the report, including the addition or deletion of park units or the increase or decrease of fee levels at park units shall not take effect until 60 days after notice of the proposed change has been submitted to the committees.

"(7) No admission fee may be charged at any unit of the National Park System for admission of any person 16 years of age or less.

"(8) For purposes of paragraph (3), the term 'urbanized area' means an area consisting of a central city or cities of at least 50,000 inhabitants and the surrounding closely settled area for the city or cities considered as an urbanized area by the Secretary of Commerce for general statistical purposes.

"(9) In the case of the following parks, the fee for a single-visit permit applicable to those persons entering by private, noncommercial vehicle (the permittee and all persons accompanying him in a single vehicle) shall be no more than $10 per vehicle and the fee for a single-visit permit applicable to persons entering by any means other than a private noncommercial vehicle shall be no more than $5 per person: Grand Canyon National Park, Yellowstone National Park, and Grand Teton National Park. In the case of Yellowstone and Grand Teton, a single-visit fee collected at one unit shall also admit the vehicle or person who paid such fee for a single-visit to the other unit.".

(b) Section 4(f) of the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 4601-6a(f)) is amended to read as follows:

"(f) The head of any Federal agency, under such terms and conditions as he deems appropriate, may contract with any public or private entity to provide visitor reservation services. Any such contract may provide that the contractor shall be permitted to deduct a commission to be fixed by the agency head from the amount charged the public for providing such services and to remit the net proceeds therefrom to the contracting agency.".

(c) Section 4 of the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 4601-6a) is amended by adding the following new subsections at the end thereof:

"(i) All receipts from fees collected pursuant to this section by any Federal agency (or by any public or private entity under contract with a Federal agency) shall be covered into a special account for that agency established in the Treasury of the United States. The preceding sentence shall not apply to fees collected by the United States Fish and Wildlife Service. Notwithstanding any other provision of law, amounts covered into such special account for each such agency during each fiscal year shall be available for obligation or expenditure by the agency after the end of such fiscal year, to be used for resource protection, research, interpretation and maintenance activities related to resource protection at facilities managed by that agency at which outdoor recreation is available. The preceding sentence shall not apply in the case of fees collected by the National Park Service (or by any public or private entity under contract with the National Park Service). Amounts covered into the special account for the National Park Service during each fiscal year shall be allocated among park system units in accordance with subsection (j) in the first fiscal year after the year in which such funds are covered into the special account. Notwithstanding any other provisions of law, such amounts shall be available for obligation or expenditure by the Director of the National Park Service to be used in such first fiscal year as follows:

"(1) In the case of receipts from fees collected for admissions to units of the national park system: for resource protection, research, and interpretation at units of the national park system.

"(2) In the case of receipts from user fees collected for units of the national park system: for resource protection, research, interpretation, and maintenance activities related to resource protection at units of the national park system.

"(j)(1) Half of the funds made available to the Director of the National Park Service under subsection (i) in each fiscal year shall be allocated among units of the national park system in accordance with paragraph (2) of this subsection and half shall be allocated in accordance with paragraph (3) of this subsection. Amounts allocated to a unit for any fiscal year and not expended in that fiscal year shall remain available for expenditure at that unit until expended.

"(2) The amount allocated to each unit under this paragraph for each fiscal year shall be a fraction of the total allocation to all units under this paragraph. The fraction for each unit shall be determined by dividing the operating expenses at that unit during the prior fiscal year by the total operating expenses at all units during the prior fiscal year.

"(3) The amount allocated to each unit under this paragraph for each fiscal year shall be a fraction of the total allocation to all units under this paragraph. The fraction for each unit shall be determined by dividing the user fees and admission fees collected under this section at that unit during the prior fiscal year by the total of user fees and admission fees collected under this section at all units during the prior fiscal year.

"(k) When authorized by the head of the collecting agency, volunteers at designated areas may sell permits, and collect fees, authorized or established pursuant to this section. The head of such agency shall insure that such volunteers have adequate training regarding (1) the sale of permits and the collection of fees, (2) the purposes and resources of the areas in which they are assigned, and (3) the provision of assistance and information to visitors to the designated area. The Secretary shall require a surety bond for any such volunteer performing services under this subsection. Funds available to the collecting agency may be used to cover the cost of any such surety bond. The head of the collecting agency may enter into arrangements with qualified public or private entities pursuant to which such entities may sell (without cost to the United States) annual admission permits (including Golden Eagle Passports) at any appropriate location. Such arrangements shall require each such entity to reimburse the United States for the full amount to be received from the sale of such permits at or before the agency delivers the permits to such entity for sale.

"(l)(1) Where the National Park Service provides transportation to view all or a por-

tion of any national park, the Director of the National Park Service may impose a charge for such service in lieu of an admission fee under this section. The amount of any fee imposed under this paragraph shall not exceed the maximum amount of the admission fee which could otherwise be imposed under subsection (a).

"(2) Notwithstanding any other provision of law, half of the charges imposed under paragraph (1) shall be retained by the national park at which the service was provided. the remainder shall be covered into the special account referred to in subsection (i) in the same manner as receipts from fees collected pursuant to this section. Fifty percent of the amount retained shall be expended only for maintenance of transportation sytems at the park where the charge was imposed. The remaining fifty percent of the retained amount shall be expended only for activities related to resource protection at such park.".

(d) Title I of Public Law 96-514 is amended by striking out the following: "Notwithstanding the provisions of Public Law 90-401, revenues from recreation fee collections by Federal agencies shall hereafter be paid into the Land and Water Conservation Fund, to be available for appropriation for any or all purposes authorized by the Land and Water Conservation Fund Act of 1965, as amended, without regard to the source of such revenues.".

(e) Section 402 of the Act of October 12, 1979 (93 Stat. 664), is hereby repealed.

(f) The following provisions relating to fees in specific national park system units are hereby repealed:

Park System Unit(s)	Act	Provision Repealed
Alaska units of national park system.	Alaska National Interest Lands Conservation Act.	Last sentence section 203
Biscayne National Park, Florida	June 28, 1980 (94 Stat. 600).	Last sentence section 106
Boston African American National Historic Site, Massachusetts.	Oct. 10, 1980 (94 Stat. 1846).	Last sentence section 103
Channel Islands National Park, California.	March 5, 1980 (94 Stat. 77).	Section 207
Fort Jefferson National Monument, Florida.	June 28, 1980	Last sentence section 204
Golden Gate National Recreation Area, California.	Oct. 27, 1972 (16 U.S.C. 460bb-3(e).	Section 4(e)
Martin Luther King, Jr. National Historic Site, Georgia.	Oct. 10, 1980 (94 Stat. 1842).	Section 5
Mount Rushmore National Memorial, South Dakota.	Feb. 25, 1929 (45 Stat. 1300).	Last sentence section 3
Point Reyes National Seashore, California.	Sept. 13, 1962 (16 U.S.C. 459c-5(e).	Section 5(e)

(g) The Secretary of the Interior shall assess the extent to which traffic congestion and overcrowding occurs at certain park system units during times of seasonally high usage and shall conduct a study of the following:

(1) The feasibility of reducing vehicular traffic within national park system units through fee reductions for visitors traveling by bus and through other means which could shift visitation from automobiles to buses.

(2) The feasibility of encouraging more even seasonal distribution of visitation.

The study shall include a pilot project to be carried out in Yosemite National Park. For purposes of such pilot project, the Secretary may reduce the fees for admission of various classes or categories of visitors to Yosemite National Park and may reduce the admission fees imposed at the park and may reduce the admission fees imposed at the park during seasons with low visitation. A report containing the results of the study shall be transmitted to the Committee on Interior and Insular Affairs of the United States House of Representatives and to the Committee on Energy and Natural Resources of the United States Senate within 3 years after the enactment of this Act.

SEC. 3. EXTENSION OF LAND AND WATER CONSERVATION FUND.

(a) Section 2 of the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 4601 and following) is amended as follows:

(1) In the matter preceding subsection (a), strike "1989" and sustitute "2015".

(2) In subsection (c)(1) strike "1989" and substitute "2015".

(b) The last sentence of section 3 of the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 4601 and following) is amended to read as follows: "Moneys made available for obligation or expenditure from the fund or from the special account established under section 4(a)(1)(B) may be obligated or expended only as provided in this Act.".

SEC. 4. The President shall submit as part of the annual budget message a detailed list and accounting of all fees received pursuant to this Act by each collecting agency and each collecting unit and shall include proposed distributions of fee receipts from the previous year by function within each unit. Appropriations shall be made as required in this Act. No funds shall be transferred from fee receipts made available under this Act to each unit: *Provided, however,* That in making appropriations, funds derived from such fees may be used for any purpose authorized herein.

AMENDMENT OFFERED BY MR. HANSEN

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

The Clerk read as follows:

Amendment offered by Mr. HANSEN: On Page 10, line 9, add a new paragraph as follows and renumber succeeding paragraphs accordingly:

(4) Paragraph (4) is amended by striking out "without charge" and inserting in lieu thereof "for a fee of $10" in the second sentence, and by striking out "other" in the third sentence.

The CHAIRMAN. Under the rule, the gentleman from Utah [Mr. HANSEN] will be recognized for 15 minutes and the gentleman from Minnesota [Mr. VENTO] will be recognized for 15 minutes.

The Chair recognizes the gentleman from Utah [Mr. HANSEN].

Mr. HANSEN. Mr. Chairman, let me just start out by saying what a pleasure it is to work with Mr. UDALL and Mr. VENTO and Mr. CHENEY and others regarding this piece of legislation. I agree it is overdue and I believe that it is a good piece of legislation, and I generally support it.

I would like to say, however, that I think the time is probably ripe that we could make a minor amendment to it which would make the bill better and probably would help out America in a small way.

I do not know if people realize, Mr. Chairman, that there are two types of parks; there are the urban parks and there is the nonurban parks. The urban park, as we see around this area, the Washington Monument and others such as that, people walk into those parks on a daily basis, and I think it is wonderful that they can do it at no cost to the citizens of America.

On the other side of the coin, Mr. Chairman, there are a lot of us who live out in the West, and in some of those parks people do not walk into those parks. I have yet to see anyone walk into the Grand Canyon and I have spent hundreds of hours seeing people come into that area. I have yet to see them walk into Yellowstone, Zion, Brice, Canyonlands, Arches, and all of those. Those parks are destination parks; they end at a particular point.

Mr. Chairman, the people who come into those parks are those people who have the money to drive there. Now, I have great love and respect in my heart for the senior citizens of America; I think we should protect them.

On the other side of the coin, it is interesting to note that many senior citizens visit these nonurban parks, and how do they get there? They do not hitchhike in there; they do not come on motorscooters. Most of them come in airstream trailers which come by the hundreds, or they come in Winnebagos or they come in other large things.

Normally, if you go there and watch for a while, you will see them pulling a car behind them. You will see them have TV sets, and they move into those camp areas, and if you talk to the superintendents of those parks, they stay there for a long time. They in effect camp; they squat; they stay there and we do not see them move for 2 weeks or so.

Now, I think it is very modest, Mr. Chairman, to just ask that these people who go to the nonurban parks, not the urban parks, just the nonurban parks, could pay $10 at one time. I know that is not much money, but I think we all realize in any situation like the Government or our own homes, we have to be careful and frugal and save our money where we can.

Mr. Chairman, I have here in my hand, from the U.S. Department of the Interior, the National Park Service, a letter from Mr. William Penn Mott, Jr., the Director of the National Parks, and he says this:

> I wish to take this opportunity to reiterate my strong personal support for the Administration's proposed one-time $10 charge for the Golden Age Passport.

Keep in mind, Mr. Chairman, this is a one-time, it only happens once. If a person lives 10 years, it cost him a dollar a year. If he lives 20 years, it is 50 cents a year. It is a pretty good deal.

In fact, it is an excellent deal. This is a situation that the administration asked us to put in.

He goes on to say:

Under existing law, the Golden Age Passport is free to any person 62 years of age or older. It entitles the holder and his party to free entry into all park areas, and it entitles the holder to a discount of 50 percent on all park user charges. It is a lifetime pass.

So, when our folks reach those golden years, as many of us are looking forward to, and you have the wherewithal to go to those Western, urban parks, and please believe me, I am not talking about these parks around here, where you have to get to them to drive where you want to see the grandeur of the Grand Canyon or Zion or Bryce or Yellowstone, and you are going to spend a week and enjoy yourself and walk around, is it too much to ask for a dollar a year or 50 cents a year one time to get that Golden Age pass? That is all we are asking for.

Mr. Chairman, I have never seen a more reasonable amendment than this one at this time asking for this particular charge to go in.

Mr. VENTO. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in opposition to the gentleman's amendment to institute a $10 charge for the Golden Age Passport. When this matter was discussed in the past, proponents of the fees have been quick to point out that their sightings of senior citizens visiting our national parks in Winnebagos and campers.

Surely, they say, these people can afford a fee on the Golden Age Passport. Unfortunately, the seniors in Winnebagos are the exception rather than the rule. The stark fact is that 12.6 percent of our older Americans were below the poverty level in 1985. In fact, of the 8.5 million households over the age of 65, as an example, and, of course, this amendment deals with age 62, but in any case, we have statistics for that; of the 8.5 million households over the age of 62, over 7 million had an annual income below $10,000.

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There were a total of 10.2 million households that had an average income of less than $15,000. These millions of Americans can barely afford basic transportation, let alone a $30,000 or $40,000 Winnebago.

The National Park Service issued 190,000 Golden Age Passports last year. This indeed is a program that is used by older Americans, Mr. Chairman, and yet the Park Service estimates that if they place a charge on this that there will be no change in the number of Golden Age Passports that they issue. That sort of analysis appears to be premised on the assertion that Golden Age Passport applications will remain constant regardless of the fee. The truth is that studies done on older Americans show that when a fee is instituted in a senior program, participation dramatically drops off. That is a fact.

The sad fact is that the first drop-offs are likely to be those who most need it.

A variation of this amendment was offered and defeated in the committee.

Frankly, Mr. Speaker, this is just another instance where the administration proposes to nickel and dime people with what is really a substitute for new taxes on those who are least able to pay, and that is who it is going to have the effect on, just those senior citizens that we do not want it to have the effect on.

I am, of course, opposed to this particular amendment.

Mr. Chairman, I think this is sort of tantamount to placing a charge on for instance people who have paid a lifetime of taxes. It would be like saying that in order to get your Social Security you have to pay a fee in order to apply for that. You have to pay a fee in order to obtain that.

You know, senior citizens have a lot of different unusual expenses. Maybe we give them a break on transportation. Maybe we give them a break in terms of a Golden Age Passport or a free fishing license in my State or other types of benefits; but you know, this population has to pay almost 20 percent of their income in terms of health costs. That is not a cost faced by most middle-income Americans.

It is easy for us perhaps in the middle age of our lives to look ahead and say, "Well, surely I could afford that. Therefore, what is the problem with someone 62 years of age or older?"

This is an attempt to say to older Americans who have worked a lifetime to build our national parks, to build these resources which are literally worth tens of billions of dollars, which as I said are invaluable with regard to cultural, historic and other natural values that they possess, and it would exclude those particular people.

I think we ought to open up the doors of these public lands and let people come in and use them. We do not have an overcrowding problem in the vast majority of those parks. I think we ought to recognize that where there are difficulties and problems, that is another matter.

You know, the final point is, is this a message we want to send to older Americans? Time and time again this past year I have heard the expression that somehow the elderly are wealthy, that the older Americans are the wealthy population. The fact is, and I understand this is a tough time for middle Americans, for Americans with families today, but the problem is that to lower the standards, to take away the benefits we provide for older Americans, the problem is to leave those benefits in place and to raise the benefits to those children and those lower income Americans who are working for minimum wages. That should be the goal of this Congress, not to move for a lower common denominator with regard to benefits, but to bring the benefits up so all Americans can live a decent quality of standard of life.

Mr. Chairman, I submit this amendment deserves to be overwhelmingly defeated today.

Mr. HANSEN. Mr. Chairman, I yield myself 2 additional minutes.

Mr. Chairman, I would not have much trouble agreeing with the gentleman from Minnesota [Mr. VENTO], except that the gentleman missed a very important point. It seems so abundantly obvious that the gentleman was talking about all parks. I would agree with that. There are a lot of people walking in these parks; but what the gentleman missed; which is so obvious to all of us, the gentleman missed what parks we are talking about. If we go back and read the amendment, we are talking about the nonurban parks. We are talking about people who do control a lot of money. We are talking about people who have written to us and said that they are happy to pay their share. We are talking about people that William Penn Mott talked about when he said that so many people come up and try to give him money for these things.

Why should these people not carry their share like everyone else?

I had a hard time seeing this when the point came up about this same amendment. This is not the same amendment that was offered. I do not know where the gentleman gets that idea. The amendment that was offered in the subcommittee was $10 a year. This is $10 for the lifetime of the individual. Even $10 a year I think is the best buy there is that the Federal Government could possibly come up with and this is a super buy.

Again, if we were talking about all parks, I say to the gentleman from Minnesota [Mr. VENTO], I would be with the gentleman 100 percent. I think the gentleman is reasonable and right on, but I surely have a hard time for you folks in the east who do not come out and visit our parks and see who is camped in our areas and see the vast amount of money that is there and all the things that they have, and they cannot shell out $10? I have a hard time believing that.

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

Mr. HANSEN. I am happy to yield to the gentleman from Minnesota.

Mr. VENTO. Mr. Chairman, I certainly understand this amendment is different from that which was offered in the subcommittee, but I would just suggest to the gentleman that the fact is that this will act as an inhibition with regard to individuals utilizing the parks. That is the point. It is the principle that we are dealing with here.

If somebody wants to make a donation, almost all our parks include a donation box. If somebody wants to make that donation, we in fact set up a form where they can make it and receive, for instance, tax breaks and do a variety of other things.

I thank the gentleman for yielding.

Mr. Chairman, I yield 1 minute to the gentleman from California [Mr. MILLER].

Mr. MILLER of California. Mr. Chairman, I rise in support of H.R. 1320, which amends the land and water conservation fund in several important ways and extends this critical program for another 25 years.

The land and water conservation fund is one of this Nation's premiere conservation programs, designed originally to help protect natural resources and create recreational opportunities in this country. It is one of the primary means by which lands are acquired for protection. It is a program which has worked well and should be extended.

H.R. 1320 establishes a rational and consistent system of fees and user charges for units of the National Park System. By and large, this fee system is the same as that approved by Congress last year as part of the continuing resolution (Public Law 99-591). For designated areas, single visit permits will cost $5 per vehicle and $3 per person for persons entering by other means. Golden Eagle permits will cost $25 and the annual fee for a park or group of parks will not exceed $15. Some highly used parks such as the Grand Canyon, Yellowstone and Grand Teton will have slightly higher fees.

Urban park sites for which no fees were charged prior to October 1, 1986, will remain free of charge. This measure is necessary to ensure that sites such as the Washington Monument, the Statue of Liberty, Point Reyes National Seashore and other major urban park sites are readily and easily available to all who wish to visit them.

Of critical importance to the future protection, enhancement, and operation of all parts of the park system, the legislation provides that fees collected shall be returned to park units—without the need for additional congressional action—for operation, maintenance, and other activities. The money collected for use of the park system is, therefore, returned to that system to improve and maintain it. This is intended to supplement rather than replace normal appropriations for the park system. And given the Park Service budget slashing that has occurred during this administration—and the general beating that the Nation's parks have taken, first during the reign of Jim Watt and now during the present regime—this infusion of money is sorely needed and overdue.

Mr. Chairman, I strongly urge my colleagues to join me in supporting this important bill.

Mr. HANSEN. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Virginia [Mr. PARRIS].

Mr. PARRIS. Mr. Chairman, I thank the gentleman for yielding this time. I asked for this time frankly to inquire of the chairman of the subcommittee, if I might, for some information.

As I understand it, and I apologize, I am not a member of this committee, but as I understand it now the current charge being assessed against these persons with the Golden Age Passports is $10. Is that the current practice?

Mr. VENTO. Mr. Speaker, will the gentleman yield?

Mr. PARRIS. I yield to the gentleman from Minnesota.

Mr. VENTO. Mr. Chairman, the Golden Age Passport is available upon application. There is no charge for that application, just as there is no charge for an application for Medicare or for Social Security or for a variety of other programs.

Mr. PARRIS. Apparently I misspoke, and I apologize.

The persons now are charged $10 to go to the nonurban parks, is that not the case?

Mr. VENTO. No, that is incorrect.

Mr. PARRIS. All right, would the gentleman just tell me what the case is?

Mr. VENTO. The certain situation is that upon reaching the age of 62 if a person chooses to apply for this, there is no mandate that they must, but 190,000 Americans do, they may reply and they receive a pass that entitles them to entrance to any of our parks without charge.

Mr. PARRIS. If they do not have one of these, they are charged $10, is that correct?

Mr. VENTO. If they do not have a Golden Age pass, they pay whatever the charge is at the park. That may be $5 it may be $3, and it may be on an individual basis less than that.

Mr. PARRIS. If I understood the gentleman correctly, there are roughly 190,000 of these persons?

Mr. VENTO. One hundred ninety thousand people a year apply for this particular pass of the senior population. There may be many senior members who do not have this particular pass. I hope by virtue of this discussion we can encourage more participation and more people will take advantage of this.

Mr. PARRIS. Do I understand from the gentleman then that there are 190,000 of those Golden Age Passports?

Mr. VENTO. Mr. Chairman, if the gentleman will yield, it is per year.

Mr. PARRIS. Could the gentleman show me how many there are altogether?

Mr. VENTO. I do not have that information, but I think it would be in the millions. I do not know that we can keep track because as the gentleman knows, the actuarial experience above age 62, I could not give the gentleman what the record is, but it is in the millions.

Mr. PARRIS. And when you apply, you apply just one time?

Mr. VENTO. You apply once for the remainder of your life.

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

Mr. HANSEN. Mr. Chairman, I yield 1 additional minute to the gentleman from Virginia.

Mr. PARRIS. Mr. Chairman, I thank the gentleman for yielding this additional time. I have just one other question.

Could the gentleman share with us how much money that raises?

Mr. VENTO. Well, I think the assumption the Park Service is going under, if the gentleman will continue to yield, is that there would be no dropoff in terms of participation if they charged $10. I think the point is, and I realize I am using the gentleman's time, but I think we will have adequate time, that in fact a lot of individuals would not apply, so the amount of revenue would not be different. I think very many of those who apply for this keep it in their pocketbooks and on occasion maybe use it. Obviously there are experiences where those who can afford it do not pay anything, they do not contribute anything, and they end up in the park basically taking space or using it a great deal. I think many simply would take this and not use it very often. That does not mean they use it every year, as a matter of fact.

So I thank the gentleman for yielding.

Mr. Chairman, I yield 1 minute to the gentleman from California [Mr. LEHMAN].

Mr. LEHMAN of California. I thank the gentleman for yielding time to me.

Mr. Chairman, I oppose this amendment. This really is not going to raise a lot of money; that has been brought out. It is going to be insignificant in terms of what it would contribute to the Park Service or the fund. What it is going to do is harass a lot of senior citizens who up until now have received this ability to go into the parks freely. These are people who have paid taxes all of their lives for this opportunity, and now they are going to be charged this $10 fee to obtain the same permit that they used to get for nothing.

I also want to point out that we have yet to see empirical results from any study that has been done on raising the Eagle Passports to $25. I have talked to people who work in the parks collecting those fees, and they indicate that there is a substantial reduction in the number of people who are taking advantage of that. I suggest that we take a look at the results of what happens with raising the fees on that pass before we initiate any fees on this particular pass.

Mr. HANSEN. Mr. Chairman, how much time do we have remaining?

The CHAIRMAN. The gentleman from Utah [Mr. HANSEN] has 6 minutes remaining and the gentleman from Minnesota [Mr. VENTO] has 10 minutes remaining.

Mr. HANSEN. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, may I say in response to the remarks of the gentleman from California [Mr. LEHMAN] regarding the harassment of senior citizens, right now going into a park if they do not have it, they have to stop and apply for it. I hardly consider that much harassment, to add $10 and get the particular fee.

I would just urge the Members of Congress to give this some thought. No one is trying to beat up on senior citizens. That is not it at all. I agree that it is not much money. On the other side of the coin, it comes at a time in this fiscal crunch that we are in that we have to watch our nickels and dimes. I think that most of our senior citizens are very happy to contribute this infinitesimal amount for the opportunity of seeing our beautiful parks.

Again, for the benefit of Members watching from their offices, this does not apply to the urban parks of the East; it applies only to those drive-in parks, the nonurban parks. I think that it is the very least that we can ask these people to pay.

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

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

Mr. Chairman, the fact is that there are many parks in the East where there are charges that are put in place. These parks are the historic parks, the other centers, and in fact there probably are an equal number of parks, because most of the units of the park system are located in the East, even though the great natural parks with the acreage and so forth are located, for instance, in the districts of my colleagues from Utah and Montana and many other States, Alaska and so forth, places where frankly most of our senior population rarely have an opportunity to go.

I would just point out that in this instance we are not talking—the senior citizens who utilize our national parks as a place to visit, as a place of recreation, as a place of vacation, are generally the individuals who cannot afford the lake cottage, who cannot afford the ski chalet, who cannot afford the Shangri-la someplace. In other words, they are depending upon these public parks as the basis for their vacation, recreation, and so forth. These generally are the more moderate or lower income Americans, the moderate-income or lower income senior citizens.

I just submit that that is one dream that I want to keep alive. That is one dream that our committee wants to keep alive for people in our culture. I do not want to begin to charge a processing fee, as it were here, when you get your Golden Age or you get there by virtue of age, you have paid your taxes all your life, it is I think not inappropriate to recognize that and to permit these individuals to enjoy that experience and have that benefit.

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

Mr. VENTO. I yield to the gentleman from Missouri.

Mr. VOLKMER. Mr. Chairman, I have been listening to the debate, and I was just curious, there is a question in my mind that has not been answered.

Right now we have somewhere I suppose from three-quarters of a million to a million senior citizens who presently have the Golden Age Passport who can go into the Federal parks without charge. Is that correct?

Mr. VENTO. That is correct.

Mr. VOLKMER. Under the amendment, would those people have to pay the $10, or are they going to be able to keep theirs?

Mr. VENTO. No, it would just be on the individuals I believe when their birthday changed to that age.

Mr. VOLKMER. I would like to make a statement then. It appears that we are going to have two classes of senior citizens out there. We are going to have one group that is going to be able to continue to go free, and we are going to have another group that are going to have to pay $10. I do not think that that is very fair.

Mr. VENTO. I tend to see the gentleman's point, and it does create sort of a two-class system here. I think that the answer is to provide the opportunity to continue to receive that on the basis of reaching that age and having paid those taxes all your life, and I hope that the House sees it that way.

Mr. Chairman, I have no further requests for time.

Mr. HANSEN. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, I would like to point out that we have that same problem of two classes of people everywhere we go. In the military we have that, if we say that we are going to draft from a certain age. We have that in a hundred different places. We have that under tax laws. We have that under civil and criminal law. We have that everywhere we have two classes of people. Why are we making any difference now? Somewhere you draw lines in this thing. I think that we could let this thing go on forever, but I think that I will acquiesce.

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

Mr. LAGOMARSINO. Mr. Chairman, I rise in support of the amendment by my good friend and colleague from Utah, Mr. HANSEN. This amendment, which would require a one-time charge for the Golden Age Passport for senior citizens 62 years of age and older, is a fair and reasonable proposal. While I certainly feel our Nation's senior citizens should be accorded some special privileges to visit our national parks, I believe this amendment still allows these privileges while providing additional revenue to assist in protecting and interpreting the outstanding resources of our National Park System.

I believe the one-time fee of $10 which enables senior citizens to visit any or all of the national park units for the rest of their lives, will not create a financial hardship for any of these park visitors. In addition, it is important to remember that under H.R. 1320, all of the urban park units will remain free of charge to all park visitors, including senior citizens. Also, fees are proposed to be charged at only about half of the park units, so the other half would, of course, also remain free to senior citizens and other park visitors. Furthermore, I believe that in those cases where it appeared that this fee would be a hardship, the Park Service would certainly take this into consideration and lower, or possibly, waive the fee.

It has been estimated that a one-time charge for the Golden Age Passport would raise approximately $2 million in fee revenue in fiscal year 1988. This funding would certainly help the Park Service in undertaking important activities in the parks which are currently precluded by fiscal constraints. In addition, I believe the vast majority of senior citizens visiting our parks would be glad to make this small contribution to assist the parks. Furthermore, the administration, and particularly Park Service Director Mott, who is 76 years of age, strongly supports this amendment.

Therefore, I urge my colleagues to support and vote for this amendment.

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

The CHAIRMAN. The question is on the amendment offered by the gentleman from Utah [Mr. HANSEN].

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

RECORDED VOTE

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

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 43, noes 375, not voting 15, as follows:

[Roll No. 43]

AYES—43

Archer	Gibbons	Nielson
Armey	Glickman	Owens (UT)
Bartlett	Hansen	Packard
Barton	Hunter	Porter
Beilenson	Johnson (CT)	Price (NC)
Bliley	Jones (TN)	Scheuer
Buechner	Konnyu	Shumway
Carper	Kostmayer	Skaggs
Craig	Lagomarsino	Slattery
Crane	Lowery (CA)	Smith, Denny (OR)
Dannemeyer	Lungren	Thomas (CA)
DeLay	Mack	Upton
Dreier	Marlenee	Walker
Fields	Molinari	
Frenzel	Moody	

NOES—375

Ackerman	Andrews	Atkins
Akaka	Anthony	AuCoin
Alexander	Applegate	Badham
Anderson	Aspin	Baker

Ballenger
Barnard
Bateman
Bates
Bennett
Bentley
Bereuter
Berman
Bevill
Biaggi
Bilbray
Bilirakis
Boehlert
Boggs
Boland
Boner (TN)
Bonior (MI)
Bonker
Borski
Bosco
Boucher
Boulter
Boxer
Brennan
Brooks
Broomfield
Brown (CA)
Brown (CO)
Bruce
Bryant
Bunning
Burton
Bustamante
Byron
Callahan
Campbell
Cardin
Carr
Chandler
Chapman
Chappell
Cheney
Clarke
Clinger
Coats
Coble
Coleman (MO)
Coleman (TX)
Collins
Combest
Conte
Conyers
Cooper
Courter
Coyne
Crockett
Darden
Daub
Davis (IL)
Davis (MI)
de la Garza
DeFazio
Dellums
Derrick
DeWine
Dickinson
Dicks
Dingell
DioGuardi
Dixon
Donnelly
Dorgan (ND)
Dornan (CA)
Dowdy
Downey
Duncan
Durbin
Dwyer
Dymally
Dyson
Early
Eckart
Edwards (CA)
Edwards (OK)
Emerson
English
Erdreich
Espy
Evans
Fascell
Fawell
Fazio
Feighan
Fish
Flake
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Frank
Frost
Gallegly
Gallo
Garcia
Gaydos
Gejdenson
Gekas
Gephardt
Gilman
Gingrich
Gonzalez
Goodling
Gordon
Gradison
Grandy
Grant
Gray (IL)
Gray (PA)
Green
Gregg
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Harris
Hastert
Hatcher
Hawkins
Hayes (IL)
Hayes (LA)
Hefley
Henry
Herger
Hertel
Hiler
Hochbrueckner
Holloway
Hopkins
Horton
Houghton
Howard
Hoyer
Hubbard
Huckaby
Hughes
Hutto
Hyde
Inhofe
Ireland
Jacobs
Jeffords
Jenkins
Johnson (SD)
Jones (NC)
Jontz
Kanjorski
Kaptur
Kasich
Kastenmeier
Kemp
Kennedy
Kennelly
Kildee
Kleczka
Kolbe
Kyl
LaFalce
Lancaster
Lantos
Latta
Leach (IA)
Leath (TX)
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (FL)
Lewis (GA)
Lightfoot
Lipinski
Livingston
Lloyd
Lott
Lowry (WA)
Lujan
Luken, Thomas
Lukens, Donald
MacKay
Madigan
Manton
Markey
Martin (IL)
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCandless
McCloskey
McCollum
McCurdy
McDade
McEwen
McGrath
McHugh
McKinney
McMillan (NC)
McMillen (MD)
Meyers
Mfume
Mica
Michel
Miller (CA)
Miller (OH)
Miller (WA)
Mineta
Moakley
Mollohan
Montgomery
Moorhead
Morella
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Myers
Nagle
Natcher
Neal
Nelson
Nichols
Nowak
Oakar
Oberstar
Obey
Olin
Oxley
Panetta
Parris
Pashayan
Patterson
Pease
Penny
Pepper
Perkins
Petri
Pickett
Pickle
Pursell
Quillen
Rahall
Rangel
Ravenel
Ray
Regula
Rhodes
Richardson
Ridge
Rinaldo
Ritter
Roberts
Robinson
Rodino
Roe
Rogers
Rose
Roth
Roukema
Rowland (CT)
Rowland (GA)
Roybal
Russo
Sabo
Saiki
Savage
Sawyer
Saxton
Schaefer
Schneider
Schroeder
Schuette
Schulze
Schumer
Sensenbrenner
Sharp
Shaw
Shuster
Sikorski
Sisisky
Skeen
Skelton
Slaughter (NY)
Slaughter (VA)
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith (TX)
Smith, Robert (NH)
Smith, Robert (OR)
Snowe
Solarz
Solomon
Spence
Spratt
St Germain
Staggers
Stallings
Stangeland
Stark
Stenholm
Stratton
Studds
Stump
Sweeney
Swift
Swindall
Synar
Tallon
Tauke
Tauzin
Taylor
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Vucanovich
Walgren
Watkins
Waxman
Weber
Weiss
Wheat
Whittaker
Whitten
Williams
Wilson
Wise
Wolf
Wolpe
Wortley
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (FL)

NOT VOTING—15

Annunzio
Clay
Coelho
Coughlin
Daniel
Hefner
Kolter
Ortiz
Owens (NY)
Price (IL)
Roemer
Rostenkowski
Stokes
Sundquist
Weldon

□ 1620

Messrs. OBERSTAR, McMILLEN of Maryland, CROCKETT, FASCELL, GILMAN, HOLLOWAY, and MRAZEK changed their votes from "aye" to "no."

Messrs. MACK, GLICKMAN, SKAGGS, SCHEUER, and PACKARD changed their votes from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

1630

AMENDMENT OFFERED BY MR. HANSEN

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

The CHAIRMAN. Is the gentleman from Utah a designee of the gentleman from California [Mr. LAGOMARSINO]?

Mr. HANSEN. I am, Mr. Chairman.

The Clerk read as follows:

Amendment offered by Mr. HANSEN: On Page 9, line 6, strike out "$25" and insert in lieu thereof "$40".

The CHAIRMAN. Under the rule, the gentleman from Utah [Mr. HANSEN] will be recognized for 15 minutes and the gentleman from Minnesota [Mr. VENTO] will be recognized for 15 minutes.

The Chair recognizes the gentleman from Utah [Mr. HANSEN].

Mr. HANSEN. Mr. Chairman, the last amendment we talked about was the Golden Age, which would have changed the amount the senior citizens would pay. This amount would merely change the Golden Eagle from $25 to $40.

Mr. Chairman, it is a pretty simple amendment.

Mr. Chairman, at this point I yield to the gentleman from Ohio [Mr. LATTA].

Mr. LATTA. Mr. Chairman, I ask unanimous consent to speak out of order.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio to speak out of order?

There was no objection.

THE DEMOCRATIC BUDGET PROPOSAL

Mr. LATTA. Mr. Chairman, I take this time to announce to the House that the Democratic majority on the House Budget Committee has reported out this year's budget resolution. I have it in my hand on one sheet of paper, one sheet of paper. This was handed to us, handed to us today at 12 o'clock, and we were in session off and on a couple of hours trying to ascertain what went into these numbers, how they came up with these numbers, what programs would be affected and how.

We were denied answers to any of our questions. We got not one single answer, not one explanation to a $1 trillion budget, a $1 trillion budget.

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

Mr. LATTA. No, I will not yield. You had your chance in the committee.

Let me say this is unheard of, a $1 trillion budget being reported out by sheer political 2-to-1 in the Budget Committee without explanation. Next Tuesday they plan to come before the Rules Committee and ask for a rule to bring this piece of paper to the floor of the House.

Now I understand that after we broke up our meeting they called a secret meeting for the press, believe, it or not, and excluded our staff to try to give some sort of an explanation as to what went in to make up these numbers after they reported out the resolution.

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

Mr. LATTA. Will the gentleman please restrain.

Now, had we had the opportunity to ask questions I would have asked a question on 050, for example. Believe it or not, for the third year in a row the Defense Department will be taking a cut of serious magnitude and their outlay figure for fiscal year 1988 is $281.7 billion.

The CHAIRMAN. The Chair has an inquiry of the gentleman from Utah.

Was there a specific amount of time yielded to the gentleman from Ohio?

Mr. HANSEN. Mr. Chairman, I have yielded to the gentleman from Ohio.

The CHAIRMAN. It is coming out of the 15 minutes of the gentleman from Utah.

Mr. HANSEN. Yes.

The Chairman. The gentleman from Ohio is recognized.

Mr. LATTA. On this one title alone, national defense, had we had an opportunity to ask questions and get answers I would have asked, does this

document of one page assume that the cuts in national defense will be made proportionately in all major titles? If so, how much money would be cut from the military personnel accounts? Is the pay raise for the military expected to be absorbed by DOD? How many troops will be dismissed? How many troops?

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

Mr. LATTA. I will be happy to yield to the gentleman from Kentucky.

Mr. ROGERS. I thank the gentleman for yielding.

Well, the gentleman from Ohio certainly had a chance to ask questions of the majority of the committee. What did they answer?

Mr. LATTA. There were no answers, no answers. No answers to questions on a $1 trillion budget. I think the American people deserve better treatment than that; forget about partisan politics, forget about the Republican Members of the committee. I think the American people deserve to know what they are proposing to bring to this House as early as next week in a $1 trillion budget.

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

Mr. LATTA. I will be happy to yield to the gentleman from Kentucky.

Mr. ROGERS. Is the gentleman telling us that the entire Democratic Budget Committee's proposal is on one page, on one piece of paper, $1.2 trillion budget?

Mr. LATTA. Without explanation.

Mr. ROGERS. I have in my hand the President's budget proposal which, as you can tell, is a very thick document which is only a summary of the budget.

PARLIAMENTARY INQUIRY

Mr. VENTO. Mr. Chairman, I have a point of inquiry.

The CHAIRMAN. The gentleman from Minnesota will state his parliamentary inquiry.

Mr. VENTO. Mr. Chairman, it is my understanding that we are debating the Golden Eagle Passport amendment put forth by the gentleman from Utah [Mr. HANSEN], is that correct?

The CHAIRMAN. The gentleman is correct.

Mr. VENTO. Mr. Chairman, would it be in order to have the unanimous consent—have the amendment reread so the Members can understand what we are talking about?

The CHAIRMAN. At this point the gentleman from Ohio, [Mr. LATTA], has the floor. He was given unanimous consent to speak out of order. There are 15 minutes allotted to the gentleman from Utah [Mr. HANSEN] in favor of the amendment, 15 minutes allowed to the gentleman from Minnesota [Mr. VENTO] in opposition. Mr. LATTA is using the 15 minutes to speak out of order.

Mr. VENTO. Mr. Chairman, could I inquire what the amount of time is that the gentleman from Utah has remaining and the amount of time I have remaining?

The CHAIRMAN. The gentleman from Utah has 11 minutes remaining and the gentleman from Ohio has been recognized.

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

Mr. LATTA. I yield to the gentleman from Florida.

Mr. MACK. I thank the gentleman for yielding.

Mr. Chairman, about 2 hours after we started, after we began the discussion about the one-page document, after we came back from a vote, four pages were delivered to us just before the final passage to send the resolution to the floor. And in that document, under General Science Space and Technology, there is a $300 million cut. I say this now for the members of the Florida delegation, the 19 members of the Florida delegation.

I want you to recognize that the reason that they, the Democrats, do not want to tell you what is in this one-page document is because there is a $250 million cut in NASA. They do not want you to know that.

□ 1640

They did not mind going around the country telling everyone what was in the President's document, but apparently they just want to run around the Capitol one time with their one page and call its quits.

Mr. LATTA. Mr. Chairman, I thank the gentleman for his contribution.

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

Mr. LATTA. I yield to the gentleman from Texas.

Mr. BOULTER. Mr. Chairman, we had field hearings across the country to discuss the budget, I believe; did we not? I mean, I went to some. Did you go to some?

Mr. LATTA. That is correct.

Mr. BOULTER. We had all sorts of witnesses from all over the country coming to these various cities across our Nation testifying, did we not?

Mr. LATTA. That is correct.

Mr. BOULTER. That cost a lot of money, I assume, to go around the country.

Mr. LATTA. It cost quite a bit.

Mr. BOULTER. But we all felt it was worthwhile to get the democratic process going and there was a lot of work involved in that.

Now, as you know, I had to miss a lot of the meetings, but are you telling me that after all of that work, all of that discussion, all of that money, all of the press, all of the media, all of the attention by the American people on the deficit, that this whole thing comes down to just one single page?

Mr. LATTA. The gentleman is absolutely right.

Mrs. JOHNSON of Connecticut. Mr. Chairman, will the gentleman yield?

Mr. LATTA. I yield to the gentlewoman from Connecticut.

Mrs. JOHNSON of Connecticut. Mr. Chairman, we have had testimony, I think, at the very beginning of our budget hearings from the head of the Budget Office to the effect that if we did nothing about the deficit, that no matter how much we changed our trade law, we would not affect the trade deficit; that, indeed, addressing the domestic deficit was not only key to this Nation's economic health in the future, but key to addressing our trade problems as well.

With all of the serious attention that has been given to deficit reduction in the last few months, it is ironic that the budget that we were presented with was only one page, and that we were given more detail in their press release than we were in the budget document. In the press release, they increased spending $13.5 billion——

POINT OF ORDER

Mr. VENTO. Mr. Chairman, I make a point of order.

The CHAIRMAN. The gentleman from Minnesota will state his point of order.

Mr. VENTO. Mr. Chairman, the gentleman from Ohio [Mr. LATTA] asked unanimous consent to speak out of order. The other Members who are speaking have not been granted permission to speak out of order.

I make a point of order against their speaking out of order at this time.

The CHAIRMAN (Mr. KLECZKA). The gentleman from Minnesota is correct. Only the gentleman from Ohio [Mr. LATTA] has been permitted to speak out of order.

Does the gentleman from Utah [Mr. HANSEN] continue to yield to the gentleman from Ohio?

Mr. HANSEN. Mr. Chairman, I continue to yield to the gentleman from Ohio.

Mr. LATTA. Mr. Chairman, may I say to the gentlewoman from Connecticut [Mrs. JOHNSON] that she might preface her remarks by saying something about the bill and the amendment.

Mrs. JOHNSON of Connecticut. Mr. Chairman, I thank the gentleman from Ohio for yielding to me.

I am very regretful that the——

POINT OF ORDER

Mr. VENTO. Mr. Chairman, I reiterate my objection on the basis that they are not speaking to the issue before the committee and have not had permission to speak out of order.

The CHAIRMAN (Mr. KLECZKA). The gentleman from Minnesota is correct.

The Chair recognizes the gentleman from Ohio [Mr. LATTTA].

Mr. LATTA. Mr. Chairman, let me reclaim my time, then.

Let me say that this is typical as to what has been going on. I am not blaming my good friend, but this is typical.

You do not want anybody to know what is in this one piece of paper. No way, that is right, no way.

I think it is serious business, my friends. We are talking about $1 trillion. We are talking about new taxes that they want to put on the American people. Where are they going to come from?

Mr. SCHUMER. Mr. Chairman, I have a point of parliamentary inquiry.

The CHAIRMAN. Does the gentleman from Ohio yield to the gentleman from New York?

Mr. LATTA. No, Mr. Chairman; I do not yield.

The CHAIRMAN. The gentleman from Ohio does not yield to the gentleman from New York [Mr. SCHUMER].

Mr. LATTA. Mr. Chairman, let me say that there are so many questions unanswered about this document. As I was about to point out in defense alone, when they come down to $281.7 billion in outlays for defense for fiscal year 1988, they subject the security of this country to question.

I do not think they want to do that. Absolutely. You do not want to do that, you thinking individuals on my right. You do not want to do that, do you? Absolutely.

But here it is, here it is. Absolutely.

I would like to say it is not so, but it is, there it is.

This is not fun, my friends. Let me say that when you talk about laying off, dismissing, from 200,000 to 400,000 troops, you are talking about real cuts in the military. This document cannot pass this House, I hope. I hope that there are thinking Democrats sufficiently on that side of the aisle to vote with the Republicans on this side to see that this thing does not become law. No? Well, I would hope so.

Let us talk about international affairs. This document—do Israel and Egypt—does that get your attention—expect to receive their full earmarked share?

Let us skip over to another function of the budget: Agriculture. Everybody knows that the farmers are having a hard time, my friends. Over 4-percent cut in agriculture, over 4-percent reduction.

Our Democratic friends, ever since January, ever since the President submitted his budget, have been out around the country lambasting the President's budget. Well, you have had your day. Now it is time to put up something, and what do you put up? A one-sheet resolution without explanation.

What would you have said if the President of the United States would have sent down one sheet to you in January instead of a budget?

As the gentleman from Florida has pointed out, and he had better talk about this, especially you Floridians, those cuts in NASA. Go home and explain that. I can explain my vote on that, but you Floridians, you talk about it back home. Talk about the loss of those jobs under this proposal.

All the way through, there are going to be massive cuts that are unexplained. What are we going to do about Medicare coverage for State and local employees? Are you going to bring them in and charge all of these State and local governments who are not now in Medicare for coverage that they do not now have and they cannot pay for? Absolutely not.

But the question is, Are they included in this one sheet of paper? Are they included? I think the House deserves better treatment than this. I think the American people deserve better treatment than this.

I hope that in the future that when we have budget hearings at the beginning of the year, we will not be presented last year's budget, as we were this year, and say, "Here is our document. We are going to start from this."

Unprecedented, but that is what happened this year in the Committee on the Budget.

□ 1650

They never even came up with a document until today. They took last year's budget, laid it down in front of us, and said, "Here's our budget. We are going to work from this."

That is when we said, "No, it is now time to present your budget. The President has presented his. It is time to present yours."

So today they presented it and said, "You can't ask questions. We are not going to explain it, and you can't ask questions. What we want you to do is come forward with some document so we can attack yours as we have been attacking the President's for the last month.

Mr. EDWARDS of Oklahoma. Mr. Chairman, will the gentleman yield?

Mr. LATTA. I am happy to yield to the gentleman from Oklahoma.

POINT OF ORDER

Mr. VENTO. Mr. Chairman, I have a point of order.

The CHAIRMAN. The gentleman from Minnesota will state his point of order.

Mr. VENTO. Mr. Chairman, I raise a point of order that the gentleman from Oklahoma has not received permission to speak out of order. Is that correct, Mr. Chairman?

Mr. LATTA. He has not even started to speak yet.

The CHAIRMAN. The Chair ha recognized the gentleman from Ohi to speak out of order.

Mr. VENTO. Mr. Chairman, I re serve my point of order against th gentleman.

The CHAIRMAN. The Chair wil wait until the gentleman speaks t rule on the relevancy of his remarks.

Mr. EDWARDS of Oklahoma. Mr Chairman, will the gentleman yield?

Mr. LATTA. I am very happy t yield to the gentleman from Oklaho ma.

Mr. EDWARDS of Oklahoma. I just want to pick up on the point the gentleman just made. For those of you who were not privileged to be in the meeting of the Budget Committee——

Mr. VENTO. Mr. Chairman, I raise the same objection. I reassert my point of order against the gentleman. He does not have permission to speak out of order.

Mr. LATTA. The Chair has not ruled otherwise.

Mr. EDWARDS of Oklahoma. You should have had the experience of being in that committee when the Budget Committee chairman said to us——

Mr. VENTO. Regular order, Mr. Chairman.

Mr. EDWARDS of Oklahoma. The gentleman said to us, "welcome," but he refused to answer any questions about what was in the budget. Repeatedly, repeatedly, Mr. Chairman, he refused to answer any questions.

Mr. VENTO. The gentleman is out of order, Mr. Chairman.

The CHAIRMAN. The gentleman from Oklahoma is out of order and must confine his comments to the pending amendment.

Mr. EDWARDS of Oklahoma. All right, Mr. Chairman. I would say to my colleagues across the aisle, with all due respect, that while the pending amendment is a very good amendment, a very worthwhile amendment, and while the gentleman makes some very good points, I think it is a shame that we are taking it up at a time when we are not able to get a copy of the budget document prepared on the other side, with the justification for it.

Mr. Chairman, I thank the gentleman for yielding.

The CHAIRMAN. The gentleman from Utah [Mr. HANSEN] has 30 seconds remaining on the amendment.

Mr. HANSEN. Mr. Chairman, I yield the last 30 seconds to the gentleman from Ohio [Mr. LATTA].

The CHAIRMAN. The gentleman from Ohio [Mr. LATTA] is granted the remaining time.

Mr. LATTA. Mr. Chairman, let me say in those 30 seconds to my friends on the right over here that you will have your opportunity because this document is going to be coming to the floor, and you people who have had

smiles on your faces, when you find out what lies ahead, will find, I think, that the smiles will be removed, and I think the American people deserve better treatment than they have gotten today. Hopefully, when this matter comes to the floor, they will get that kind of treatment and get some explanation of what is in this document that we did not get today.

The CHAIRMAN. The time of the gentleman from Utah, Mr. HANSEN, has expired.

Mr. HANSEN. Mr. Chairman, I ask unanimous consent to withdraw the amendment.

Mr. VENTO. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

The gentleman from Minnesota [Mr. VENTO] is recognized for 15 minutes.

Mr. VENTO. Mr. Chairman, I yield myself such time as I may consume. Mr. Chairman, just in case we ever do vote on this amendment that does raise the Golden Eagle Passport to $40, I object to the amendment and the fact that it will lose dollars.

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

Mr. VENTO. Of course, I yield to the gentleman from New York [Mr. SCHUMER].

Mr. SCHUMER. Mr. Chairman, I ask unanimous consent to waive regular order and speak out of order.

The CHAIRMAN. The gentleman asks unanimous consent to speak out of order.

Is there objection to the request of the gentleman from New York?

Mr. KOLBE. Mr. Chairman, I object.

Mr. PARRIS. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Mr. VENTO. Mr. Chairman, I yield to the gentleman from New York.

Mr. SCHUMER. Mr. Chairman, I would like to address the Golden Eagle Passport amendment.

The CHAIRMAN. How much time does the gentleman yield?

Mr. VENTO. Mr. Chairman, I yield such time as he may consume to the gentleman from New York.

The CHAIRMAN. The gentleman from New York [Mr. SCHUMER] is recognized on the amendment.

Mr. SCHUMER. Mr. Chairman, I would like to address this Golden Eagle Passport amendment, and let me ask the gentleman from Minnesota this question: let us say the Golden Eagle Passport amendment was a vital amendment to the future of this country and let us say we decided on the committee that considered it, that is, the Interior Committee, that there were to be bipartisan discussions about this very important Golden Eagle amendment, and then let us say that the Republicans, the other side of the aisle, came into the Interior Committee 3 weeks ago and 2 weeks ago and, when given the opportunity to vote and amend it and change the Golden Eagle Passport—some might say it should be $50, and some might say it should be $25—they all simply voted "present," probably because they were afraid it was too difficult an issue for them to deal with; and then a week later the same issue, because it was so important, came up, and again the other side of the aisle came into the room and refused to vote again.

Would the chairman of the subcommittee think there was a little bit of crocodile tears involved when finally his side of the aisle put together a wonderful Golden Eagle amendment and all they could do, they would not change their own, they could not introduce their own, they simply said, "we didn't get enough time," even though they had the opportunity 2 or 3 weeks ago. And I would like to ask the gentleman one more parable——

Mr. VENTO. I would ask the gentleman, is this a multiple choice?

Mr. SCHUMER. A multiple choice. I would say to the gentleman——

Mrs. BYRON. Mr. Chairman, will the gentleman yield?

There is one question I would like to ask the gentleman. Is the gentleman suggesting that we are going to balance the budget on the back of the national parks with a Golden Eagle pass increase?

Mr. SCHUMER. If we only could.

But I would like to ask the gentleman one more question. Let us say the gentleman went into the well, after refusing to vote, and put together a budget and started saying, "We didn't get but 2 or 3 hours' notice, even though we knew we had to debate it on the floor," but let us say in 1981 someone from the White House had given somebody a Golden Eagle amendment that was far more sweeping in its changes and the gentleman demanded a vote on the floor with a half hour of debate, and on the Golden Eagle's feathers was Rita Seymour's phone number.

What would the gentleman's reaction be to that?

Mr. VENTO. Mr. Chairman, if the gentleman will yield, I would be outraged.

Mr. SCHUMER. Well, I share the gentleman's outrage. I think we all do.

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

Mr. VENTO. Mr. Chairman, I would inquire if the gentleman from Utah [Mr. HANSEN] would like to renew his request to withdraw his amendment.

Mr. HANSEN. Mr. Chairman, I ask unanimous consent to withdraw the amendment.

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

There was no objection.

The CHAIRMAN. The amendment is withdrawn.

The question is on the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose, and the Speaker pro tempore [Mr. FOLEY] having assumed the chair, Mr. KLECZKA, 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. 1320) to amend the Land and Water Conservation Fund Act of 1965, and for other purposes, pursuant to House Resolution 135, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

The question is on the amendment.

The amendment was agreed to.

The CHAIRMAN. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. PARRIS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 416, nays 5, not voting 12, as follows:

[Roll No. 44]

YEAS—416

Ackerman	Bliley	Chandler
Alexander	Boehlert	Chapman
Anderson	Boggs	Chappell
Andrews	Boland	Cheney
Anthony	Boner (TN)	Clarke
Applegate	Bonior (MI)	Clinger
Archer	Bonker	Coats
Armey	Borski	Coble
Aspin	Bosco	Coelho
Atkins	Boucher	Coleman (MO)
AuCoin	Boulter	Coleman (TX)
Badham	Boxer	Collins
Baker	Brennan	Combest
Ballenger	Brooks	Conte
Barnard	Broomfield	Conyers
Bartlett	Brown (CA)	Cooper
Barton	Bruce	Coughlin
Bateman	Bryant	Courter
Bates	Buechner	Coyne
Beilenson	Bunning	Craig
Bennett	Burton	Crane
Bentley	Bustamante	Crockett
Bereuter	Byron	Dannemeyer
Berman	Callahan	Darden
Bevill	Campbell	Daub
Biaggi	Cardin	Davis (IL)
Bilbray	Carper	Davis (MI)
Bilirakis	Carr	de la Garza

DeFazio
DeLay
Dellums
Derrick
DeWine
Dickinson
Dicks
Dingell
DioGuardi
Dixon
Donnelly
Dorgan (ND)
Dornan (CA)
Dowdy
Downey
Dreier
Duncan
Durbin
Dwyer
Dymally
Dyson
Early
Eckart
Edwards (CA)
Edwards (OK)
Emerson
English
Erdreich
Espy
Evans
Fascell
Fawell
Fazio
Feighan
Fields
Fish
Flake
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Frank
Frenzel
Frost
Gallegly
Gallo
Garcia
Gaydos
Gejdenson
Gekas
Gephardt
Gibbons
Gilman
Gingrich
Glickman
Gonzalez
Goodling
Gordon
Gradison
Grandy
Grant
Gray (IL)
Gray (PA)
Green
Gregg
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Hansen
Harris
Hastert
Hatcher
Hawkins
Hayes (IL)
Hayes (LA)
Hefley
Henry
Herger
Hertel
Hiler
Hochbrueckner
Holloway
Hopkins
Horton
Houghton
Howard
Hoyer
Hubbard
Huckaby
Hughes
Hutto
Hyde
Inhofe
Ireland
Jacobs
Jeffords
Jenkins
Johnson (CT)
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kasich
Kastenmeier
Kemp
Kennedy
Kennelly
Kildee
Kleczka
Kolbe
Konnyu
Kostmayer
Kyl
LaFalce
Lagomarsino
Lancaster
Lantos
Latta
Leach (IA)
Leath (TX)
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (FL)
Lewis (GA)
Lightfoot
Lipinski
Livingston
Lloyd
Lott
Lowery (CA)
Lowry (WA)
Lujan
Luken, Thomas
Lungren
Mack
MacKay
Madigan
Manton
Markey
Marlenee
Martin (IL)
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCandless
McCloskey
McCollum
McCurdy
McDade
McEwen
McGrath
McHugh
McKinney
McMillan (NC)
McMillen (MD)
Meyers
Mfume
Mica
Michel
Miller (CA)
Miller (OH)
Miller (WA)
Mineta
Moakley
Molinari
Mollohan
Montgomery
Moody
Moorhead
Morella
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Myers
Nagle
Natcher
Neal
Nelson
Nichols
Nielson
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (UT)
Oxley
Packard
Panetta
Parris
Pashayan
Patterson
Pease
Penny
Pepper
Perkins
Petri
Pickett
Pickle
Porter
Price (NC)
Pursell
Quillen
Rahall
Rangel
Ravenel
Ray
Regula
Rhodes
Richardson
Ridge
Rinaldo
Ritter
Roberts
Robinson
Rodino
Roe
Rogers
Rose
Roth
Roukema
Rowland (CT)
Rowland (GA)
Roybal
Russo
Sabo
Savage
Sawyer
Saxton
Schaefer
Scheuer
Schneider
Schroeder
Schuette
Schulze
Schumer
Sensenbrenner
Sharp
Shaw
Shumway
Shuster
Sikorski
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter (NY)
Slaughter (VA)
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Snowe
Solarz
Solomon
Spence
Spratt
St Germain
Staggers
Stallings
Stangeland
Stark
Stenholm
Stratton
Studds
Stump
Sweeney
Swift
Swindall
Synar
Tallon
Tauke
Tauzin
Thomas (CA)
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Upton
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Vucanovich
Walgren
Walker
Watkins
Waxman
Weber
Weiss
Weldon
Wheat
Whittaker
Whitten
Williams
Wilson
Wise
Wolf
Wolpe
Wortley
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (FL)

NAYS—5

Akaka
Brown (CO)
Hunter
Lukens, Donald
Saiki

NOT VOTING—12

Annunzio
Clay
Daniel
Hefner
Kolter
Owens (NY)
Price (IL)
Roemer
Rostenkowski
Stokes
Sundquist
Taylor

□ 1710

Mr. DONALD E. LUKENS changed his vote from "yea" to "nay."

Mr. LEHMAN of Florida changed his vote from "nay" to "yea."

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. VENTO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

The SPEAKER pro tempore. (Mr. VOLKMER). Is there objection to the request of the gentleman from Minnesota?

There was no objection.

GUIDELINES FOR CONSIDERATION OF THE BUDGET RESOLUTION IN THE RULES COMMITTEE

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

Mr. PEPPER. Mr. Speaker, I rise to explain the Rules Committee position on proposed amendments to the budget resolution.

It is my understanding that the Budget Committee has adopted a budget resolution today. The Committee on Rules expects to consider the budget resolution next Tuesday, April 7. I am informed that the Budget Committee may seek a restrictive rule.

With that possibility in mind, Mr. Speaker, I would like to remind my colleagues of the Rules Committee position on amendments to a budget resolution. In the last few years, the Rules Committee has requested that certain guidelines be followed in order to insure that all amendments receive fair and orderly consideration by the committee and on the floor.

Today, I ask Members wishing to offer amendments to adhere to the following guidelines.

First, the Rules Committee will make in order only broad substitutes, not simple cut-and-bite amendments making small changes in one or two functions. The Rules Committee has followed this practice in the past few years. And it is our intention once again to do so. The debate on a budget resolution should be focused on questions of national priorities and fiscal policy. Only major substitutes allow the House to debate those questions.

Second, submit 35 copies of each substitute to the Rules Committee before 5 p.m. Monday, April 6. I call your attention to the Monday deadline. It is the intention of the committee not to consider any amendment that has been submitted after the Monday deadline. With the press of time and the need to consider the budget resolution before the Easter recess, the committee must expedite consideration. Members may want to keep that deadline in mind when they make their weekend plans.

Finally, please attach an explanatory statement with each substitute. The statement should briefly state the purpose of the substitute and explain any provisions, including reconciliation instructions. Please indicate if any provisions would change House rules, procedures or enforcement of the Budget Act.

Mr. Speaker, I remind Members that the purpose of these guidelines is to provide fair and orderly consideration of the budget resolution in the Rules Committee and on the floor. I have sent out a "Dear Colleague" letter to all Members explaining these guidelines. I appreciate my colleagues' cooperation in this matter.

□ 1720

Mr. LOTT. Mr. Speaker, will the gentleman yield?

Mr. PEPPER. I yield to the gentleman from Mississippi.

Mr. LOTT. Mr. Speaker, the chairman of the Committee on Rules, as I understand it, is not asking for unanimous consent that any binding request or rule be made in order here; is that right?

Mr. PEPPER. The gentleman is correct; this is only advisory.

Mr. LOTT. Mr. Speaker, the gentleman indicated that he thought perhaps the budget resolution would be available tomorrow. Is that correct? Can we count on that?

Mr. PEPPER. My understanding is that it will be available by tomorrow afternoon from the Committee on the Budget.

Mr. LOTT. I think that the Members understand what the distin-

guished chairman is trying to do. The Committee on Rules likes to be able to see amendments before they make them in order. But I would like to remind the chairman that in order for the members to have amendments, they need to see what it is that they are trying to amend. So I would hope that the Committee on Rules would give us at least that much latitude. If the resolution is not ready until Friday afternoon, it is very hard for Members to have their amendments ready.

With that in mind, we certainly understand what the gentleman is trying to do, but I would like to urge the committee to give us a resolution, so we can properly prepare our amendments.

Mr. PEPPER. I thank my colleague for his additional explanation. We are not trying to foreclose anybody or be overly rigid. We are simply trying to be helpful to the Members in allowing them a fair opportunity to offer major amendments in the nature of substitutes.

Mr. WALKER. Mr. Speaker, will the distinguished chairman yield?

Mr. PEPPER. I yield to the gentleman from Pennsylvania.

Mr. WALKER. I thank the gentleman for yielding.

Mr. Speaker, do I understand that essentially the Committee on Rules is announcing that we are going to have a closed rule on this bill and that Members will not be able to offer individualized amendments with regard to particular functions of the bill?

Mr. PEPPER. Well, I am not speaking for the Committee on Rules now, because we have not acted on the matter. I am simply giving advice as best I can in the light of our practices of the past for the guidance of the Members in helping us to give fair consideration to the budget resolution.

Mr. WALKER. If the gentleman would yield further, my understanding of the guidelines was that Members were not to bring to the Committee on Rules any individualized amendments. Is that true?

Mr. PEPPER. This budget resolution is probably the major matter that the Congress shall endorse during this session of the Congress, and we wanted to discourage if we could sort of picayunish amendments that did not really go to the policy involved and the essential questions related to this budget process. I do not say that any specific amendment might not be considered by the Committee on Rules, but I am trying to be helpful to the Members in offering general guidelines as to what in general has been our practice in the past in relation to this matter.

Mr. WALKER. If the gentleman will yield further, the particular issue that this gentleman is concerned about is the fact that in the budget that we have seen so far, we have the Space Program cut by $1.1 billion, which will literally wreck the Space Program. There are a number of us who believe that maybe we would like to reprioritize the moneys so that we can put the money back into the Space Program in order to assure that this Nation builds a space station and does some other things.

Are we now saying that if we want to delineate a particular item like that and try to find other ways of handling it, that that kind of amendment would not be considered?

Mr. PEPPER. The committee will of course try to be fair to all the Members in giving fair consideration for whatever is submitted to the committee.

Mr. WALKER. I thank the gentleman for yielding.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF HOUSE JOINT RESOLUTION 42

Mrs. BENTLEY. Mr. Speaker, I ask unanimous consent that my name be removed as a cosponsor of House Joint Resolution 42.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Maryland?

There was no objection.

IT'S TIME TO SET OUR OWN HOUSE IN ORDER

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Maryland [Mrs. BENTLEY] is recognized for 5 minutes.

Mrs. BENTLEY. Mr. Speaker, since World War II, our country has been telling the world how it should run. But we failed to tend to our own business at the same time. The result has been disastrous.

During that 40 years, we have gone from being the dominant industrial Nation in the world to the point where our manufacturing capacity has fallen into disrepair. From being an exporting machine without equal, we now have a net trade deficit which reads like the deficit.

On more than one occasion, I have spoken on the reasons for this sad state of affairs. Our trade and tax policies have robbed our people of jobs; our small stockholders of their investments; and our grandchildren of their future solvency.

It is time to begin to repair the damage that has been done to our Nation and to our future. Today, in behalf of the gentleman from Illinois [Mr. LIPINSKI], the gentleman from Pennsylvania [Mr. SCHULZE], the gentleman from Pennsylvania [Mr. RITTER], the gentleman from Pennsylvania [Mr. GAYDOS], the gentleman from California [Mr. HUNTER], the gentlewoman from Ohio [Ms. OAKAR], the gentleman from New Jersey [Mr. COURTER], the gentlewoman from Ohio [Ms. KAPTUR], and myself, I introduced a House joint resolution calling for the convening of a commission to identify the major causes of the decline in what was once the arsenal of democracy and to recommend to the Congress and the Nation the steps to be taken to restore this country to its former preeminence.

This is an admittedly small first step in what should become a domestic resurgence not unlike the restoration this Nation and its citizens created in Western Europe and Asia after the Second World War. I anticipate that it will become our own domestic Marshall plan, and I urge my colleagues to join in the resolution and in the effort.

H.J. RES. 221

Joint resolution to establish a Commission to study the means to revivify and strengthen the National Industrial Base of the United States; and to recommend the proper means of achieving that goal

Whereas the strength of the nation has been created and maintained by a successful industrial and manufacturing base; and

Whereas many of our basic industries are in decline or are closing their operations; and

Whereas the survival and strength of our nation depends, at least in part, upon the vitality of our domestic industrial base; and

Whereas the root cause of the decline of our industrial base includes actions and policies of the government in the areas of trade and taxation: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That a Commission be empaneled to study the causes of this decline in our industrial base; to examine and formulate remedies for the decline; and to propose to the President and to the Congress, prompt and effective programs to remedy the decline and to revivify the nation's industrial manufacturing base.

That such Commission shall consist of nine members, to be selected from the operational officers of the industrial community by the Chairman and Vice Chairman of the House Energy and Commerce Committee and the Senate Commerce, Science and Transportation Committee.

BROTHER, CAN YOU SPARE A DIME?

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Virginia [Mr. BOUCHER] is recognized for 5 minutes.

Mr. BOUCHER. Mr. Speaker, once spoken humbly by the men and women who during the Great Depression crisscrossed America in search of work hidden aboard railroad boxcars, the Interstate Commerce Commission has given new meaning to the refrain, "Brother, can you spare a dime?" Today, however, the role of America's unemployed is played by the railroads, their brothers are captive shippers, and the refrain more closely approximates, "Brother, you can spare a few hundred million."

Earlier this month the ICC issued its latest revenue adequacy findings on the Nation's railroads—a measure of economic health and an indicator of the Commission's sympathies. The Commission concludes that in 1985, as in every year since the Staggers Rail Act was passed in 1980, no major American railroad was revenue adequate. The ICC reaches this conclusion despite the fact that several railroads found the necessary capital to acquire trucking companies, oil and gas holding companies, extensive coal reserves, and, although the attempt failed, controlling interest in a major airline.

While this comes as no surprise to captive shippers who continue to press unsuccessfully for reasonable rail rates, it should lay to rest any argument that left to its own initiative the Interstate Commerce Commission will resolve the legitimate concerns of captive shippers.

Last year, as the Energy and Commerce Committee was preparing to act on Staggers Act amendments proposed by our colleagues BILLY TAUZIN and TOM TAUKE, the ICC asked Congress to give the agency time to show that it could respond to captive shippers' concerns. High on the list of those concerns was the ICC's revenue adequacy test which contradicted not just every other measure of financial health, but also common sense in showing every major railroad to be revenue inadequate.

The ICC proposed a set of changes in its revenue adequacy test which went a long way toward meeting the committee's concerns, including an evaluation of multiple financial indexes such as bond ratings and use of the embedded rather than the current cost of debt. Shortly after the Congress adjourned, however, the ICC decided to adopt just a few of the changes it had proposed to fix what it had admitted was a flawed revenue adequacy test.

That all too predictable results of the new test are in, and they are dishearteningly similar to the results of the old test. No class 1 railroad was revenue adequate in 1985.

Mr. Speaker, coal producers throughout the resource-rich Appalachian region know exactly who is revenue inadequate, and it is not the railroads whose excessive coal-hauling rates have frustrated our efforts to develop new markets for Appalachian coal.

The ICC was given an opportunity to adopt meaningful reforms to carry out the Staggers Act. But after 6½ years of endless delays, countless proceedings, false stops and starts, excuses, promises, and pleas for more time, the promise of reasoned reform remains unfulfilled.

The Commission doesn't need more time, it needs firm guidance from Congress. That's why 37 of our House colleagues are now supporting the Consumer Rail Equity Act.

The bill, H.R. 1393, neither expands the regulatory umbrella of the ICC nor undermines the basic foundation of deregulation laid by the Staggers Act. Fully 85 percent of rail traffic, traffic which enjoys the benefits of a deregulated, competitive rail marketplace, is not affected by the Consumer Rail Equity Act. It does, however, hold the promise of effective rate oversight by the ICC for that small number of shippers and consumers who are captive to one railroad.

The Consumer Rail Equity Act restores a sense of balance to the Staggers Act, a balance which defers to marketplace competition to set rail rates where competition exists but insists on reasoned regulation to protect the interests of both carriers and shippers where one railroad controls the shipping lines.

Mr. Speaker, the following Members are cosponsors of the Consumer Rail Equity Act: Mr. TAUZIN, Mr. TAUKE, Mr. RAHALL, Mr. ROGERS, Mr. BILIRAKIS, Mr. SYNAR, Mr. PEPPER, Mr. BEVILL, Mrs. VUCANOVICH, Mr. MARLENEE, Mr. FASCELL, Mr. GUNDERSON, Mr. WISE, Mr. HUBBARD, Mr. PERKINS, Mr. GAYDOS, Mr. HUCKABY, Mr. MARTINEZ, Mr. BOSCO, Mr. WILSON, Mr. MOLLOHAN, Mr. FAUNTROY, Mr. TRAFICANT, Mrs. BENTLEY, Mr. LANCASTER, Mr. WALTER JONES, Mr. OWENS, Mr. MCMILLAN, Mr. HAROLD FORD, Mr. WEBER, Mr. SENSENBRENNER, Mr. CHAPPELL, Mr. PICKLE, Mr. CLARKE, Mr. BENNETT, Mr. CHARLES HAYES, and Mr. VALENTINE. They join with me in urging the adoption of this legislation.

INTRODUCING THE EQUITY IN INTERSTATE COMPETITION ACT OF 1987

The Speaker pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. BROOKS] is recognized for 5 minutes.

Mr. BROOKS. Mr. Speaker, today I am introducing legislation—the Equity in Interstate Competition Act of 1987—which would close a major loophole which allows millions of dollars legally owed the States under their current tax laws to go uncollected. This bill is identical, except for general technical changes, to H.R. 5021 which I introduced in the last Congress.

Presently, under most State laws, a tax is imposed and collected on the sale of tangible personal property. The seller incorporates the tax in the purchase price of the item being sold and sends the tax to the State. When, however, the sale is made through the mail with a company without an actual physical presence in that State, the tax, while legally owed, often cannot be effectively collected by the State. This puts the retailers operating in the State at an unfair disadvantage vis-a-vis the out-of-State mail order sales firm. Local sellers must tack on the State sales tax to the price of their goods; mail order sales firms can sell their goods at lower prices because the sales tax is not included. This anomaly, therefore, creates a double burden—local sellers and retailers are placed at a competitive disadvantage and the States are denied needed revenues. For example, in my home State, Texas, it has been estimated that up to $104 million a year escapes collection.

The bill I am introducing today would close the loophole by allowing the States to require the mail order firms to collect the tax at the time of the sale. The Federal Government's ability to grant such authority to the States is provided through the commerce clause of the Constitution.

Further, the bill is created to ensure that this power does not violate due process requirements. The sales tax may only be required to be collected if the sale destination is in the State imposing the tax and the seller engages in regular or systematic soliciting of sales in that State. In addition, collection may be imposed on the seller only if he has gross sales of $12.5 million nationwide or over half a million in that State. Accounting for collection purposes is limited to quarterly reporting and the bill specifies that the seller will not have to account, in any manner, for receipts on the basis of geographic location within the State.

I urge my colleagues to support this important measure. It is incumbent upon the Congress, under its power to regulate interstate commerce, to grant the authority to the States to collect their own tax owed on these interstate mail transactions.

□ 1730

THE DEATH OF S. SGT. GREGORY FRONIUS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana [Mr. BURTON] is recognized for 5 minutes.

Mr. BURTON of Indiana. Mr. Speaker, all life is precious, and to me the life of an American serviceman is even more so. The death of S. Sgt. Gregory Fronius, which resulted from the attack on the Salvadoran 4th Infantry Brigade, should stand as more proof that Communist guerrillas are attempting to take over in the country of El Salvador. Fronius, a husband and father of one, was killed by small arms and mortar fire. What proof is needed to convince this body that Communists are trying to overthrow the Government of El Salvador? His death should unite our resolve to halt the spread of communism in Central America. Our underestimation of the Communist insurgents in El Salvador can only lead to more instability in that country. It is not a good sign when hundreds of rebels have the ability to assemble and assault a Salvadoran military camp. We cannot allow this Communist growth in the region to go unchecked. In Managua, Nicaragua, Communist guerrilla leader Ruben Zamora said that this attack was part of a nationwide military operation in El Salvador. So I ask, if we turn our backs now in Central America where will we have to fight tomorrow?

Mr. DORNAN of California. Mr. Speaker, will the gentleman yield?

Mr. BURTON of Indiana. I yield to the gentleman from California.

Mr. DORNAN of California. Mr. Speaker, I can vividly remember when the first American adviser was killed in combat in Vietnam. It is the date that the Veterans' Affairs uses to establish the beginning of the Vietnam conflict or war, December 22, 1961, Sgt. Jim Davis.

Now if you go down to the Vietnam Memorial to look at his name, I will tell my colleague from Indiana, there will be about 13 or 14 names ahead of him because when they put up the memorial they went back into the period

in 1959 and picked up 7 or 8 men that were killed watching a movie in the central highlands, and there was another year before another American lost his life. But they still use Jim Davis as the benchmark for the first American killed in Vietnam.

Now he was an adviser, and God forbid we should ever have a black wall put into a depression in the ground somewhere on The Mall for the fight for freedom in Central America with American troops involved. But if it should come to pass, to that horror in some future administration, probably this young sergeant's name would be the first one on the wall, and then they would probably go back and pick up those four young Embassy guard marines, Tim Weber and the rest who were brutally murdered in a cafe in San Salvador, and pick Comdr. Al Schaffleburger, who was a part of the Navy military, part of the group there in San Salvador. And the one thing you and I and some of us on both sides of the aisle have tried to get across to our colleagues here is that we do not want Americans dying for freedom in North America, at the southern part of North America that we call Central America; that there are young boys and girls, some in their mid to late teens called Contras, we call them freedom fighters, who are trying to fight for our freedom in our place. All they want is the wherewithal to do it.

The gentleman asked the question rhetorically how we could debate on that kind of aid and not get a response from our colleagues, but this is the first and hopefully the only American who dies in conflict down there.

If we take the advice of the author, director of the film "Platoon," and I call it spittoon because I think it spits on my father's branch of the service, then where will some future Republican or Democratic President make a stand? You ask Mexico and they laugh in your face. Then they bring up President Reagan's line about Brownsville, TX. So if it is not El Salvador, when those young men are willing to die there, and in the hills of Nicaragua, where is it?

What State was Sergeant Fronius from; have they told you?

Mr. BURTON of Indiana. Ohio.

Mr. DORNAN of California. So he is from your neck of the woods, next door to Indiana?

Mr. BURTON of Indiana. Right.

Mr. DORNAN of California. Was he married?

Mr. BURTON of Indiana. Yes, he was married and had one child.

Mr. DORNAN of California. One child. Was he part of our 55 adviser force that President Carter put into El Salvador and Central America under Robert White, our Ambassador?

Mr. BURTON of Indiana. Yes, I understand he was counted as one of those. He was TDY out of Panama, I understand.

Mr. DORNAN of California. Has the Defense Department told us that there are going to be funeral arrangements in Arlington, or will he be buried in Ohio?

Mr. BURTON of Indiana. My office is checking on that right now. We do not know, but I think the point the gentleman makes about where do we draw the line is very important.

I was just down in the Contra camp on the Honduran-Nicaraguan border not long ago, and I have been to this camp here. I was at this camp where this man was killed about a year and a half ago.

Mr. DORNAN of California. The second largest in the country.

Mr. BURTON of Indiana. The gentleman is correct. And if we do not help these people fighting valiantly for their freedom down there, I think our boys will be fighting in the future, and it is not necessary.

Mr. DORNAN of California. I do not know how much time the gentleman has left, but if the gentleman would let me I would just like to underscore what makes Sergeant Fronius' death different from the others. We have had just last year 25-some Americans killed around the world, and you can count the four marines as urban guerrilla terror, and you can count Commander Schaffleburger as terror, but this is an American adviser killed in combat, in the field, for an allied nation that has not been in the headlines because young men and women are dying in the hills of Nicaragua. El Salvador is back in the headlines and we had better pay attention.

THE BUDGET

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. GRAY] is recognized for 5 minutes.

Mr. GRAY of Pennsylvania. Mr. Speaker, I rise as chairman of the House Budget Committee to respond to some of the questions that have been raised. I would like to just briefly make eight points.

First of all, the budget resolution that was brought forth in the committee and voted out cuts the deficit by $38.2 billion in 1988, achieving more deficit reduction than the President's budget. It achieves $38.2 billion in real, permanent deficit reduction. It does not depend on illusory 1-year savings such as asset sales or accounting gimmickry as does the President's budget. The $38.2 billion in permanent deficit reduction in the committee plan is nearly twice as large as the permanent reduction of $19.8 billion in the President's budget, so when someone said today from the minority side there is going to be some massive cuts here, they were right. We Democrats are committed to controlling spending and bringing the deficit under control that were created by the Reagan fiscal and revenue policies.

I would also point out it produces real and permanent spending levels $4.3 billion lower than the President's budget. In other words, once you take out the asset sales that are 1 year, and then compare the Democratic budget to the Republican Presidential budget, we actually reduce spending by a total of $4.3 billion in the aggregate.

Finally, I should add it also calls for a balanced deficit reduction, consistent with the Gramm-Rudman-Hollings-Mack approach of cutting both defense and nondefense programs equally by $8.75 billion. Unlike the President, we do not apply the budgetary scalpel of austerity only to the domestic side, cutting education by 28 percent, cutting health care for the elderly and the poor by nearly $8 billion, but we apply it to both sides of the ledger equitably.

It also requires reductions totaling $76 billion over 3 years, almost half of the nondefense cuts over 3 years. More than $16 billion are through reconciliation directives which cut entitlements and other mandatory programs. The remaining spending cuts, both defense and nondefense, are enforced through a ceiling on total discretionary appropriations. So thus in total reductions in spending it is greater than the President or any other budget proposal laid before the Nation.

□ 1740

It also, while at the same time reducing the deficits to the greatest amount, it protects high-priority programs serving children, senior citizens and their social security, the homeless, the ill, the needy, and others of our citizenry that are most vulnerable; and it also makes for adjustment of priorities to enhance trade, promote education and meet emergency health and other needs such as AIDS.

It would also add, Mr. Speaker, that it meets the Gramm-Rudman-Hollings-Mack deficit target for fiscal year 1988 by producing a deficit of $107.6 billion, $400 million under the target, $200 million under the President, and thus on the President's assumptions, it hits the Gramm-Mack target of 108 even stronger than the President.

It is our belief that when CBO reestimates it, that it will also be stronger in deficit reduction than in any other budget before the Nation.

Then finally, let me respond to the charge that has been laid before the Nation that somehow the tyranny of the majority has overrun the rights of the minority. Not so, Mr. Speaker.

On two occasions, as chairman of the Budget Committee, I opened up the process and asked for an open markup, starting with the current

level of spending, where we are today, which Democrats and Republicans voted for, and the Republican President signed into law, by signing the appropriation bills.

On both of those occasions, the minority side refused to participate, voted present, and when asked if they were going to participate, they said no. When given another opportunity, they refused to show up; canceled, and said "Democrats, go write a budget and pass the budget." We are now doing that, and now the complaint is, Mr. Speaker and colleagues, "we want to have an open process."

Well, you cannot have it both ways. Today we met and they had opportunities to amend or provide substitution. For 1 hour this chair asked for amendments. Not one amendment was offered by the minority side. Not one substitute was offered.

If we want to argue about the size of the table, then let them do it, but we are going to move ahead and reduce these deficits. If they have a budget they would like to offer, they can do it on the floor. I will support their right to do it on the floor. If they have an amendment they would like to offer, to adjust the mark passed by the Budget Committee today, I will support their right in the Rules Committee; but let us not argue about paper; let us make proposals.

I ask the Republicans to offer their own budget or an amendment and not argue about parliamentary process.

FAIRNESS IN THE U.S. TAX COURT FOR THE AVERAGE TAXPAYER

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. PANETTA] is recognized for 5 minutes.

Mr. PANETTA. Mr. Speaker, I am today reintroducing legislation to permit certified public accountants and enrolled agents to practice before the U.S. Tax Court in small tax cases without taking the stringent examination now required of them. This measure was adopted by the House as part of H.R. 3838, the Tax Reform Act of 1986, and H.R. 4170, the Tax Reform Act of 1984. In both instances, however, it was removed from the final bill by the House-Senate conference committee.

This legislation is needed to provide fairness to taxpayers who have disputes with the Internal Revenue Service in cases involving $10,000 or less. Current law denies them an opportunity for the least expensive, most effective possible representation before the Tax Court in these cases.

In determining who may practice before the Tax Court, the court is prevented by current law from denying admission to any individual on account of his "failure to be a member of any profession or calling." However, the law does not prevent the court from establishing rules making it more difficult for members of a particular profession to qualify.

The Tax Court has established separate qualifying rules for attorneys and nonattorneys. Attorneys qualify for practice through a relatively simple procedure which does not require that they show any particular knowledge of tax law and procedures. But nonattorneys, including certified public accountants and enrolled agents authorized to practice before the IRS, must take a difficult written examination which emphasizes court procedures as well as tax law. How difficult is this test? Generally, fewer than ten percent of those who take the test are able to pass it.

For large tax cases, it makes sense to require a knowledge of both tax law and courtroom procedures for practice before the Tax Court. While CPA's and enrolled agents have proven their knowledge of tax law in order to qualify for their particular licenses, they have not had to display any knowledge of courtroom procedures, and such knowledge could be crucial to their ability to represent clients.

But small tax cases, those involving amounts of under $10,000, are different. Section 7563 of the Internal Revenue Code establishes a less formal procedure for the handling of these cases. Normal court procedures are discarded, and an effort is made to air the facts of the case in a direct, informal manner. The court tries cases under section 7563 only at the request of the taxpayer.

In cases tried under this informal process, there is no need for knowledge of courtroom procedures. Yet CPA's and enrolled agents, who have a demonstrated knowledge of tax law, still may not represent clients in these cases unless they have demonstrated, through the written examination, extensive knowledge of those procedures.

It is the taxpayer who is hurt most by this restriction. Most taxpayers who obtain outside assistance for preparation of income tax returns employ CPA's or enrolled agents. But if they become involved in a dispute with the IRS, they must hire an attorney to take their case before the Tax Court or find one of the few nonattorneys who have qualified to practice.

In small cases, it is very costly for the taxpayer to hire an attorney who is unfamiliar with the case and must be paid to catch up on the details. But the fact is that most attorneys are not even interested in representing taxpayers in small tax cases. The result is that many smaller taxpayers are unable to gain representation. And many who do obtain representation hold up the work of the Tax Court because their attorney or other representative is not familiar with their case. Neither of these results is acceptable.

Enabling the taxpayer to employ the individual who helped prepare his return would not only make it easier for taxpayers to exercise their rights but also greatly expedite many small cases before the Tax Court. And this is increasingly important as the backup of cases before the court remains severe.

This legislation would promote both fairness and efficiency in small cases before the Tax Court. I hope my colleagues will join me in supporting it.

Following is the text of this legislation:

H.R. 1901

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a section 7463 of the Internal Revenue Cod of 1986 (relating to disputes involvin $10,000 or less) is amended by adding at th end thereof the following new subsection:

"(g) REPRESENTATION OF TAXPAYER.—I any case in which the proceedings are cor ducted under this section, any person wh is—

"(1) a certified public accountant, or

"(2) an enrolled agent authorized to prac tice before the Internal Revenue Service,

shall be allowed to represent the taxpayer.

(b) The amendment made by subsectio (a) shall take effect on the date of the en actment of this Act.

TRIBUTE TO JUDGE JAMES E. DOYLE

The SPEAKER pro tempore. Unde a previous order of the House, the gen tleman from Wisconsin [Mr. KASTEN MEIER] is recognized for 5 minutes.

Mr. KASTENMEIER. Mr. Speaker, it is witl a heavy heart that I rise this afternoon to rec ognize the passing of a dear friend and trust ed public servant, Judge James E. Doyle o Madison, WI.

Judge Doyle—Jim, to me—died last nigh after struggling with a long illness. Although was prepared for Jim's passing, I nonetheles feel as though hit by a sudden and unexpect ed blow.

From a personal perspective, I would like my colleagues to know—and also all of Jim's family and friends—that he was singularly re sponsible for my entering political life in the early 1950's. As a relatively young man, Jim decided to devote himself to governmen service. He preceded me to Washington, DC in the 1940's, first as a law clerk to Supreme Court Associate Justice James F. Byrnes later as an attorney for the Office of War Mobilization and Reconversion and as a consult ant to the U.S. Department of State.

Jim ultimately returned to Wisconsin and ran for the governorship of the State of Wisconsin. He did not win that election, but this does not mean that his views were wrong. Although unsuccessful at politics, he has been a success at everything else he tried. Most notably, he was a early founder of the modern State Democratic Party in Wisconsin. He was also a founder and early chairman of Americans for Democratic Action. Last, he was one of the top advisers to Adlai Stevenson in his Presidential campaigns.

Having been appointed a Federal judge in 1965 by President Lyndon Johnson, Jim distinguished himself during his more than three decades of judicial service as one of this country's most intelligent, compassionate, diligent, and ethical Federal judges.

Alexander Hamilton observed in the Federalist Papers that "The judiciary * * * has no influence over either the sword or the purse; nor direction either of the strength or of the wealth of the society, and can take no active resolution whatever." Whatever strength the judiciary has today—and it is great indeed—comes from the type of good judgment and ethical standards so exemplified by the Jim Doyles in the Federal judiciary.

I am sure that Jim Doyle would be embarrassed by some of these comments, as mod-

esty was also one of his strongest traits. Yet, I cannot let this day pass without recognizing him for what he was; a devoted husband to his wife, Ruth; an excellent parent to his children, Mary, Jim, Katie, and Ann; a warm and accessible grandfather; a good and trusted friend to me; a highly respected Federal judge; and a public servant with a record that we can all strive to attain, but may not be able to equal.

Jim, thank you. I will miss you.

RESPONSE TO THE U.S. TRADE REPRESENTATIVE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. GAYDOS] is recognized for 60 minutes.

Mr. GAYDOS. Mr. Speaker, I am getting tired of hearing administration officials boast about the President's steel program, when I know beyond any doubt that the American steel market continues to be flooded with unfairly priced foreign steel.

On March 3, Ambassador Alan Woods, the Deputy U.S. Trade Representative [USTR], came before the congressional steel caucus. He stated his testimony by discussing the successful implementation and enforcement of the President's Voluntary Restraint Agreement [VRA] Program for curbing foreign steel imports.

He also mentioned the newest VRA treaty, with the People's Republic of China. This treaty is only the latest example of the administration's unstated policy of improving the world's economy by buying foreign steel.

For years, the People's Republic of China has been steadily increasing its steel exports to the United States, especially nail and wire products. In 1985, a number of American nail manufacturing companies filed a suit with the International Trade Commission [ITC], charging that the Chinese were unfairly dumping nails into our market. Last year, the ITC and the Department of Commerce determined that the Chinese were indeed flooding America with unfairly low-priced nails.

This decade has shown a marked increase in the amount of steel imported from China, starting from 26,800 tons in 1981. The total Chinese steel import level agreed upon by the new VRA would allow them to almost triple their imports in the short period between 1981 and 1989.

TABLE 1.—UNITED STATES STEEL IMPORTS FROM THE PEOPLE'S REPUBLIC OF CHINA

[In tons]

Year	Nails	Bar products	All other products	Total
1981	26,677	1	110	26,788
1982	27,762	528	236	28,526
1983	46,268	1,978	680	48,926
1984	41,165	1,479	3,411	46,055
1985	54,497	400	3,926	58,823
1986	20,975	13,844	6,912	41,731

Note.—Congressional Research Service, using as sources: American Iron & Steel Institute. "Annual Statistical Reports." Washington, various years; and, American Steel & Iron Institute. "Imports of Steel Mill Products by Country of Origin. December, 1986." Washington, 1987.

The new VRA with the People's Republic of China imposes import restraints and I will include these figures in my written remarks. These figures show that the new Chinese VRA gives them a 10-percent increase in the total amount of steel that they are allowed to ship to the United States during the next 3 years. This seems like a modest sum, it was my understanding that the VRA program was designed to decrease the volume of imported steel. After all, it is called a voluntary restraint agreement. What is the purpose of the VRA treaties if not to reduce the level of imports?

TABLE 2.—IMPORT LIMITS ON STEEL PRODUCTS FROM THE PEOPLE'S REPUBLIC OF CHINA

[In tons]

Year	Nails	All other products	Total
1987	35,000	33,000	68,000
1988	37,000	35,000	72,000
1989: 1st 3 quarters	29,500	27,500	47,000
Annualized	39,333	36,667	75,000

Source: CRS, David J. Cantor. "U.S. Steel Imports from the People's Republic of China." Mar. 13, 1987.

Mr. Speaker, I wonder why China is receiving an increase in total steel export volume when we are asking other nations to cut back. The President seems to be sending a very mixed message because only months after the ITC declared that the Chinese were unfairly exporting nails to the United States, the USTR signed a VRA with them which allows them to increase their nail exports. This is unfair to the companies involved in the ITC lawsuit and to the American workers who produce nails.

The day after his agency addressed the steel caucus, I received a letter from USTR Ambassador Clayton Yeutter, which I will include in my written remarks. His letter brings up some interesting points I would like to address.

First, Ambassador Yeutter extolls the fact that total imports have decreased since the VRA program began in 1984. He and the administration concentrate on the fact that the current level of market penetration is lower than it was in when the President's steel program started. They neglect the fact that the 1984 level was unacceptably high—26.4 percent of the U.S. domestic market!

TABLE 3.—U.S. STEEL IMPORTS

Year	Total steel imports (millions of tons)	Imports as a percentage of total steel used in the United States
1979	17.5	15.2
1980	15.5	16.3
1981	19.9	18.9
1982	16.7	21.8
1983	17.1	20.5
1984	26.2	26.4
1985	24.3	24.3
1986	20.7	23.1

Source: American Iron & Steel Institute. "Statistical Highlights: U.S. Iron and Steel Industry." Washington, various years.

In a recent research paper, Mr. David J. Cantor, Congressional Research Service's specialist in industry economics stated:

While the VRA countries may have exported less steel to the United States in 1986 than permitted by their agreements, their market share could increase in 1987 and the remaining term of the steel program . . . If the VRA countries export all the steel they are permitted by their agreements, and if the non-VRA countries do not reduce their market share in 1987, it is conceivable that the progress in reducing the steel import share of the U.S. market might not continue in 1987.

TABLE 4.—ESTIMATED FUTURE U.S. STEEL IMPORTS

Year	Total steel imports (millions of tons)	Imports as a percentage of total steel used in the United States
1987	19.9	23.1
1988	20.6	23.7
1989	20.9	24.2

Source: CRS. From estimates (at control levels) by Data Resources, Inc. February, 1987.

Mr. Speaker, there is every reason to believe that the non-VRA countries will increase their exports to the United States next year. Last year, 6 VRA countries and 26 non-VRA countries increased their steel exports to America. Canada increased its shipments by about 11 percent, from 2.87 million tons in 1985 to 3.2 million tons in 1986. Taiwan more than doubled their exports, from 218,000 tons in 1985 to an unbelievable 476,000 tons in 1986! These are only 2 brief examples of the 32 countries which increased their steel exports last year, but I will include others in my written remarks.

TABLE 5.—EXPORTS OF STEEL MILL PRODUCTS TO THE U.S. BY SELECT NON-VRA COUNTRIES

[In thousands of tons]

Country	Exports		Increase	Percent increase
	1985	1986		
Dominican Republic	9	30	21	233
Indonesia	10	38	28	280
Malaysia	3	22	19	633
Singapore	47	103	56	119
Taiwan	218	476	258	118
Thailand	35	67	32	91
Turkey	68	152	84	124

Source: American Iron & Steel Institute. Compiled from reports by the U.S. Department of Commerce's Census Bureau.

I think that all of the figures I have mentioned and those which will appear with my remarks in the RECORD belie the Ambassador Yeutter's rosy view of the President's Steel Program. The administration can draw any number of exotic charts and graphs showing a reduction in the level of imports since 1984 when their program began, but it is all relative.

The charts which Mr. Yeutter included in his report can be very confusing. They seem to show a dramatic reduction in the level of foreign steel coming into the U.S. market. The problem with this data is that the charts are based on export licenses from foreign countries, when almost

all trade data is based on import documents. Export licenses are neither independently verifiable nor available to the general public, and it is thus a misleading reporting technique.

Furthermore, export data is compiled only for countries under the VRA Program, and so it is impossible to directly compare the USTR's VRA data with conventional data on import levels. It is therefore very difficult to understand the total steel import situation using the USTR's information. In spite of their obscure graphs, the real picture is that steel imports are increasing and these imports are costing American jobs.

Our loss of 23.1 percent of our domestic market to foreign steelmakers last year is a clear sign to me that something must be done to improve our posture in the world steelmaking community. We need to strengthen our steel industry here and reexamine our economic policies with countries which engage in unfair trading practices. If we supply another nation with some important commodity and they ship us steel that is unfairly priced, then we should somehow penalize them for their actions.

The 1986 American trade deficit of $170 billion is absolutely outrageous and it has had disastrous consequences for American firms and workers. The current administration has done very little to defend U.S. businesses who are victims of unfair trading and they also continue to deny assistance to firms who are legally entitled to it. It is time to take positive steps to strengthen our international trading posture.

To achieve this goal, I have cosponsored H.R. 3, the Trade and International Policy Reform Act of 1987. The first title of the bill amends the Trade Act of 1974 to request that the President encourage foreign countries to improve their trading practices if they are either not providing competitive opportunities to the United States or if they have consistently violated American trade laws. When this determination has been made, he can recommend changes in U.S. trade laws, increase duties, or impose import restrictions.

As the chairman of the Congressional Steel Caucus, I am very aware that the American steel industry is suffering at the hands of unscrupulous foreign exporters. Numerous cases have been filed with the International Trade Commission and in most cases foreign steel producers have been found guilty of unfair trade practices. Unfortunately, almost none of these cases have resulted in punitive measures against foreign steel exporters.

The President and the USTR are not doing enough to preserve and build America's manufacturing and industrial base. We need to adopt vigorous measures to revitalize our Nation's producing capability. I believe that H.R. 3 will improve our ability to trade competitively in the international marketplace and I urge all of my colleagues to vigorously support this important bill.

U.S. TRADE REPRESENTATIVE,
Washington, March 4, 1987.

Hon. JOSEPH M. GAYDOS,
Chairman, House Steel Caucus, U.S. House of Representatives, Washington, DC.

DEAR JOE: Given the strong interest of the Steel Caucus, I thought it might be appropriate to share with you the results achieved by the President's steel program through 1986. (See attached graphs)

Steel arrangements have now been concluded with 18 countries and the European Community, bringing under restraint steel imports from a total of 28 countries. The most recent arrangement was concluded with the People's Republic of China on February 25. Furthermore, imports from countries such as Sweden and Argentina have been reduced markedly since this program began. A unilateral program announced by Taiwan should result in a substantial import reduction from this country during 1987.

In 1984, the first year of the President's steel program, over 26 million tons of steel were imported into the United States. Data for 1986 demonstrates that steel imports have been reduced to just 20.7 million tons, a twenty-one percent decline since 1984. Furthermore, imports of finished steel totalled 18.6 million tons last year, just five percent over the level prevailing during 1977-1983.

The attached graphs demonstrate the steel import decline that has been occurring since the initiation of the program. The graphs use a three-month moving average to remove the fluctuations that occur from month to month. Graph 1 tracks imports since October, 1984, the month in which the program was initiated. Steel imports then averaged over 2.2 millions tons per month. Some countries increased their steel exports in the months immediately following the initiation of the program, while negotiations were underway, pushing total imports above 2.3 million tons per month in early 1985. Since that time, as the graph demonstrates, the reduction has been dramatic.

Graph 2 shows demand for steel in the United States over the same period. Steel consumption, which in 1984 was nearly 100 million tons, declined to just 89 million tons in 1986 and is expected to decline further to 85 million tons in 1987.

Declining demand has played havoc with our efforts to hold imports to the hoped for import penetration target established by the President in 1984. If consumption had not declined over the past three years, 1986 import penetration would have been 20.9 percent, only slightly above the combined targets for finished and semi-finished steel.

We anticipated, when we designed this program, that demand might drop over time, following the declining trend that has been occurring since the mid 1970's, although we never imagined that the decline would be so precipitous. We insisted that the majority of our steel arrangements, and all arrangements with larger suppliers, be based on market shares, rather than absolute tonnage quotas. As demand has fallen, quota levels have been reduced accordingly. During 1986, we regularly revised downward these quota levels. Nevertheless, shifts in demand have occurred more rapidly than quota adjustments can be accomplished. There are inevitable time lags in the quot adjustment process from the time tha demand declines, program revisions ar made, and foreign export orders and shi ments are curtailed, until the U.S. Census f nally reports reduced imports in our month ly trade statistics. This phenomenon is dem onstrated in graph 3.

Much has been said about imports fro "uncovered" countries as a factor prevent ing us from achieving the import penetra tion targets. Legislation has been drafte specifically to address this perceived prob lem. Steel imports from "arrangement countries have fallen 6.1 million tons sinc 1984. Steel imports from "uncovered" coun tries have indeed increased, but by jus 575,000 tons. In my view, this problem ha been exaggerated and is of nominal impor tance when compared to declining demand

Is the President's steel program working This question was recently put to Davi Roderick, Chairman of USX, in a press con ference. I would like to share with you hi response.

"Do I think it's successful? Let me summa rize it this way. In the quarter prior to th agreement (to establish the program), im ports rose to 31 percent of the domesti market. In 1986, they were about 22, 23 per cent. So yes, it's working. I think if yo didn't have the voluntary agreement, I think imports would have probably risen t about 40 percent of the total market. So I think the agreement has been very, very successful."

"Now, it had a target of about, if you'd bring semifinished into it, it had a target o about 20 percent. Clearly last year we were at about 22, 23, so we're still above target, and we have to keep working to get it back to about that 20 percent. But we're only arguing about these two or three percent, and I'm saying if you didn't have that, I think the dumped and subsidized steel would probably have captured up to 40 percent of the market. So I give the President very high marks on that, and I think the steel industry and the union should admit that the program has been successful and congratulate the President for that intervention."

Notwithstanding those very generous accolades, we realize that the President's steel program has not yet fully achieved its goals. But we've come a long way, and we'll continue to hone the program's coverage and its implementation measures as we go.

Both the Steel Caucus and the steel industry have been tremendously cooperative and supportive during this entire exercise, and we are extremely grateful for that.

Sincerely,

CLAYTON YEUTTER.

THE CHIPS ARE DOWN IN THE U.S. SEMICONDUCTOR INDUSTRY

Mr. Speaker, I applaud the administration's decision to impose stiff penalties on Japanese companies for both dumping semiconducting computer chips at below-market prices and for closing their markets to United States-built supercomputers.

The administration's proposed reprisals echo the concerns of Congress expressed in resolutions passed only days ago and in both the House and the Senate. The resolutions urge the President to use all of his powers to end Japanese chip dumping and to prevent it from happening again. They also indicate the growing awareness of

the questionable trading practices of Japanese businesses.

The Japanese attitude toward trade with us is unbelievable. The vice chief of Japan's Ministry of Trade and Industry [MITI] recently told a visiting American trade delegation that it is a waste of time for the United States to try to sell supercomputers to Japanese Government agencies or universities, no matter how superior they are in price or quality.

This kind of comment is an outrage, since the ink is barely dry on the bilateral Semiconductor Trade Agreement between the United States and Japan. The pact requires that their government stop predatory pricing, both in the United States and in third country markets. It also commits the Japanese to opening up their market to chips made in America. Neither of these two goals has been met.

A Commerce Department report recently confirmed charges by American semiconductor manufacturers that Japan is allowing its chip makers to sell semiconductors at levels below their production costs, both in the United States and in other nations. This action is a clear violation of the Semiconductor Agreement.

Threats of impending trade tariffs prompted the Japanese to announce last week that they were going to tell their chip manufacturers to immediately reduce chip production. They predict that cuts should eliminate the oversupply of chips that have led to sale of underpriced chips to third country markets. The Japanese have not given overall figures for these cuts, but they have said that the controversial sale of two types of chips, called D-RAM's and EPROM's, will be cut by 11 percent in the second quarter of this year. The D-RAM production cutbacks are a victory won by a little semiconductor manufacturer in Boise, ID.

That company filed an antidumping suit against the Japanese in June 1985. The next month, the Semiconductor Industry Association started a section 301 trade case against Japan to force them to open their semiconductor market to American producers.

After months of fighting, American chip producers eventually convinced the administration that the Japanese are trading unfairly and that our industry is being hurt. The company's vice president of sales and marketing, recently said that his company lost $11 million in its most recent quarter and $33 million in 1986. He claims that the losses are, "100 percent attributable to the Japanese."

The financial losses of this small company could spread like wildfire unless the administration takes decisive action. The semiconductor industry currently employs 188,000 American workers and last year it contributed $17 billion to our gross national product. This certainly sounds like a healthy industry, but the volume of foreign semiconductors sales in the United States has increased from 2.5 percent in 1976 to about 17 percent in 1986.

It is only a matter of time before imports flood 50 or 75 or even 100 percent of our U.S. semiconductor market and there is no indication that the increasing levels of imports will decline without Government action.

I have urged the Congress to take a more active role in our trade relations since I came to Washington almost 20 years ago. In fact, in 1976 I said:

> Foreign Governments and foreign manufacturers use direct or indirect subsidies, tax rebates, cartel agreements, etc. to enable their industries to undersell competitors, thereby capturing a greater share of international markets. At the same time, through an elaborate network of tariffs and excise taxes, they effectively bar competitive products from their home markets. These unfair trade practices have converted the United States from the greatest seller of goods to its greatest buyer—in less than a generation.

Mr. Speaker, things have not improved over the course of the last 10 years—they have gotten much worse.

In 1976 we had a trade deficit of $9.5 billion. Last year our trade deficit skyrocketed to a record $170 billion and $59 billion of it was with Japan. This means that one-third of last year's trade imbalance was due to our incredibly lopsided trade with Japan. The battle over semiconductors is just the latest struggle in our trade war with Japan.

Throughout this decade, the trade balance has been increasingly burdened by our trade deficit, yet nobody at the other end of Pennsylvania Avenue seems too concerned.

They maintain that we must improve our competitiveness, although I do not think that anyone has a clear idea of exactly what that means or how it can be achieved. What we need is a clear strategy, and I have a few suggestions:

Formulation of long-term and short-term national trade policies would allow both Congress and the administration to keep our trade decisions reasonable and consistent.

Establishment of a department of trade would provide a centralized Federal agency to negotiate and enforce trade agreements and it would help develop America's exporting capacity.

A major revision of our international trade regulations would streamline the resolution of trade cases. A number of companies who have been hurt by unfair foreign competition have gone out of business during the time that it takes years to settle their cases.

Getting American exporters more involved with formulation trade laws and policies would be beneficial for everyone involved, and it would generate very innovative trade strategies.

Mr. Speaker, we in Congress need to look toward these and other creative ways of dealing with our trade deficit. We cannot assume that the situation will get better without Government action. Congress needs to be more actively involved formulating our Nation's trade policy and addressing our trade problems.

Congress should not have to take the initiative in this matter. The administration should be responsible for enforcing its trade agreements and guarding American businesses from unfair foreign competition. Negotiating and enforcing trade agreements is the exclusive domain of the executive branch, and it is very unfortunate when we have to pass resolutions to get them to act. Unfortunate, but typical.

In the past 20 years, the executive branch has been very hesitant to take an active role in effectively monitoring and regulating trade. During the 1960's and early 1970's, the economy was doing well and they did not want to risk upsetting a trade balance that was weighted in our favor.

When inflation and unemployment struck in the second half of the 1970's and 1980's, the White House seemed to be afraid that our problems would get worse if we dared change our open market trading policy. As a result we lost our competitive edge in steel, footware, textiles, apparel, automobiles, electronics, and many other industries.

The rise in semiconductor imports is simply the latest sign of our increasing dependence upon foreign imports, and the latest example of the White House's reluctance to curb unfair foreign imports.

Mr. Speaker, if the President cannot or will not take the lead on drafting a comprehensive and workable trade strategy, the Congress must do so. Once we take this initiative, the administration will need to get involved.

Together, we can focus our combined abilities and energies on the important issue of increasing our exporting capacity and eliminating unfair trading by our trading partners. The combination of American business, the administration, and Congress would be unbeatable. Now is the time for us to work together to shrink our giant trade deficit and return our Nation to its former dominance in the international marketplace.

□ 1800

PROBLEMS IN THE THRIFT INDUSTRY

The SPEAKER pro tempore (Mr. VOLKMER). Under a previous order of the House, the gentleman from Virginia [Mr. PARRIS] is recognized for 60 minutes.

91-059 O-89-20 (Pt. 6)

Mr. PARRIS. Mr. Speaker, I take to the well of the House today to discuss what I consider to be a very significant and increasingly frightening prospect now facing this Congress and the U.S. financial services industry, including millions of depositors in our Nation's thrifts, who are looking to us to protect their hard-earned savings.

Let me initially, Mr. Speaker, express in advance of my further comments to two of my colleagues, the gentleman from Wisconsin [Mr. ROTH] and the gentleman from California [Mr. MCCANDLESS], my sincere appreciation for their joining with me in the discussion over the next minutes of this problem to which I have just referred.

I have reference, Mr. Speaker, to the problems of the thrift industry and the precarious financial state of the Federal Savings and Loan Insurance Corporation, better known as FSLIC.

The deteriorating state of a significant segment of the thrift industry and the FSLIC, the insurance plan, has increasingly been the subject of discussion in the business sections of our local papers and is from time to time making front page news. Its compounding problems are beginning to permeate the public conscience.

We in the Congress must take some responsible action to put the thrift industry and the FSLIC back on its feet at the earliest possible date. Not doing so will erode public confidence even further and, regretably, our citizens will one day begin to withdraw their deposits from savings institutions.

Hopefully, this would not manifest itself in the form of a depression-style banking crisis, but I believe, and I am not alone in that thought, that if something substantive is not done now, the depositors will soon begin to lose faith in the savings system at an ever increasing rate as they become increasingly aware of the situation which exists and which continues to deteriorate daily.

We simply cannot permit, nor afford, a crisis of confidence in our financial system.

Before we begin an indepth consideration of this matter, let me reiterate to depositors around the country that there is no justification or no requirement, no need for them to be concerned about the stability or access to their individual accounts in their local FSLIC-insured thrift institutions, at least up to the statutory limit of $100,000.

The full faith and credit of the United States guarantees those deposits and will be available to them in any circumstance. This is a problem affecting an industry, rather than one that jeopardizes the existence or the future of individual savings accounts.

For 2½ years, Mr. Speaker, I have been an outspoken advocate of addressing this situation, the situation that faces the thrift industry and at the Federal Home Loan Bank Board, and have addressed this problem on many occasions before today.

Mr. ROTH. Mr. Speaker, will the gentleman yield?

Mr. PARRIS. I yield to the gentleman from Wisconsin.

Mr. ROTH. Mr. Speaker, I want to congratulate the gentleman because, yes, he was one of the first, the first to come before Congress to tell us that we had a real problem in this area and that we must solve the problem to protect the people who were involved. People who had their savings and so on invested.

I remember the GAO study that the gentleman asked for and the fine service that he did, not only for the Congress, but for the entire country. I want to again reiterate and thank the gentleman for pointing out to the American people the reason that he is working on this is because we want to keep these institutions solvent, responsible. I know if we follow your lead, we are going to do that.

□ 1810

I want to compliment the gentleman. It is not very often that we see one man stand up against the entire Congress, but the gentleman did that today in committee. We appreciate that kind of courage, so I say to the gentleman from Virginia, "My hat's off to you."

Mr. PARRIS. Mr. Speaker, I thank the gentleman very much. Those are extremely kind words, and he is very gracious.

Mr. ROTH. Mr. Speaker, will the gentleman yield for a couple more statements?

Mr. PARRIS. I yield to the gentleman from Wisconsin.

Mr. ROTH. I had a chance to talk to many of our savings and loan people around the country. In Wisconsin we have some 79 savings and loans, and all of them are strong. One of the reasons is, I think, that we have good management in our savings and loans, and we want to keep the trust and confidence of people in the savings and loans. The way to do that is to make sure that the people can always put their trust and confidence in them. If we follow the gentleman's lead and his guidelines, we are going to be able to do that. That is our purpose and our objective, and I think we are going to be able to do it.

This trust and confidence of the people is so important, because if that trust and confidence is ever lost, it is going to be impossible to ever regain it.

We do, however, have some problems in this area. For example, we have some 445 institutions that do face some problems. We have over a thousand in the country that have a net worth of from zero to 3 percent, but basically from 70 to 80 percent of these institutions are very strong and do an excellent job, and I think if they are managed well, as has usually been the case, we find that they do very well.

Mr. Speaker, the gentleman from Virginia has been a very strong member of our Banking Committee and has taken the lead in so many areas. The gentleman has been a strong proponent also of the GAP accounting system, and I was wondering if the gentleman could answer a question for me. Why is the gentleman putting so much emphasis on the GAP accounting system?

Mr. PARRIS. Mr. Speaker, I would say to the gentleman once again that certainly he is absolutely on point in his suggestion that the confidence in the financial system of this Nation and the individual institutions which make it up is obviously critical to the entire economy of the Nation. Can we imagine what would happen if our financial system were in some way to reach a crisis in confidence? So the gentleman is directly on point.

In answer to the gentleman's question, the so-called GAP accounting is the generally accepted accounting principles. This is the ground rules by which all of the accountants act and all of the bookkeeping is done essentially by financing and other corporations across the Nation.

RAP is called regulatory accounting practices. Under RAP, that is a system that was devised by the Federal Home Loan Bank Board in 1981, and we watched them escalate it into an art form in 1982. That is when you take extraordinary advances, which are called income certificates, for instance, which is an IOU from a defaulted insolvent government agency, and include them, if you are an individual financial institution, in your net worth, and you thereby meet the capital requirements established for continued operation in your community.

The problem with all of that is that it sounds very nice, except that we know that no moneys will ever be passed under those income certificates. The net worth certificates are exactly the same. We have generated a whole bunch of phony assets that are being called assets but which are in fact not and which would amount to value only in the event that the savings and loan insurance corporation, which is now bankrupt, would provide the moneys.

So here we come full circle again, so that the guarantees which have been issued are dependent upon the full faith and credit of the United States. And I would say to the gentleman that I must remind him again that this is not a minuscule problem. There is $800 billion of these guaranteed credits, and if that is not enough, 80 per-

cent of the total Nation's annual budget is represented. If that is not a big enough number to scare you, I do not know what would be enough to get somebody's individual attention.

Mr. ROTH. Mr. Speaker, I would like to ask the gentleman if he would yield for one more question.

Mr. PARRIS. I am glad to yield to the gentleman from Wisconsin.

Mr. ROTH. I thank the gentleman for yielding.

Mr. Speaker, I have a few dollars in savings and loans. What is the gentleman's recommendation? Many people have asked me this.

Is it the wise course to put money in savings and loans? I have always said, "Yes, they are as safe as can be."

Does the gentleman think I am acting improperly in giving that type of advice? Does the gentleman think that is proper advice?

Mr. PARRIS. This is not "tune in on your dial and get free financial advice," but if the gentleman is asking me, would I invest in stock or securities of an individual institution in the thrift industry, I would say to the gentleman that he would have to look at each institution one at a time.

If the gentleman is referring to the ordinary savings and loan type deposit or thrift institution deposit, I would say, as I have indicated earlier in these remarks and on other occasions on this floor, that I would not be concerned so long as that account is insured by the Federal Savings and Loan Insurance Corporation up to the statutory limit, which is $100,000. There may be a little dislocation if an individual institution fails before the moneys are available. We saw some of that in Maryland and some in Ohio when we had failures. But that is not a serious problem, and the moneys will not be withheld for a great period of time. And I think, as has been evidenced and as the gentleman as a member of the Banking, Finance and Urban Affairs Committee voted today on what was referred to as a Parris amendment, that we have once again in the banking bill, the FSLIC bill, that will be coming to this floor, reiterated the sense of the Congress that the full faith and credit of the U.S. Government is insuring the individual accounts of individual Americans who have their moneys deposited in thrift institutions.

Mr. ROTH. Mr. Chairman, I would ask the gentleman from Virginia [Mr. PARRIS], if he would yield once more.

Mr. PARRIS. I yield to the gentleman from Wisconsin.

Mr. ROTH. Mr. Speaker, the question that I have is that of all the savings and loans, 80 percent of them are very strong and are excellent institutions and are very well managed and doing an excellent job. What can we do to make sure that their reputation remains strong and does not deteriorate because of a few that have not been doing as well as they should have been doing?

Mr. PARRIS. I have some very strong opinions about that, and I would say to the gentleman that my remarks in the balance of the special orders this evening will cover that. I would say to the gentleman in a one-sentence summary—and perhaps that is where I ought to stop with this, but I have considerably more detail I want to go into—that I have accomplished severability. We have to take that 70 or 80 percent of the industry which is well managed, well capitalized, and making record profits, and we have to sever it from the 30 or 25 percent, or whatever the number the gentleman would like to assign. We have to sever those categories within the thrift industry itself, and then we have to minimize the disposition of the assets, the below-market assets, the low-quality assets of the 30 percent so as to minimize the damage, if you will, the cost, the resolution cost, it is called in the business, to the taxpayers of this Nation.

And that is not a simple problem. It is an intricate, complex, bothersome issue that must be addressed. I have a rather detailed proposal included in my remarks which we will get to in just a moment here.

Mr. ROTH. Mr. Speaker, I thank the gentleman for yielding to me during his time. I know that he is very knowledgeable in this field, and I want to listen to some of his suggestions because I think he is doing a tremendous service not only to this Congress but to the country.

I again compliment the gentleman for taking the initiative and taking the lead in this area.

Mr. PARRIS. Mr. Speaker, the gentleman is most gracious, and again I thank him for his kind remarks. For those comments that he continues to make, I am delighted to yield to him for that purpose and for any other purpose.

Let me indicate, Mr. Speaker, that yesterday and then again today, in the Banking, Finance and Urban Affairs Committee, as my friend, the gentleman from Wisconsin, has just indicated, I cast the lone dissenting vote in the subcommittee against the FSLIC recapitalization plan. That is not easy to do. I did not like to do it, but I did it, and I think it was the right vote. I think some of the points that we will discuss here in the next few moments will justify the wisdom of that position. My reasons for casting that protest vote are many. I would like to just explain my position to the approach that is represented in that plan.

In my judgment, Mr. Speaker, all of the proposals that were on the table before the subcommittee and the full committee to solve the FSLIC crisis will ultimately prove to be inadequate in solving the problem. Under anybody's scenario, it is simply an inadequate approach to the problem. Whether we give FSLIC bonding authority for $2.5 billion a year or $7.5 billion over 2 years, as the Senate bill would, I believe that any combination of those figures will not provide the dollars needed by FSLIC to resolve the troubled cases that need action and that need it now.

On the other hand, I have very serious reservations about the whole design of the Treasury plan. With growing skepticism, I question how marketable these bonds will be, to begin with, I do not know what the risk plan assessed by the marketplace is going to amount to, and moreover, my major concern, Mr. Speaker, is that we will bleed the healthy portion of the thrift industry by special assessments that are enormous—and we will get to those in a minute—so that the healthy portion through these assessments will continue over the next 5 years to support the portion of the industry which we discussed with my friend, the gentleman from Wisconsin, just a moment ago, that represents almost one-third of the entire industry.

Mr. McCANDLESS. Mr. Speaker, will the gentleman yield?

Mr. PARRIS. I am glad to yield to the gentleman from California.

Mr. McCANDLESS. Mr. Speaker, I would also like to compliment the gentleman for taking out this special order and presenting this timely information and reassuring those who may be listening to us that we are not talking about the average thrift institution on the average corner of an average street in any town.

□ 1820

We are talking about 20 percent of those who, anyhow, irrespective of how poorly they are managed, the savings of those people are safe as long as that institution is insured by the Federal Savings & Loan Insurance Corporation which we call "FSLIC," and that is important to those who have savings in their areas.

I, too, voted against this bill today very reluctantly, but you have brought up the financing procedure and what you consider to be some of the shortcomings of what I understand your presentation to be relative to the bonds and the selling of those bonds for the purpose of the reinvestment necessary in the FSLIC Reserve Fund to protect the savings which amount to somewhere around $900 billion on a nationwide basis.

Where are your concerns relative to those bonds and the type of program that came out of the full committee? I wonder if you would share some of those thoughts. We did not get a chance to talk at all during the com-

mittee hearing; we were busy with amendments and those kinds of things.

Where are your concerns?

Mr. PARRIS. Once again, I would say to the gentleman that I appreciate very much his question. I will be glad to answer that in brief and then I will later, in my statement, cover it in greater detail.

I would say to the gentleman that what the Treasury plan essentially does is recognizes the situation in which a portion, the gentleman is absolutely correct, of the thrift industry finds itself in being mismanaged, undercapitalized; those kinds of problems, and therefore have enjoyed a tremendous loss of capital.

As a result of those losses, they have been motivated to take even further risks. The so-called high fliers that make direct investments in business ventures using money obtained from the Federal credit window, and they go sour. Then the problem exacerbates itself, et cetera.

Mr. McCANDLESS. If the gentleman would yield on that point, this becomes then a management problem in the design of direct investments and the shortcomings of those management decisions have resulted in this. Is that direct investment do you consider to be a wise part of the portfolio of a savings and loan given proper management?

Mr. PARRIS. I would say to the gentleman it depends on what the direct investments are and to what extent of the capital of a given institution they represent. The business of Federal insured savings and loan institutions is to provide beneficial home financing to individual American customers. It is not to engage in the purchase of race horses or windfarms, which we have a number of instances like that of direct investment of capital in business prospects many of which have turned very sour.

Mr. McCANDLESS. So if I were a constituent of yours or you were a constituent of mine and I went into my savings and loan and said to the manager, "I understand that savings and loan associations are now permitted to make direct investments," and the manager said, "Yes, we are permitted," that a brief discussion as to the direct investments that that institution would be making under the new laws that they are permitted to do so, would result in a pretty good idea if the individual who was asking the question had, had business experience, but would result in a pretty good idea of what that savings and loan institution had in the way of management and the direction it was going. Would that be a good assessment?

Mr. PARRIS. I would say to the gentleman that would be an excellent question to ask; to reach some kind of understanding of just what kind of an institution this is to which you are addressing that question.

Mr. McCANDLESS. Also the fact that there are direct investments available to these savings and loans under current regulations is not necessarily bad in that sense.

Mr. PARRIS. A direct investment in and of itself in some reasonable amount up to some reasonable percentage of the capital of the institution is not bad. It is the 100-percent capital investment in direct capital amounts, in direct investment, that are shaky if not almost criminal in the way in which they are selected, and in some cases, mismanagement, fraud, abuse and all the rest.

If that is the case, then they are obviously bad to all. Another aspect of this is the inability of the regulators to control the amount or the place in which the direct investments are made.

Mr. McCANDLESS. When we talk about the average savings and loan and we talk about direct investment, the individual who is the average person who relies upon the Government to insure savings that represents a livelihood, an income or a life investment, that individual is not necessarily knowledgeable as maybe you and I would be or others in the history of the savings and loan institutions.

This direct investment came about as a result of deregulation. Maybe if we could talk a little bit about what the initial thrust of savings and loan were intended to accomplish and then what happened, it might help these people build on what you and I and Congressman ROTH will be talking about in this special order.

Mr. PARRIS. I appreciate that very much, Mr. Chairman, and I would say to the gentleman, if you will permit me, I am going to very shortly undertake a brief summary of the history of the thrift industry in this Nation, how we got there, and basically where we are.

Mr. McCANDLESS. I thank the gentleman from Virginia for yielding.

Mr. PARRIS. I thank the gentleman for his contribution.

Mr. Speaker, let me just reiterate that I am convinced that the major portion of the problems with the bill that was reported today by the Banking and Finance Committee is that we are going to bleed the healthy portion of this industry to solve the problem of what I call the "brain deads." There is a better way, and in this special order this evening we will discuss a proposal that will recognize among other things that the Congress must minimize the ultimate cost to the taxpayer if a bailout of FSLIC is in fact needed. It will limit the threat to the healthy thrifts to our banks as well. Commercial banks are threatened; that their own solvency is jeopardized, or would be, by a hastened, crisis-driven merger of the FSLIC, which the savings and loan corporatio funds, and the FDIC, which is the i surance fund that insures deposits i commercial banks. So you must kee that distinction in mind.

Finally, a proposal that the marke place recognizes, the marketplace ha overrun the regulatory process, we i the Congress have to recognize th changing financial structure that ha clearly already taken place and wi continue to do so in the future.

The vote in the subcommittee and i the committee this afternoon, M Speaker, was a protest and simply way of indicating that all is still no well with the thrift industry an FSLIC, despite our action today, and think that the committee will b facing that problem again in the ver near future.

Let me say to fully understand thi problem it is important that we under stand how we got here. Let me, as have indicated to the gentleman fron California, undertake a brief histor of the thrift problems.

For many years the savings an loans in this Nation met this country' needs for long-term, fixed-rate mort gages, a market that many commercia banks were barred from filling. In con junction with this, the U.S. Govern ment promoted homeownershi through a panoply of supports an subsidies to S&L's [savings and loans] Thrifts responded by making million of long-term mortgages at fixed rates and many of us enjoy the great Ameri can dream of home ownership as a result thereof.

Despite the popularity of the mort gages with the homebuyer, the fund ing scheme of S&L's, which was predi cated on borrowing short term an lending long term has always been at least questionable if not unsound. Ma turity mismatches between thrift rate and liabilities has always left thrift vulnerable to insolvency, and failure itself whenever interest rates jump precipitously. Also, we learned in the Ohio and Maryland crises that should depositors of any S&L, well capitalized or not, ever begin a run on an S&L, it would have trouble raising the cash to meet those needs, except if it sold its mortgages at fire sale prices.

Until the late 1970's, the thrift funding scheme worked well. But the interest rate fluctuations of that period and on into the early 1980's posed great problems for thrifts. S&L's held millions of fixed-rate mortgages that were worth less than their face value.

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Low yielding loan portfolios made many thrifts insolvent based on the market value of their loans. At the same time the deregulation of deposit rates, the thing that the gentleman referred to a moment ago, forced many

thrifts to compete for deposits and to pay higher interest rates to preserve their core deposit base.

In 1981 and 1982 S&L's failed by the hundreds. The thrift industry as a whole reported a total of $9 billion in losses in those 2 years alone.

In addition, Mr. Speaker, deposits flowed out of thrifts to money market mutual funds and elsewhere because of below market caps on thrift interest rates, so-called regulation Q.

Congress attempted to resolve the interest rate problem in March 1980 by hurriedly passing the Depository Institutions Deregulation and Monetary Control Act of 1980, called the Deregulation Act. This act created the Depository Institutions Deregulation Committee, which started decontrolling depository institution interest rates so that thrifts and banks could regain the deposits they had lost; however, the cost of funds for thrifts shot up. In turn, longstanding thrift profitability suddenly turned into enormous losses. On a market value basis, thrifts were as much as $30 billion under water by mid-1981.

The Deregulation Act only partially addressed the asset side of thrift balance sheets by granting federally chartered thrifts limited asset diversification powers.

The Garn-St Germain Depository Institutions Act of 1982 authorized further asset diversification for thrifts. State legislatures responded by granting similar broader lender powers for State chartered thrifts.

The process set off by deregulation was a very mixed blessing for thrifts. After conforming to one set of Federal policies for almost 50 years, thrift managers, already battered by losses and declining net worths were cast adrift by the Federal regulatory process to set new courses in the unfamiliar and choppy seas of volatile interest rates.

The long-term nature of thrift assets made it extremely difficult for thrifts to restructure their balance sheets in a short timeframe and during the few turbulent years in which they had to accomplish this task, the regulators attempted to address the solvency problems of the thrift industry by easing up on the bank boards net worth rules, the so-called RAP [Regulatory Accounting Practices].

The minimum net worth requirements were dropped to 4 percent in 1980 and then to 3 percent in 1982.

Regulatory accounting principles were adopted in 1981 and 1982 which permitted thrifts to report overstated net worths. Income capital certificates, which I referred to earlier, and net worth certificates and other accounting devices were used to mask thrift insolvencies. Actual regulation of the thrift industry failed badly. Supervision of thrifts exercising liberalized investment powers has been weak at best, if not incompetent.

The Bank Board has simply flunked the test in controlling the get rich quick operators.

Bank Board oversights of thrifts placed in the Management Consignment Program has been extremely poor as these thrifts have continued in operation for far too long, while paying excessive interest rates and making poor loans and even worse investments.

The Bank Board has had far too few examiners and supervisory personnel and those that they have had not been the most qualified or effective.

The Bank Board and FSLIC have lacked quality people and inadequate funds in adequate amounts.

Horror stories abound the FSLIC moving too slowly and without decisveness in closing up or selling off insolvent thrifts.

Adding to these problems, many S&L's turned to direct investments and we have discussed that earlier, in an attempt, an almost desperate attempt to return to profitability. Unfortunately, many of these risky ventures backfired and resulted in even greater losses for many S&L's. That has had the effect of compounding the problems facing the FSLIC, our insurance plan. That has been a very significant problem and it has added fuel to the fire. Many investments were made in energy and agricultural dominant areas. The subsequent downturn of the economy in those industries has resulted in an ever greater number of thrift failures.

What all this means, Mr. Speaker, is that the strain on FSLIC resources has been significant. In 1985, FSLIC had $4.6 billion in primary reserves. By the end of 1986 the primary reserves had shrunk to a negative $4.5 billion.

Mr. McCANDLESS. Mr. Speaker, will the gentleman yield?

Mr. PARRIS. Yes, I am glad to yield to the gentleman from California.

Mr. McCANDLESS. Mr. Speaker, I appreciate the gentleman yielding. I would like to expand, if I may, on our discussion a little bit about the FSLIC reserve and its problems, its demise and what the Banking Committee in its infinite wisdom, the subcommittee and most recently the full committee, has done to attempt to correct that and some of the ramifications that may come as a result of that in what the gentleman and I view in our "no" votes as being shortcomings of the bill and its inadequacy in dealing with the issue.

Now, we started out with a recommendation from the Savings & Loan Association, the League, with a $5 billion, 2-year plan, which is a self-imposed insurance policy on the industry——

Mr. PARRIS. Imposed by the Federal Home Loan Bank Board, rejected by the industry.

Mr. McCANDLESS. Yes; I thank the gentleman; so at the outset we want to make sure that there is an understanding, there is no direct Federal or governmental money involved.

Mr. PARRIS. This is an industry bailout of itself is what it amounts to.

Mr. McCANDLESS. One might liken it to automobile insurance, where the industry insures itself against its collective losses and because losses have been rather high, those who are in an excellent financial position find they are in a position of paying for the bad judgment of others and they have reached a point where they say the cost of doing that is more than they want to assume.

Well, the gentleman and I both agreed that the $5 billion over a 2-year period was totally inadequate. Now, maybe we could go into the other plan presented by the Treasury Department which the Banking Committee asked the Treasury Department to come up with last year and the parameters of that so that we could make that comparison.

Mr. PARRIS. I think the gentleman's suggestion is an excellent one. I wonder if the gentleman might withhold slightly, however, because I am coming to that, if the gentleman will.

Mr. McCANDLESS. Glad to.

Mr. PARRIS. Let me just give again a one-sentence summary so that it will be evident to all.

The so-called Treasury plan from the administration's Treasury Department was $15 billion.

Mr. McCANDLESS. Again, Mr. Speaker, if the gentleman will yield, at no cost to the taxpayers.

Mr. PARRIS. That is correct.

Mr. McCANDLESS. But an assessment to the industry.

Mr. PARRIS. That is correct, which looked to the somewhat uncertain cash flow of the cash assets of the industry itself to leverage bonds that will be marketed at risk premiums in the normal process of things in this Nation, so it was a great deal more energetic scheme than those that have now been ratified by the committee and the number of dollars is three times as much, which I would again submit to the gentleman I am coming to, but which represents something between 10 and 15 percent of the total resolution cost of the problem.

Mr. McCANDLESS. Mr. Speaker, I thank the gentleman.

Mr. PARRIS. Mr. Speaker, we will return and revisit that issue if we do not cover it adequately to the satisfaction of the gentleman.

I was indicating, Mr. Speaker, in my remarks that by the end of last year, just 3 months ago, the primary reserves of FSLIC, our insurance pro-

gram that covers all of the thrifts in this Nation, have gone to a negative $4.5 billion.

More critically, FSLIC had only $4 billion of cash and securities to use in meeting its obligations. We were told just last month that FSLIC cash resources just since then had been depleted to $1.4 billion.

Now, it is obvious that the FSLIC's liquidity problems are clearly far worse than is generally recognized and FSLIC's depleted cash position and its negative reserve position dramatizes its inability to absorb insolvency losses beyond its current cash income. Insolvent thrifts increasingly are bidding up interest rates in order to attract deposits. Unfortunately, healthy thrifts also have to pay those higher rates in order to be competitive. Thus, the FSLCI's problems are clearly affecting all the thrifts that it insures throughout this entire Nation.

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Now that we have examined to this point how we got here, let me relate very briefly where we are today, and the state of the thrift industry, and the size of the problem that the gentleman from California Just alluded to, the size of the problem of cost resolution that FSLIC faces.

The thrift industry is, as one would imagine, not in the best financial condition. Approximately one-third of the industry is in a severely weakened condition. The other two-thirds of the industry is generally well-managed, and is in good financial condition and, as I have indicated earlier this evening, reported record profitability in recent times.

However, as the good thrifts prosper, the weak or the brain-dead institutions are losing more money than the good ones are earning. The 70 to 80 percent are earning an enormous amount of money, record profits. The 20 to 30 percent that are not earning at all are losing much more than the 70 or 80 percent are in fact earning. So we are going farther in the hole faster every day.

As of October 31, 1986, low-quality assets equaled 90 percent of the industry's net worth under regulatory accounting practices. Two years earlier, low-quality assets were only 53 percent of the total industry net worth. The picture is worse if good will and other intangibles are subtracted from net worth. After reducing industry net worth by the intangible assets, low-quality assets equaled 168 percent of reduced net worth in the third quarter of last year. Delinquent loans and repossessed assets have increased $29 billion over the last 2 years.

In order to assess the state of the industry, let us use the latest General Accounting Office figures which have been provided to the Banking Committee and which figures are not disputed by the Federal Home Loan Bank Board, which supervises FSLIC. In fact, the Bank Board itself has used many of these same statistics to argue in favor of the recapitalizing of its insurance fund.

As of September 1986 there were 445 insolvent thrifts in the United States as determined by generally accepted accounting principles [GAAP]. Every single one of those institutions has a negative net worth, which means that their liabilities exceed the value of their assets under GAAP accounting. These 445 institutions had assets totaling $112 billion, and they are involvent.

Beyond these 445 there are 598 institutions with net worths between zero and 3 percent, which is dangerously low. In the early seventies the Bank Board would close institutions under its own regulations whose net worth had reached that level. The return on assets on these institutions is a negative 0.16 percent. now that figure I hope is startling and dangerous to Members, because it implies that there are hundreds more institutions that could slip into GAAP insolvency, and ultimately become FSLIC cases that must be Resolved with FSLIC funds. The inescapable conclusion is that the problem is really much larger than generally thought, and will take many more dollars to solve that has ever been publicly acknowledged.

It is a clear fact, Mr. Speaker, that of the 3,287 thrift institutions in the United States, 1,043, or 32 percent, almost one-third, are either insolvent or in a very weak and inadequate capital position. All totaled, those institutions have $395 billion in assets. I did not say millions, Mr. Speaker, I said billions, with a "b."

Not all of the approximately 1,000 troubled institutions are unprofitable. In fact, about half still report a decent profit, but the return on assets from this group is so small, and their positions are so precarious, that the slightest change in any number of factors could make them unprofitable and quickly move then into GAAP insolvency.

The geographics of the problem are also very significant. Texas is at the center of the fire storm—140 of the GAAP-insolvent and undercapitalized institutions are in Texas, 60 in California, 45 in Florida, 49 in Louisiana, and 25 in Oklahoma. It is obvious, therefore, that the Southwest has been hit hardest by this crisis. Many of these institutions have been seriously affected by the economic depression in that area. Many, however, are what we alluded to earlier as and are generally called high flyers. They made risky investments with no thought that the oil boom and the real estate market would ever end. Now that the good times are over, these thrifts threaten to destroy the rest of the savings and loan industry.

In addition, it cannot be ignored that the economics and structure of the thrift industry are changing in an irreversible manner. Recent innovations in mortgage securitization, enhanced by the 1986 tax legislation, are rapidly altering the thrift industry. Origination and servicing functions by specialists financing home mortgages through what are called REMICS floating rates, mortgage-backed securities, and new computer technologies have enabled thrifts to reduce costs and rates. New accounting rules and increased capital standards, satisfied in many cases by shrinking in asset size and looking to origination fees as an immediate source of profits and cash flow will bring further changes to the thrift industry.

These changes, and a number of others surely to follow in the marketplace with or without approval of the regulators, will force the traditional thrift out of its original business, which was funding home mortgages with retail deposits.

The fundamental question then must be asked, when faced with the growing competition from nondepository and no-reserve lenders, will the funding cost disadvantage that now burdens thrift institutions largely eliminate any viable long-term role for an industry of depository institutions that largely specialize in home mortgage lending?

That, Mr. Speaker, I submit is a fundamentally critical question that must be addressed.

In fairness it should be stated that although the current situation was in part generated by gross mismanagement, abuse, and some outright fraud among a portion of thrift industry managers, that was only a small portion of the influences at work.

The economics of the industry, technology, and changes in the marketplace also were involved, and the failure of the regulatory structure and of the regulators themselves were also partly responsible for the dilemma with which we are faced.

Acknowledgement should be given to the fact that the profitable and well-managed thrifts did not cause the FSLIC problem, and therefore they should not get punished for it.

While the thrift industry has suffered these major losses, its insurance fund, FSLIC, has slowly dwindled toward bankruptcy.

Let us consider FSLIC today, Mr. Speaker. As I pointed out earlier, FSLIC has used its resources down to the point that it stands at least at a negative $4 billion according to the General Accounting Office and admited by the Bank Board Chairman.

Why has the GAO determined that FSLIC is insolvent? Let me quote from their testimony:

As part of our audit of FSLIC's calendar year 1986 financial statements, we have preliminarily determined that FSLIC needs to establish a contingent liability in the range of $8 billion to handle cases that will require action in the near future. When this amount is deducted from FSLIC's reserves, FSLIC would have a deficit of over $3 billion at the end of 1986. Clearly, such a fund balance cannot handle the real liability FSLIC now faces.

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The liquidity problem that FSLIC faces has affected its ability to handle the insolvent cases that it has in its caseload. In 1986, FSLIC acted upon only half of its serious cases. During the same period, its serious case list doubled. It is now up to 182.

Another aspect of FSLIC's problems is that the cost of liquidations increased from $981 million to at least $3 billion in 1986. Assistance to open institutions rose from $4.8 billion to $6.9 billion last year.

Another cloud on the horizon for FSLIC is the large amount of uncollateralized advances or loans that have been made by the regional Federal Home Loan Banks with the full backing of the FSLIC. The banks have made $5.9 billion in advances to 83 troubled institutions. Of these, $3.4 billion are guaranteed by the FSLIC. The FSLIC guarantee is most likely the only source of prompt repayment on these loans to the troubled institutions. We have seen recently that regional bank auditors will not give a clean bill of health to these institutions when a bankrupt entity, FSLIC, is the guarantor of these notes.

There is no reason to believe that the regional banks will continue to be willing to make more uncollateralized loans to the troubled thrifts. The director of these banks have a fiduciary duty to their shareholders, all of which are other thrifts. If the foundation of the regional Federal Home Loan Banks is shaken, their stock value will decline, and the ripple effect will plunge even more thrifts into GAAP insolvency.

Another problem with an insolvent FSLIC is that it has $4.5 billion in outstanding notes payable to troubled thrifts. Once again, accountants will have to face the question of whether an institution can count a note as an asset if it is from an insolvent corporation, even if it is a Government agency.

FSLIC's prospective insolvency loss at the end of 1986 among insolvent and barely solvent thrifts is estimated to be $35 to $45 billion. This figure represents the difference between market value of the assets and their insured and collateralized liabilities as of the end of 1986. In effect, this range represents the amount of cash FSLIC would have to disburse, as of the end of last year, to pay third parties to take over all of the assets and just the insured and collateralized liabilities of every thrift that was insolvent at that time, $35 to $45 billion.

These are the losses that are looming for FSLIC. The ongoing operating losses in 347 so-called significant supervisory cases alone are $6 million a day. This totals over $2 billion a year, and these daily losses alone exceed FSLIC's total income. Another 400 thrifts also lost money in the third quarter of 1986 with the possibility of their loss amounting to another $2 or $3 million daily.

FSLIC's income is composed of regular assessments of one-twelfth of 1 percent of deposits that generate $740 million annually and a special assessment, now in its third year, of one-eighth of 1 percent which is a burden to the thrift industry, and yet it is the primary source of FSLIC's income. It produces about $1.1 billion a year.

Insolvent thrifts increasingly are bidding up interest rates in order to attract deposits. Unfortunately, healthy thrifts also have to pay these higher rates solely because they are FSLIC-insured rather than FDIC-insured. All totaled, these excessive interest rates are costing the industry another $4 billion a year.

An additional cost of delay of resolving of this situation is the certainty of future declines in market values of deteriorating assets.

What all this means is that the FSLIC probably has no more than $2 billion on hand today. Furthermore, and most importantly, the FSLIC at the present time has no money and no way to resolve the troubled cases on which it needs to act. The total cash resources it could marshal to meet its cash requirements approximate just 1 percent of total thrift deposits which were almost $900 billion at the end of last year.

The problems of the thrift industry are apparent, but the conditions that I have highlighted here have been known to the administration, and to the respective House and Senate committee's for some time now. Despite this, the Congress has been slow to act on the FSLIC crisis. The irony is now that as we near some kind of action it may be too little, too late.

Now that the problems of the thrift industry have been laid on the table, and the troubled condition of the FSLIC fully exposed over these past few years, some have searched for a solution.

I think it is necessary, Mr. Speaker, to ask what actions would it be anticipated that the Congress might take in the face of this situation. Well, there is one thing that is for sure and that is that history assures us that neither the bank board or its staff will provide anything approaching adequate direction as the thrift industry approaches its hour of crisis.

Individual State regulators will have little influence because restructuring of the Nation's financial institutions will be determined by Congress at the Federal level, which will not be overly attentive to State interests if doing so will increase the cost of necessity of bailing out FSLIC with Federal Treasury funds.

While Congress will not repudiate resolutions of full faith and credit behind the Federal deposit insurance guarantees, it will do everything possible to avoid backing up those guarantees with appropriations of hard cash from the Treasury. Political expediency, driven by the budget deficit, will delay the actual injection of taxpayer funds into FSLIC. Congress will also be extremely reluctant to divert money from its cherished domestic programs.

If funds have to be diverted to FSLIC many will propose that we consider reregulation as a preferable approach. However, reregulation will generate no cash or other support for FSLIC and will instead perpetuate an already outmoded industry structure.

Because of the budget deficit and the adverse impact that the use of Federal funds would have on it, the Congress and probably the administration as well would surely impose even more of FSLIC's insolvency losses on the thrift industry itself so as to avoid using taxpayer funds to bail out FSLIC.

If it becomes obvious to all that FSLIC's problems cannot be contained within the thrift industry, which is another way of saying that a recap plan will not work, Congress will, as an action that will carry with it political exposure less than direct appropriations, order the merger of the two insurance funds and the use of FDIC insurance reserves to help stem the tide with attendant risks to the banking industry as it faces more bank failures this year than in any year since the Depression in the 1930's. A merger would open a Pandora's box that ultimately would affect every type of financial services institution, as well as creating foreign concern about the soundness of the entire American banking system, with the implications of that being recognized by everyone.

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In addition, there are major structural policy decisions that would have to be made in the event of a merger or a loan from FDIC to FSLIC.

So what are the alternatives for Solving the FSLIC Problem? The gentleman asked this question a moment ago, and I have gotten to it.

The Senate has offered to issue bonds in order to give the FSLIC $7.5 billion for the next 2 years. Important-

ly, the Senate bill would cap what the FSLIC can borrow at $3.75 billion each year.

The House Banking Committee earlier this afternoon gave FSLIC bonding authority of $5 billion for 2 years with an annual limit of $2.5 billion.

Does anyone who is really serious about this problem believe that it can be corrected with an effort of only that magnitude, or that we can simply wait out this problem and do nothing or very little? If they do, they are very, very wrong because, as has already been shown, the potential insolvency loss is $35 to $45 billion and the proposed remedy of that problem would be only 10 to 15 percent of the resolution cost. The 85-percent balance of the cost to solve this problem would simply be ignored—in a desperate hope that maybe it will go away. That is formula for disaster. It will not correct the crisis, and we will one day regret our actions.

Let me say now, Mr. Speaker, that this should not be interpreted as a plea for the Treasury's recapitalization plan because even that plan, had it been adopted, would have in my view been inadequate as well. I am convinced that any of the proposed recap plans are not feasible under any possible scenario, and I am saddened that the small sum plans are being adopted in my committee in this House and might well become the law for the next 2 years.

In that 2-year period or perhaps even sooner, FSLIC will suffer losses that will far outstrip its ability to meaningfully correct this problem. Consequently, FSLIC will be forced to again delay the resolution of its problem thrifts until that time expires and we will again face the same problem, again at a much higher cost.

The problems that the losing institutions face are not interest rate problems. Their profitability will not return even if interest rates decline as they did for many thrifts in the mid-1980's. Neither will an economic turnaround in the Southwest save many of these thrifts because most of them have "asset quality" problems. That means the market value of their loans and investments are not as large as the amount of debt that these assets secure. The market value of the investments are not as large as the debts that have been made on them.

Asset quality problems are potentially more expensive to the insurance fund than were the interest-rate spread problems of the early 1980's. They also can be more difficult to deal with.

Let me quote from the General Accounting Office on this problem. They said:

> We have seen that asset quality problems are both less predictable and more costly to the insurance fund than interest rate spread problems. Perseverance is not a virtue for an institution with poor credit risks, bad assets, and a worsening insolvency problem. First, every dollar of continuing losses by an insolvent thrift adds to the FSLIC's cost and creates a growing imbalance between the liabilities for which FSLIC is responsible and the assets it must manage at the time of case resolution.

FSLIC will be forced to defer any meaningful action while the losses simply build up. I don't think that is what the Congress wants. Unfortunately, we cannot simply wait out this problem, as that would lead to certain catastrophe.

Let me give you three more reasons why any action short of an adequate solution to this situation is negative for the thrift industry itself. A small sum such as proposed in the committee bill will actually increase the future cost of borrowing in the marketplace, as all the recap plans depend on long-term borrowing. The financial condition of FSLIC, the weakness of a large part of the industry, the certainty that Congress will have to revisit this problem in the near future and growing skepticism that the bonds can be marketed successfully at a reasonable interest rate, all will cause the bonds to be more expensive to market. They will in effect become Government "junk bonds" because of the high risk associated with the problems of FSLIC.

Another risk of delay. The Bank Board estimates that just a modest increase of 200 basis points in interest rates would cost FSLIC an additional $7 billion over the next 2 years—and jeopardize the future of hundreds more thrift institutions. Even this is undoubtedly an underestimate, given the Bank Board's previous optimism.

If you increase interest rates by 2 basis points, and cost $7 billion, that obviously exacerbates the problem.

We saw, Mr. Speaker, several banks in New York, led by Chase Manhattan and Citicorp, increased their prime rate yesterday by ¼ of 1 percent, and we are going in that direction for sure.

There is another major problem that is associated with the theory that we can wait out this problem. It is more than likely that interest rates will slowly increase in the future rather than continue to decline significantly. Therefore, the longer the delay, the greater the interest and carrying costs incurred on FSLIC's accumulated insolvency loss.

EQUAL ACCESS TO COMMERCIAL CREDIT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York [Mr. LAFALCE] is recognized for 10 minutes.

Mr. LAFALCE. Mr. Speaker, I am happy to join my colleague, the distinguished gentlewoman from Louisiana, in introducing today a bill that will help remove barriers that confront more than half of all Americans who seek to pursue the American dream.

The desire to seek independence by owning one's own business is not limited by race or gender, but access to its fulfillment is often dependent upon factors unrelated to entrepreneurial skill. Equality of access to business credit is vital for business formation and development, and in spite of advances in achieving equality of opportunity, women and minorities still face subtle discrimination in credit transactions for the sole reason that they are members of historically disadvantaged groups.

Because of a loophole in the law, discriminatory practices in commercial lending occur with alarming frequency and are difficult to detect or prove. The legislation I am introducing would close the loophole and clarify the intent of Congress that all Americans be provided equal access to commercial loans so vital to economic development and growth.

The Equal Credit Opportunity Act of 1974 [ECOA] prohibits discrimination in credit transactions on the basis of race, color, national origin, sex, marital status, or age. Provisions contained in the act are designed to protect against discriminatory practices.

The act provides for the promulgation of regulations by the Federal Reserve Board [Fed], and authorizes the Fed to make classifications and distinctions and to exempt from the act any class of business or commercial transactions under certain conditions. Regulation B, which was promulgated under this authority, gives special treatment to certain commercial credit transactions but also exempts all business and commercial credit transactions from the ECOA provisions relating to the following:

First, notification of adverse action including a written statement of reasons for the adverse action;

Second, retention of records, including information used in evaluating the application; and

Third, information concerning marital status.

These permitted exemptions are the basis for a broad, albeit erroneous perception that the ECOA does not apply to business credit. Without the act's protections, women and minorities are forced to continue their struggle against unwarranted bias and are thwarted in their efforts to achieve economic parity.

It is important to note that the ECOA never intended a business credit exemption. The legislative report is quite clear that business and commercial credit were to be afforded the same protections against discrimination as other types of credit activities. The ECOA provides that exemptions or classifications and distinctions may, indeed, be made but only if there is "an express finding" that application of the act's provisions would not further the goals and purposes of the act. No such findings have ever been made nor evidence presented to support the Regulation B exemptions.

This bill amends the Equal Credit Opportunity Act to withdraw the current exemption of business credit transactions from these three key provisions of the act. Some have argued that certain classes of trade credit should remain exempt from the notification and recordkeeping requirements. The bill would

permit these groups to seek a special classification if truly justified. Our bill merely clarifies the original intent and prohibits exemptions for business loans except for narrowly defined classes or distinctions made by formal due process procedures and subjected to close scrutiny and public comment.

I am not so naive as to believe this bill will assure equality for all time and for all persons. But it will help. It will alert lenders to their responsibilities under the ECOA to apply sound business criteria to loan applications and make it more difficult to make subjective decisions based on factors other than merit.

This legislation was voted a high priority, 19th out of 60 recommendations, by the recent White House Conference on Small Business. I am happy to bring this bill to your attention and recommend its early passage.

JEAN STRINGER ELLIS NAMED ONE OF 10 OUTSTANDING WOMEN IN AMERICA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Mississippi [Mr. MONTGOMERY] is recognized for 10 minutes.

Mr. MONTGOMERY. Mr. Speaker, a resident of my district, Mrs. Jean Stringer Ellis of Rankin County, has been honored as one of the 10 Outstanding Young Women in America for 1986. I have known Jean all her life and can tell you firsthand that the award is well deserved. She has assumed leadership roles in a wide range of areas, both on the local and State level. In addition to her unending civic work, she is also a successful professional in the field of real estate, and is a devoted wife and mother.

Jean was recently honored by the Mississippi Legislature for the outstanding contributions she has made to our State. The resolution outlines some of the many projects on which Jean has worked over the past few years. I want to share it with my colleagues.

HOUSE CONCURRENT RESOLUTION NO. 194

Whereas, Mrs. Jean S. Ellis of Rankin County, Mississippi, was honored on Monday December 1, 1986, in Washington, D.C., as a member of the 10 Outstanding Young Women of America for 1986; and

Whereas, Jean Ellis graduated as an honor student from Forest High School, Forest, Mississippi, and received her bachelor and master of science degrees from Mississippi University for Women, where she was selected to the Hall of Fame, to Who's Who Among Students in American Colleges and Universities, as Senior Class Secretary-Treasurer, as President of Student Interfaith Association; to the "Collegiate Board" by Congressman G. V. (Sonny) Montgomery, a Dean's List Scholar and to the "Committee of '82"; and

Whereas, after graduation from college, Jean Ellis began a successful professional career working as Executive Director of the United Way of Greater Lee County, as a sales associate with Magnolia Realty and is presently a sales associate with Ann Jensen Realty in Jackson, Mississippi; and

Whereas, while she was a resident of Lee County, Jean Ellis contributed to the Tupelo Community Development Foundations Cultural Enrichment Committee, to the National Association of Junior Auxiliary Scholarship Committee, to the Boards of Directors for the Faith Haven Home for abused children and the Tupelo Ballet Association; and

Whereas, Jean Ellis has a history of extensive civic activities which include active participation with the Business and Professional Women's organization where she served as an officer of District V, as a charter member of the Starkville Chapter, as charter president of the Tupelo Chapter, as a member of the state level Young Careerist Committee Chair as vice president and president, as a member of the state board of directors, as a national convention delegate, as a member of the National Young Careerist Committee of the 1984-1985 board of directors and as a workshop panelist; and

Whereas, Jean Ellis has also done extensive work for the Girl Scouts organization as evidenced by her service which includes Senior Girl Scout Leader, member of the Prairie Girl Scout Council Nominating Committee, member of the Nominating Committee and Board of Directors for the Middle Mississippi Girl Scout Council, State Coordinator of the First Annual Mississippi Girl Scout Leadership Conference in 1985, state legislative monitor for the Mississippi Girl Scout Council during the 1985 and 1986 legislative session, and the state cochair person of the Girl Scouts of the U.S.A.'s 75th Anniversary celebration; and

Whereas, Jean Ellis has been an active member of the American Association of University Women, serving as President of the Tupelo Branch, giving countless hours to the Mississippi University for Women Alumnae Association, serving as International President during the university's centennial, and serving as a member and as past member of the Executive Committee for the Mississippi Inter-Alumni Council; and

Whereas, Mrs. Ellis belongs to the Mississippi Association of Realtors, the National Association of Realtors, the Mississippi Women's Network, and the League of Women Voters, where she has served as finance chair; and

Whereas, the Mississippi YWCA is grateful for Mrs. Ellis' work on the "Tribute to Women in Industry and Business Project" and for her work on the board of directors, and the Mississippi United Way Association is grateful for Mrs. Ellis' continuous support and for her participation as 1980 state president; and

Whereas, Mrs. Ellis has received numerous awards in recognition of her exceptional amount of civic service, including receiving the "Helping Hands" Award for legislative efforts from the Middle Mississippi Girl Scout Council, being selected to represent Mississippi at the National Leadership Today and Tomorrow Conference sponsored by the Girl Scouts of U.S.A., being selected "Mississippi's Young Career Woman" by the Mississippi Business and Professional Women's Association and being selected to "Names Honored" by the American Association of University Women; and

Whereas, Mrs. Ellis has served on the Constitutional Study Commission and on the Private Sector Council and has participated in "Leadership Mississippi" sponsored by the Mississippi Economic Council; and

Whereas, Mrs. Jean Ellis is married to J. Stephen Ellis and is the proud mother of Elizabeth Anne and James Stephen Ellis, Jr.; and

Whereas the welfare of our state is dependent on the generous and dedicated service of intelligent, capable and skilled volunteer civic workers such as Mrs. Jean Ellis; Now, therefore, be it

Resolved by the House of Representatives of the State of Mississippi, the Senate concurring therein, That we do hereby commend Mrs. Jean Ellis on being selected a member of the Ten Outstanding Young Women of America and we do hereby thank her for her generous and outstanding contribution to the State of Mississippi and for the honor she has brought to our state through her national recognition. Be it further

Resolved, That copies of this resolution be sent to Mrs. Jean Ellis and to members of the Capitol Press Corps.

PROBLEMS IN THE THRIFT INDUSTRY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. McCANDLESS] is recognized for 60 minutes.

Mr. McCANDLESS. Mr. Speaker, at this point I will yield to the gentleman from Virginia [Mr. PARRIS].

Mr. PARRIS. Mr. Speaker, I thank the gentleman very much for his consideration, and I do apologize to the Speaker, as the time is long and the evening is growing late, but I hope the gentleman would agree with me that this is a matter of some complexity, and certainly some seriousness.

Once again, I thank the gentleman from California [Mr. McCANDLESS] for his courtesy.

There is another major problem, Mr. Speaker, that I was addressing, that makes it difficult to wait out the problem. That is the almost certainty among many experts that interest rates will slowly increase in the future rather than continue to decline, and that makes the carrying cost, the accumulated insolvency costs, higher.

The final cost of delay is perhaps the most frightening in that it could result in increasing costs by additional billions of dollars. The new tax bill made the resolution of thrift failures more difficult after December 31, 1988. One provision will tax FSLIC financial assistance used to acquire failing thrifts, I think an extremely bad idea. The other provision removes the ability of acquiring institutions to use loss carryforwards in mergers with troubled institutions, another bad idea. Without these tax advantages, unassisted mergers will not be viable alternatives. To quote the Bank Board on this issue "FSLIC's cost will be raised by having to compensate acquirers for future tax payments or by having to liquidate institutions for which mergers are no longer feasible."

You may ask, why is this so devastating? Well, the benchmark for solving this size of problem is asset resolution percentage. In the early seventies, the Bank Board could resolve a problem S&L at a cost of about 3 percent of assets. Now, today, 25 percent of the benchmark for resolving an institution's failure; 25 percent of its assets will be spent in solving the average problem. The percentage the Bank Board must expend to solve their

problem cases will increase as future failing thrifts can no longer be merged or acquired by other institutions. The higher the resolution percentage, the greater the cost of the FSLIC, and ultimately to the American taxpayer.

I am and will continue to be opposed completely to any short sighted and unrealistic bailout scheme that will surely fail.

□ 1910

To quote the Bank Board's chairman's views on the smaller funding plan, he say:

> The adoption of plans involving lesser recapitalization resources would be tantamount to the adoption of a continuous crisis resolution. No one has demonstrated that such sums are even remotely adequate to meet the full magnitude of the FSLIC's problems.

I submit to you, Mr. Speaker, that the argument used by some of my colleagues on the Banking Committee that even a lousy $5 billion to solve this problem, even over a 2-year period, even with an annual cap is better than nothing at all. And I submit to you, Mr. Speaker, that that is not right. What we ought to do is address the problem in a realistic and workable solution to the crisis that faces us all.

The other alternative that has been offered to recapitalize FSLIC is the Treasury plan. The Treasury plan shares some of the problems that the smaller plans share but it authorizes the sale of $15 billion of recapitalization plan bonds over the next 5 years. One major defect in the Treasury's plan is that it would require thrifts to pay interest on the borrowed bonds with the special assessment. It would have the effect of mortgaging the future of all of the thrift industry for many years to come. Thrifts are already paying 2½ times as much in premiums as are their FDIC counterparts. It is increasingly difficult for healthy thrifts to attract depositers and make a profit with a special assessment in effect. The Treasury plan proposes to phase out the special assessment within 5 years. But the General Accounting Office has demonstrated that even the Treasury plan will not be enough to solve the problem. If this is true, the special assessment may have to continue indefinitely, effectively bleeding the profitable portion of the thrift industry for a great number of years to come. Clearly, if enacted, the Treasury plan would seriously harm the stronger element of the thrift industry and weaken its profitable segment. Additionally. there is considerable question whether or not we can market these bonds at a reasonable rate of interest. The risk premium may be very high. Finally, the other major defect in the Treasury logic is that it erroneously assumes an 8-percent annual growth in thrift deposits. The shaken confidence in FSLIC's fund has already reduced the growth of S&L deposits and will have an increasingly adverse effect on any future increases. According to the Wall Street Journal of March 24, Tuesday, just a few days ago, "withdrawals from federally insured S&L's exceeded deposits by $2.2 billion in January. The Bank Board is quoted as saying that this represents a much larger deterioration in deposits than the normal holiday withdrawals of December."

Does anyone believe that people are going to put their money into S&Ls over the next 2 years unless we really solve this problem and restore public confidence? Certainly you cannot anticipate an 8-percent annual increase in those deposits with the situation which we are discussing today.

In addition, higher capital requirements are going to give thrift managment an incentive to shrink their deposits because it will be easier and less dilutive to existing stock holders to raise capital ratios by shrinking in size rather than by selling additional stock.

The Treasury recap plan fundamentally pledges and leverages much of FSLIC's highly unpredictable income stream over the next 20 to 30 years and simply will not begin to generate sufficient funds to pay for FSLIC's present or future insolvency problems.

I said earlier today in a 1-minute statement, Mr. Speaker, that the approach in anybody's recap plan, therefore, can be summarized as follows: Cover up the serious nature of the problem with accounting gimmicks, postpone a painful resolution as long as possible; if money is needed to bail it out, get the winners in the program to subsidize the losers; provide bandaids and window dressing and show appropriate concern and compassion by ordering forbearance through the use of capital certificates of an insolvent agency which are nothing more or less than a phony IOU; and finally, tap the Treasury only in desperation after all else fails. So what is the answer to this frightening spectacle? I believe there is a better alternative and perhaps several of them. The one I prefer and propose would, I believe, permanently solve the thrift crisis and not simply postpone the inevitable recognition of the problem.

I have, as has been so kindly stated by the gentleman from Wisconsin, watched as the FSLIC crisis has grown over the last several years. I first began to talk openly about FSLIC's deteriorating financial condition in 1985.

I have taken to the well of this House two or three times before to speak at length on this issue. I asked the General Accounting Office to conduct a study of FSLIC's financial condition. That report and its ongoing followups have been available to all of us for some months now.

I put a great deal of time, effort, an thought into the FSLIC issue.

At times I felt like a pretty lonel voice speaking on this issue.

A year ago I warned Members of th Congress that the size of the FSLI problem was at least $22 billion, $2 billion. At that time the Bank Boar strongly disagreed with my assump tions. All along, the Bank Board an its chairman have deliberately under estimated or refused to acknowledg the size of solving this situation.

The chairman of the Federal Hom Loan Bank Board on October 17, 1985 said he would not "speculate bu maybe this is a $10 billion to $14 bil lion problem."

On January 27, 1986, he said, "The GAO is overstating the problem" in a letter to the GAO he said, "It is probably a $22 billion resolution problem."

On March 12, 1986, he said, "It is a $10 billion to $14 billion resolution." Then he said under questioning, "It might not be that big, might not." That was before the House Banking Subcommittee on Financial Institutions. I was there.

On May 8, 1986, less than 2 months later, he said, "The assessment is a $16 billion problem." That is, less than 2 months later it grew by $2 billion.

On September 19, 1986, he said in a letter to me that the current resolution is "$7 billion to $10 billion." And on January 22, 1987, just 6 or 8 weeks ago, he said in testimony before the House Banking Committee that this is a "$23.5 billion cost resolution."

So he has come from nothing to $23.5 billion since July 1985. It is time to construct a plan that will save thrift industry and save it now.

We cannot forget that it was not raining when Noah built his ark.

The plan that I propose will be controversial and is a dramatic departure from our recent history. It makes several assumptions.

Among those are: First, FSLIC is bankrupt; second, the recap plan will not work because it raises an insufficient amount of money to correct FSLIC's existing and future liabilities; third, an outright merger of FDIC and FSLIC is not desirable for a number of reasons. Three of these, just three, three of perhaps the most important are: A, even FDIC reserves are not enough to pay both its own bills and FSLIC's liabilities; B, a merger will not dispose of the failing thrifts in the least costly manner; C, a merger would not accomplish the severability of the healthy thrifts from the brain-dead ones so that the latter do not drag down the former.

Fourth, reality is that the taxpayers of this Nation will ultimately have to provide money to solve the problem, and to think otherwise is pure fantasy.

To wait for the problem to become worse adds billions annually to the costs of the solution of this situation.

The thrift industry is slowly being driven out of the original business for which it was formed, and it must diversify and be permitted to do so.

Fifth, reregulation of the industry will not bail out FSLIC or the insolvent thrifts and would be damaging overall to the thrift industry.

Now, the plan that I propose, Mr. Speaker, is fairly simple. First, we should have the healthy part of the industry transfer to the FDIC. All the thrifts that can meet the capital requirements of the FDIC would transfer under this plan.

Upon transfer, each institution would pay a reasonable exit fee to FSLIC. Over a 5-year transition period uniform accounting standards, regulatory practices and capital requirements would be imposed on banks and thrifts so that the playing field of their competition would become truly level. I suggest that at the very least two-thirds of the industry would choose to transfer.

□ 1920

Others close to the capital requirement threshold would have a tremendous incentive to raise fresh capital in order to be permitted to join the FDIC club.

Second, my proposal would charge FSLIC with just one responsibility: That is, disposing of the thrifts that are unable or unwilling to transfer to FDIC coverage, and doing so in a manner that minimizes for the taxpayer the present or future cost of disposal. In order to fund FSLIC we would combine FSLIC's present reserves with exit fees from the healthy thrifts, and the retained earnings of the Federal Home Loan Banks. Under this proposal there would be no reason to maintain the Federal Home Loan Banks, thus allowing us to use their retained earnings to pay for some of the FSLIC's losses. Additionally, we would place the full faith and credit of the United States behind the FSLIC funds so as to avoid any loss of confidence among depositors in those institutions.

FSLIC would be given 5 years to accomplish the task of disposing of the remaining insolvent thrifts. I think that this time period is sufficient to allow those thrifts that are currently experiencing problems to build their capital to transfer to FDIC. Those that are beyond saving should be closed as soon as possible in order to minimize FSLIC's losses.

As with all ideas, there will be parts of this plan that will be subject to criticism from industry sectors. But this proposal rises above these interests and is a giant leap forward, not only in solving our current thrift crisis, but in paving the way for long overdue regulatory reform of America's financial services.

Allow me to expand on the positives that this proposal offers in solving the FSLIC problem.

First, and most importantly, it will minimize the cost to the American taxpayer. Maryland and Ohio eventually had to use taxpayer funds for a bailout. Why not recognize that some budget assistance is inevitable, and compartmentalize the problem in order to minimize our losses?

Second, this proposal will save the healthy portion of the thrift industry, which is holding hundreds of billions of dollars of deposits. Unlike the Treasury recap plan it will not burden healthy thrifts with onerous special assessments or extract prohibitive exit fees. Most of the institutions supporting the smaller dollar plan are doing so because they recognize that their own solvency is in danger under the Treasury scheme.

Third, the Congress would immediately restore public confidence in the banking system. No longer will it have to witness an FSLIC crisis spelled out in the papers everyday. Safety and soundness will be restored to the majority of savings institutions. No longer will they be threatened with the loss of business as the American public becomes increasingly disenchanted with thrifts.

Let us not fool ourselves into thinking that if we revisit this problem in 1 or 2 years that we will have some kind of quick resolution. It has taken us 3 years to reach this point alone. Public confidence will surely erode if we don't solve this problem now.

Fourth, we will prevent a crisis driven merger of the FSLIC and FDIC. Nothing could be worse for all sectors of the industry. It would jeopardize the FDIC fund, would hide the real problems of the thrift industry and not address the need to meld together two financial regulatory structures which have outlived their usefulness. It is the easy answer, but the most dangerous solution. But in an election year Congress, or a Congress that faces an exhausted public, will be very tempted to simply merge the funds. We must prevent that.

Finally, the Congress will simply be ratifying the changes that have taken place in the marketplace. The market place has overrun the ability of the regulatory system to regulate it. We do not need a separate thrift industry anymore simply to fund home mortgages. That already is being accomplished by the secondary mortgage market, mortgage bundling, REMIC's, and so forth. We really don't need the Home Loan Banks anymore or even the Federal Home Loan Bank Board. We no longer fear a shortage of home mortgages in the marketplace. Home mortgages are big business now. Who hasn't heard of Ginnie Mae's, Freddie Mac, Fannie Mae. A merger of the funds won't destroy home mortgages, it will make them cheaper and more accessible, all to the benefit of the consumer. The thrifts recognize that already, and it is time that the Congress does the same.

In conclusion, Mr. Speaker, this Congress faces a very serious problem, and as is often the case, rather than leading the way we will continue to grope and stumble until the problem overtakes us and gives us no choice but to do something even if it is too late.

This is not the first time, nor the last time, even today, that a Member will plead his cause on a particular issue before the House. It is serious, it is a problem, it is a crisis, we hear these worlds so often that they have become cliches, and they usually fall on deaf ears.

But it is just a matter of time before this crisis does catch up to us. It will be a political problem for many. No one wants to have the thrift industry collapse on their watch. I don't want it to happen on mine.

It will have a budget impact, because sooner or later we will have to bail out the FSLIC, and no one around here likes to cut spending, or increase the deficit, but we may have to do both. And if you don't think a bailout is coming, you have ignored the fact that we are witnessing a race to the Federal Treasury between FSLIC and the Farm Credit System [FCS], and they will soon be joined by the Pension Benefit Guarantee Corp., and the Federal Maritime Commission—all those hogs rooting in the public trough all at once is mind boggling. And the potential budgetary impact is enormous.

Finally, I would ask my fellow Members of Congress to focus on this problem. To give consideration to the most thoughtful approach. To reject quick fixes, and to restore confidence with the public so that we can indeed handle this problem before it becomes a real crisis, and to prove that we are capable of preventing continuation of this situation through insufficient action.

Thank you for this opportunity to address the House, Mr. Speaker.

Mr. McCANDLESS. Mr. Speaker, I thank the gentleman from Virginia for his very detailed analysis of the thrift industry and the problems that face us.

Possibly in the few minutes that we have remaining, we can conduct a little colloquy, because I have some concerns about the proposal that the gentleman has presented, as anyone would, without knowing more about it.

The question I think we need to talk a little bit about is the liquidation process in view of the fact that we have charted a course that is somewhat different than the gentleman

from Virginia's proposal, and possibly will be the course that we will have to take in the near term.

Again, hopefully that course could prove to be fruitful, or at least start us in the right direction.

The gentleman from Virginia talked in his detailed analysis of the methods by which he would propose to solve this. We talk here and we say that somewhere between 65 and 70 percent, for purposes of our discussion, of the current savings and loan associations are solvent. Even those that are not solvent and well run, that have had the problems that have been alluded to, do have the FSLIC's backing for those investors who have the $100,000 or less accounts.

□ 1930

We talk here now, if we can use the 70 percent for the purpose of our discussion, of those that are sound, and the 30 percent should be liquidated. Like all things, there is no black and white in that kind of business, so there are some that can recover, some that are not brain dead, which is the term, I believe, the gentleman used, which would be those up in the higher echelons of that 30 percent.

How would the gentleman propose under his plan to address those types in that middle range for possible salvation or to bring them back from intensive care?

Mr. PARRIS. What I would do to distinguish between the brain deads and the healthy, well-capitalized institutions that have an enormous future is to make them meet the capital requirements of the FDIC. The gentleman will recall that under the old regulations the capital requirements of FDIC which insure banks were 6 percent. The capital requirements of the FSLIC, as I have indicated in my statement, were reduced from 4 to 3 percent several years ago, and there are 598 institutions that do not have those, that do not have that much.

Mr. McCANDLESS. The gentleman was referring to RAP accounting, which are regulatory accounting principles, and which are dubious at best?

Mr. PARRIS. Exactly.

Mr. McCANDLESS. Let me see if I have this straight. When we take this step and we determine the capital assets necessary, will we at that time be using GAP or generally accepted accounting principles?

Mr. PARRIS. GAP, generally accepted accounting principles.

Mr. McCANDLESS. Currently, with respect to the banks that enjoy insurance under FDIC—not the FSLIC—could one say with a certain amount of certainty that they are using generally accepted accounting principles?

Mr. PARRIS. Yes.

Mr. McCANDLESS. And the regulatory agencies, be it State or Federal, do adhere to these types of accounting principles?

Mr. PARRIS. That is correct. If I might just add to the gentleman's statement, the Federal Home Loan Bank Board devised RAP—regulatory accounting principles—in a way to help buck up insolvent thrifts in the rate crunch, the interest rate crunch, in the early 1980's, and consequently many of the practices that are utilized by thrift industries around the Nation today are in fact very deceiving in terms of the real worth of their assets. Consequently, the recognition of the severity of the problem is very easily obfuscated. You can say, "Well, these institutions meet RAP accounting principles," but RAP accounting is very, very fuzzy in terms of what it permits you to do and what it does not.

Mr. McCANDLESS. Under the gentleman's proposal, then, we have merged those that can meet the necessary capital requirements with the existing banking industry under the FDIC umbrella. At this point are we going to then have the ABC National Bank of Dash Hyphen Dash City and the XYZ Savings and Loan Association of Dash Hyphen Dash City proposing to its customers or providing to its customers the same total range of financial services?

Mr. PARRIS. Yes, I would have them do so. And I would suggest to the gentleman that if we do not do so, we fail to recognize reality in the real world today. And let me remind the gentleman—I am sure he is aware of this, although perhaps others are not—that the institution that provides the largest amount of individual financing today is an insurance company. The organization that provides the largest amount of consumer financing for consumer goods is a subsidiary of the Ford Motor Co. They are in the banking business, and they are going to continue to be in the banking business.

The difference is that when the regulators and the regulations limit the financial institutions of this Nation to compete because those institutions are not required to have reserves, because they are not under the same limitations in terms of their operation and reporting requirements and things of that kind, we create what is known in the industry as an unlevel playing field. When I am able in my institution to do things you cannot do because you are a federally regulated thrift or bank, then I have an enormous competitive advantage in the marketplace, and if we do not fail to recognize that in the early or near term, we are going to seriously cripple the delivery of financial services in this Nation.

Mr. McCANDLESS. Then if I understand the gentleman's proposal correctly, at the same time that we are combining these two, we are giving additional powers that are not presently enjoyed to the commercial banks; is that correct?

Mr. PARRIS. I would say to the gentleman that in my statement I indicated that regulatory practices, capital requirements, and operating limitations should all be leveled between savings and loans, thrifts, and banks, and I would say to the gentleman that there are those who argue—and I tend to agree with this—that with the changes in technology and the delivery of services generally in this Nation, particularly in the area of computer capabilities, by perhaps the turn of the century we will witness in this Nation the delivery of financial services through institutions which are all the same, and they will be big ones and medium-sized ones and small ones in different places in the country. They will be all alike, and they will deliver the same kinds of services in a competitive marketplace, and that will in my view be the best of all worlds for the consumers of this Nation.

Mr. McCANDLESS. Referring to some of the areas about which concern has been expressed by third parties—and maybe the gentleman would like to comment on this relative to his proposal—the independent insurance agent who has provided a valuable service to his community over the years is wondering about how he might fit into this expansion of total commercial services, as well as his colleagues who has been an independent real estate broker for a number of years.

How does the gentleman perceive that as the flow progresses in this area and this transition that he is proposing takes place?

Mr. PARRIS. That is one of the most difficult aspects of this complex problem, as the gentleman has recognized and indicated.

The thing we cannot do is precipitously make a crisis merger of the two, referring to the insurance funds, or a dramatic change that would be inimical to the interests of any of the major industries of this Nation. We have to plan an orderly, intelligent transition based on real-world realities and changes in the marketplace itself.

The answer to the gentleman's question is that I think we must try desperately to balance the equities, if you will, but we cannot ignore the fact that the issuance of insurance and the underwriting of securities, particularly mortgage-backed securities and municipal bond financings, things of that kind, are in fact being accomplished today by unregulated institutions that are not required to provide reserves.

If we continue to ignore that problem, we have what I have indicated earlier is an unlevel playing field, and sooner or later the Ma and Pa S&L,

which has an enormous amount of obligation to its brick and mortar cost because of the branch locations in its market area, will have to go out of the business of writing a single home mortgage one at a time, because when I engage in those as a mortgage banker and wholesale a number of mortgages and sell them on the secondary market, I can do it cheaper than you can, and I, therefore, can provide those mortgages at lower interest rates, and I will beat your brains out in a competitive marketplace because I am giving a similar service for a lesser cost, and that is what is happending in this Nation today.

Mr. McCANDLESS. Mr. Speaker, there is one other point I would like to bring up for the gentleman's comment relative to his proposal.

In some 25 States, as I remember it—and I might be off by one or two—we have State-chartered savings and loan associations, which charter approval is conditioned upon the fact that they have available to their depositors FSLIC insurance, Federal Savings and Loan insurance for those accounts. In those cases where these State charters take place, the State pretty well determines within certain minimal parameters what can and cannot be done by that savings and loan. In most cases that is far more liberal than with a federally chartered savings and loan.

How does the gentleman see the State-chartered institutions, be they banking institutions, commerical banking institutions or the savings and loans that I have alluded to, fitting into this master plan?

Mr. PARRIS. State-chartered thrifts would be regulated, just like State-chartered banks are now. Again this is going to have to be very delicately fine tuned, and the transition here is going to have to be provided so that the precipitous change in the marketplace circumstances is not inimical to the future of an important part of many of these industries.

□ 1940

By the same token, they are in the business of the delivery of financial services, and that can be and must be, in my view, uniformly generated in the competitive marketplace in the future. Now, the Comptroller of the Currency, the Federal Reserve Board, all of the regulatory possibilities of the parameters of who regulates whom, what the restrictions are, that sort of thing, would all have to be addressed by this Congress. But certainly a trip of a thousand miles starts with a first step, and if we do not define the problem and commence the finding of a solution, we are never going to get there.

Mr. McCANDLESS. Do you perceive there being a two-tier capital requirement there? A State institution would have one set of rules under this program and a federally chartered institution have another?

Mr. PARRIS. I think a more preferable approach would be to provide a reasonable capital requirement for a financial institution that is given the benefit of the taxpayer funds for insurance of its deposits.

If whatever that level of capital responsibility or requirements may be, to give State-chartered institutions that opportunity to draw in the event of financial setbacks from the Federal Treasury credit window is, in my opinion, a price that they must pay by generating sufficient capital to tend to insure that there will not be an enormous number of those that will come and be a drain on the Federal Treasury.

Mr. McCANDLESS. The reason I asked this question is because in many of the cases, and I will say the major cases of problem areas that we currently have, the demise of energy, the problem of agriculture and so forth, have been a problem for that geographical location. But in more cases than I would like to say, it has been the deregulation of State institutions by that State freeing that institution up to go, as we would say, wild in the candy store as a child would and, as a result, we have the deficiency that we are currently talking about and your program addresses and proposes.

You perceive this as not being possible then under your plan, a repeat of that, simply you are changing the insurance process and you are requiring a certain capital level in the final analysis but you do not have on conceivably you would not have regulatory power over the operation, other than auditory power, of this State institution which is chartered locally.

Mr. PARRIS. Perhaps I have confused the gentleman modestly; I regret that if it is so. I would not propose that we, certainly in the short term, and by that I mean 15 or 20 or 30 years, that we eliminate the dual banking system, the dual regulatory processes and that sort of thing.

What I am trying to say is that even in the gentleman's own State of California, State-chartered institutions can invest in direct investments 100 percent of their capital. I think that is modestly too liberal. I would, given my choice, limit that somewhat. But that is a State regulatory agency's decision to make and the State legislature.

What I am saying is that if that State-chartered institution wants to engage in those kinds of business practices and make those kinds of direct investments and risk, therefore, its capital, it should not be permitted to enjoy the security and the competitive advantage that is provided by being a part of the federally insured savings and loan fund. So that if you permit the high-fliers to engage in windfarm investments and they lose, they are going to lose their money, not the taxpayers' money. That is the important distinction.

Mr. McCANDLESS. I thank the gentleman. I think in summary here we maybe ought to bring up a couple of points for those may have followed this at some point or another, that once again the current savings and loans, irrespective of their current financial status, do enjoy the protection of their savings and loan customers, those depositors who enjoy the protection of the Savings and Loan Insurance Corporation. Behind that is the full faith and credit of the United States, so we in no way want to cause any alarm in those people who invest in the savings and loans and that we are not using scare tactics.

What we are saying here is that the current system of delivering financial services was fine 50 years ago or maybe even 40 years ago or maybe even 30 years ago when the ability of an individual to go out and find a person who was willing to loan him money to build his home was not available, and so that was the beginning of the savings and loan association system. A means by which money was available in the mortgage centers of the country through that process for the person to borrow to build a home with a modest down payment.

Now, we have come full circle and we have institutions who operate around the clock in different parts of the world transferring by computer basic information from the west coast of California in the evening to Hong Kong for the next day, and at the evening in Hong Kong transfer it to London for the next day and repeat that. And so, in your very, very detailed and precise statements, you talked about the computer age and how that has changed the entire process along with the way we currently provide services either directly or indirectly in the financial world, be it home mortgages, investments, bonds and whatever. Therefore, it is time to take a look at the entire system, modify it, bring it up to date, and address current needs rather than to try and rebuild an archaic system.

Mr. PARRIS. If the gentleman will yield, I would say that is totally accurate. This perhaps may not even be close to a good analogy, but I would say to the gentleman at one time in this Nation there was great public need for horse-drawn milk wagons, but we grew out of that somewhere in our past, and I submit to you that somewhere along the line here we have gotten to the point where there are significant and substantial technological changes that have changed the market forces that need to be addressed by this Congress, and with some of the failures of the regulatory processes and the failure to recognize

those market-changing conditions over the last few years, we have created a situation in which we have permitted some, not all, but a significant portion of an important trillion-dollar industry to create an enormous problem for the Treasury of the United States. We have to address it; we have to do it now.

Mr. McCANDLESS. I would agree with the gentleman because we are in the minority in our voting today on the final writeup or markup of the bill that what is in the bill in the way of resources available in the time it is available is very disappointing because there is out there a requirement far greater than is in the bill and I would agree far greater than was in the Treasury proposal.

Mr. PARRIS. If the gentleman would yield on that point, I just want to make the point that we have in our bill, the bill that was reported by the committee, not with any support from the gentleman from California nor myself, but in the bill that will be reported to this House, we have a $2.5 billion cap. Now, we witnessed last week the Dallas Federal Home Loan Regional Bank that would not issue any more money to the insolvent thrifts, undercapitalized and insolvent institutions that are troubled, in Houston and other parts of Texas in that market. They simply could not justify the extension of any more credit.

So the Chairman of the Federal Home Loan Bank wrote them a check for $1,100,000,000 and sent it to Dallas. It is estimated that there is one savings and loan institution in the gentleman's home State of California which, if it went belly-up, and it is reputedly very close, it would cost our insurance fund $7 billion for just one institution. I have heard the number 3; another gentleman told me 7; I do not know what is right.

The point that I am trying to make to the gentleman is it is surely a very, very large number. To suggest that we can solve the problems of that magnitude by a $2.5 billion annual cap of the utilization of cash from our insurance fund is absurd.

Mr. McCANDLESS. I would agree completely with the gentleman. I thank the gentleman for his remarks and his contribution on the Banking Committee.

□ 1950

Although this is a special order, certainly it is an order well taken and the time well spent and the preparation that the gentleman from Virginia has taken, the gentleman should be applauded for that because he went through the whole process and did not shortchange the process in arriving at his conclusions and his presentation.

Mr. Speaker, I thank the gentleman from Virginia for his time and effort in presenting his special order.

Mr. PARRIS. Mr. Speaker, I thank the gentleman for his kind words.

ALARMING TREND OF DISCRIMINATION AND HOSTILITY TOWARD AMERICANS OF ARAB ANCESTRY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan [Mr. CONYERS] is recognized for 30 minutes.

Mr. CONYERS. Mr. Speaker, this weekend the American Arab Anti-Discrimination Committee will hold its annual convention in Crystal City, VA. I will bring this important civil rights group to the attention of my colleagues. It is a group 6 years old. It is a fine organization composed of many Americans of different backgrounds and ethnicity. It is a grass roots organization which now has 16,000 members and 60 chapters working in literally every State. It is a civil rights organization whose work is focused on combating defamation in the media and discrimination in public life.

I had the opportunity to hold hearings not too long ago on the subject of discrimination visited upon Arab-Americans. The remarks of my colleague, the gentleman from West Virginia [Mr. RAHALL] were particular relevant. He said:

I feel that we can no longer afford to ignore the alarming trend of discrimination and hostility toward Americans of Arab ancestry in this country. As if we had not learned a lesson from the past of the harm that can result from unfair stereotyping and prejudice, we are now confronted with a wave of anti-Arab hysteria which is fueled by the media and occasionally by our leaders in the Congress and the Administration.

And, worst of all, this hysteria has manifested itself in terrorist attacks on Americans of Arab heritage right here in the United States of America.

Over the last year, we have witnessed an unstemmed tide of 'Ramboism', fueled by the President and members of this Administration, which somehow legitimizes the right to discriminate against and attack Arab-Americans. This is an attitude which prevails these days that it is acceptable to attack and slander and, yes, even kill Arab-Americans because, after all, Arabs are terrorists and we can somehow exact revenge for acts of terrorism by punishing those who happen to share this common ancestry.

It sounds insane that this is exactly the type of thinking which has become so prevalent these days. And this attitude is promoted in the pages of our newspapers, on television and radio news broadcasts, and in the movie and entertainment industry as well. Just as other ethnic groups in the past have been forced unfairly to bear this cruel burden, Arabs, and Arab-Americans, have become the black sheep of the world. The entertainment industry in particular has cultivated the image of Arabs as bloodthirsty terrorists, shady business characters, or plain buffoons. Rarely have Arab-Americans been cast in any other more human role. They have been degraded to the role of sub-human, and it is this sub-humanity which lends credence to those who seek to denigrate Arab-Americans.

We have witnessed brutal acts of terrorism overseas directed at Americans by ruthless terrorists of Arab heritage. But does this mean that it is acceptable to take revenge on any Arab or Arab-American or anyone who might even look like them? I think not. Yet, acts of terrorism against them are not on the high priority list of the Federal Bureau of Investigation. Arab-Americans who have been victimized by terrorism are not deemed worthy enough to receive condolences from the President of the United States, or to be invited to the White House for comfort, as have the families of other victims of similar senselessness. There is no great outcry of indignation and condemnation of the repeated attacks on these particular Americans, and I ask why?

Last year, Alex Odeh, the West Coast Director of the American Arab Anti-Discrimination Committee, which meets in Washington this weekend, became a victim of terrorism here on American soil. He had appeared on television the previous night exercising his constitutional right as an American to speak his mind in debating the Middle East issue. The next morning he was murdered in cold blood. His death was even applauded by some who disagreed with the beliefs he had expressed the night before. And what has become of the investigation into this spreading terrorism in the United States? I think that this is something we should all know. His murder followed by a few days the murder of Leon Klinghoffer aboard the Achille Lauro. In that time we have seen the capture, trial, and sentencing of Klinghoffer's killers, and appropriately so; and yet we have seen very little, if any, progress made into finding the terrorists who killed Alex Odeh, and that killing occurred here in the United States of America.

And make no mistake about it, this was definitely an act of terrorism. But it has not been the only act perpetrated against Arab-Americans. The Arab-American Anti-Discrimination Committee, an organization which has worked so hard to fight prejudice and stereotyping, has emerged as the prime target themselves of terrorists here in the United States. In addition to the murder of Alex Odeh, the anti-discrimination offices in Boston were the target of a bomb in August of 1985. Two brave police officers were injured as they attempted to disarm the bomb. Last Thanksgiving weekend, the National Office of the ADC here in Washington was severely damaged by a fire that was believed to have been deliberately set.

These incidents are all as a result of the anti-discrimination members and staff exercising their right of free speech. An assault by lawless thugs on the right of one's free speech is an assault on the rights of us all, and it is happening right here in America.

As Americans, we are proud of the fact that in our country rival ethnic and religious groups who hate and kill each other abroad manage somehow to live here mostly in peace and friendship. In this respect, our country despite any other shortcomings, sets an example for the whole world to follow. This is something that we all want to see preserved. I do not want to see this country turned into another Northern Ireland, Beirut or South Africa, where these religious and racial differences are the basis for widespread killing and violence. This is not what the United States should be all about.

I think it is high time that this anti-Arab, anti-Arab-American hysteria which has engulfed so many in this country be calmed. It tears at the moral fabric upon which this

great Nation of ours is woven. We are all Americans, first and foremost, and that is the path that we must follow. We are not Arab or Jews or Blacks first. We are Americans who have a heritage of which we are very proud, and it is our Americanism which must rule our actions and our intelligence. The laws and the moral make-up of America have shown us that all men are created equal, that all of us have a right to speak and that that right must be upheld. That right for Arab-Americans is being threatened and this represents a serious crisis to each and every one of us. This right must never be threatened for any ethnic group.

So we must pledge here today to work together to wipe out this ugly stain of prejudice and violence from the face of the earth.

□ 2000

So, Mr. Speaker, I am very pleased to quote further from Anthony Lewis, who observed:

It is a basic constitutional right in this country to read and express political ideas, however unpopular. We can subscribe to Pravda. We can distribute literature calling for replacement of Israel by a Palestinian state, or calling for a Greater Israel with its Arabs expelled.

All that is so clear that I would have thought it unchallengeable. But it is being challenged now, from an astonishing quarter: the United States Government, through its Immigration and Naturalization Service.

The I.N.S. is taking the position that freedom of political expression does not apply to aliens resident in this country. If after coming to America they join an organization that circulates certain publications, the I.N.S. says, they can be imprisoned and deported. And that is so even though the organization and the publications are entirely lawful—and could not, constitutionally, be made unlawful.

This amazing theory is being pressed by the I.N.S. in a case involving eight Palestinian residents of Los Angeles * * * [who] were arrested at gunpoint on Jan. 26, and proceedings to deport them began. Seven are in prison without bail, under conditions of strict security. When they talk to a lawyer, they are put in shackles.

You might think that those seven were charged with throwing bombs or some other horrifying crime. the actual charge is that each is "a member of . . . an organization that causes to be written, circulated, distributed, published or displayed, written or printed matter advocating or teaching economic, international and governmental doctrines of world Communism."

The organization is the Popular Front for the Liberation of Palestine, a wing of the Palestine Liberation Organization. The P.F.L.P. calls itself Marxist. But as everyone knows, it is a radical Palestinian nationalist group, dedicated to the establishment of a Palestinian state.

A P.F.L.P. magazine, Democratic Palestine, is in university libraries and on newstands in California, where people of Palestinian origin live in considerable numbers. No one has suggested that there is anything illegal about the magazine.

The Supreme Court has said that the right to argue politics, and organize to that end, is at the "core" of the First Amendment. And of course the amendment makes no distinction between citizens and others. It says that "Congress shall make no law . . . abridging the freedom of speech, or of the press." The freedom covers the country.

The so-called ideological provisions of the McCarran-Walter Immigration Act have been used to keep out foreign visitors disliked by Washington officials. Now the I.N.S. is trying to put them to an even more dangerous use: to deport resident aliens for using American political freedoms.

A second doubt about the case—a matter of decency as well as constitutionality—is the way the Palestinians are being treated. They have lived in this country for as long as 15 years. Suddenly they are thrown in jail, shackled, denied bail—instead of just being notified of any alleged immigration violation, as is usually done.

Why the harsh treatment? It seems designed to suggest some terrorist involvement. But Justice Department officials say the F.B.I. investigated these people for months and found no activity connected with terrorism.

Indications are that some I.N.S. officials are using this case to try out a "contingency plan" for handling suspected terrorists. A draft plan leaked to the press last week suggests that when no evidence of terrorism can be found, suspects be charged with technical immigration violations, denied bail, treated as security risks.

A third reason for qualms about this case is the targeting of Palestinians. The draft contingency plan said the I.N.S. would have to "concentrate its counterterrorism efforts against particular nationalities or groups." It listed eight examples: seven Arab countries and Iran. But in America, guilt is individual.

* * * * *

Now Attorney General Meese should take a broad look at the whole proceeding. Surely he does not want to go down as the man who presided over an attempt to make a mockery of those words on the Statue of Liberty: the welcome to America for those "yearning to breathe free."

So I call upon all of us who appreciate the first amendment to join in the inquiry being conducted by one of the subcommittees of the Committee on the Judiciary to understand what this so-called INS option plan is and why such a drastic action has been taken in the case that I have brought to their attention.

□ 2010

MORE ON A SUPER DISCOVERY: SUPERCONDUCTORS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. RITTER] is recognized for 15 minutes.

Mr. RITTER. Mr. Speaker, mankind has recently achieved a once in a lifetime breakthrough in science. The ability to attain superconductivity at temperatures far higher and far more practical than the near absolute zero temperatures required in the past has the potential for a sea change in the way we live. Whole industries depending on electricity will be made more efficient. New products and new industry will emerge. New kinds of electric motors, trains, cars, electricity transmission, powerful computers, electronic telecommunication systems, perhaps even fusion energy, and so many things we cannot even dream about at this time all are possible with materials which can conduct electricity without electrical resistance and the associated energy losses and heat generated.

Mr. Speaker, the human intellect combined with the human spirit in a climate of freedom have brought forth a splended quantum leap in the world of science and tremendous implications to our everyday lives, our standard of living, our possibilities as a nation and as a world.

I am including several recent articles in the Wall Street Journal which describe the importance of this scientific breakthrough to America and to humanity.

Before I do, I would like to point out what the potential is for this country and what we need to be alert to as we compete in the global economy for applications and commercialization of the phenomenon of superconductivity: Electrical transmission without electrical resistance.

This revolutionary property, which now has been achieved in our laboratories in this country at the University of Houston, working in conjunction with the University of Alabama in Huntsville, at Wayne State University in Detroit, at the Bell Telephone Laboratories of the AT&T Corp., and at IBM's laboratories in Switzerland. These revolutionary, scientific achievements have been achieved in Japan and in mainland China. They have been achieved as we understand it in Germany as well. The implications for America competing in the global economy are absolutely enormous.

We have led the world in the science of superconductivity, and we have perhaps the first of the breakthroughs. But our competitor nations are not far behind. How we bring this scientific achievement into the commercial realm will decide perhaps world economic leadership this breakthrough is so important. The United States of America will be competing head on with Japan and Japan, Inc. Japan has already put together its leading minds and leading institutions in industry, in the universities, and in their national laboratory in order to define a strategy whereby they will be first in this great new field, this fertile field for innovation and commercialization of new products. The objective, says Japan's leading business newspaper, is to organize industry to get the jump on the West in applications and commercialization for a huge new market.

Mr. Speaker, the United States is first with great potential and great opportunity. It will be an exciting race as Japan and the United States and Germany and the rest of Europe compete in this new field.

How we get our science to the marketplace in this new field, how we

compete in the race with the Japanese, as I have said, will have enormous implications for future world economic leadership. Our House Republican Task Force on High Technology and Competitiveness intends to play a lead role in bringing this breakthrough to the attention of Congress, the administration here in the Federal Government and to the American people.

The articles referred to follow:

[From the Wall Street Journal, Mar. 31, 1987]

SUPER DISCOVERIES

Bored by Iranamok? Had enough of "insider-trading" investigations? Take heart. While politicians and prosecutors dance atop the heads of legal pins, science has just presented two of the most dazzling discoveries of our time—superconductivity and a grand and puzzling supernova.

Researchers seeking superconductivity have been science's men of La Mancha, dreaming an impossible dream. The dream was the possibility of creating materials that would transmit electricity at room temperature without losing power into the transmitting material. Superconducted electricity, for instance, could be transmitted from coast to coast without any loss of energy.

The search began in 1911, when a Dutch scientist observed that at temperatures near absolute zero, or 460 degrees below zero Fahrenheit, superconductivity occurred. This required special equipment and used expensive liquid helium as a coolant. That set scientists on a long, frustrating search to raise the temperature for superconductivity and make it practical.

Now, in the past year, scientists believe that they have learned how to achieve superconduction at higher temperatures using new, ceramiclike materials. The practical applications could be immense. At a scientific colloquium in New York on March 18, Bell Labs physicist Bertram Batlogg stood before a hall crammed with excited colleagues and spoke six words that may become history's signature for the superconductivity revolution: "I think our life has changed."

Electric motors may become much smaller, perhaps a tenth of their current size. Electric cars become a reasonable option. The Japanese have been working on a new railway design that uses electromagnets to levitate the train slightly above the tracks and propel it at super speeds; superconductivity could make such trains an affordable reality.

Electricity could be stored in large magnets for use at times of peak demand, reducing the need to maintain often idle power-generating facilities. Magnets also might be used to contain fusion reactions to produce electricity using sea water for fuel.

In medicine, superconductivity could provide better imaging technologies, identifying tumors without surgery. Computers could be made smaller and infinitely faster, increasing their ability to solve complex problems quickly.

There could be large gains in national security. Superconductivity would vastly improve the efficiency of a strategic defense against nuclear weapons; computers would be able to pinpoint the targets more clearly, and dispatch interceptors or focus laser beams more quickly. An adaptation of the levitating railway could also be used to help launch rockets for civilian or military use by giving them an initial boost, much like catapults on aircraft carriers. Rockets would require less fuel and be able to carry substantially larger payloads.

Much hard work in these areas lies ahead of course. It is rare, though, for knowledge to hurtle progress forward on such a vast scale. The process began last April with a successful superconduction experiment by physicist K. Alex Muller at an IBM laboratory in Zurich. Researchers at the University of Alabama at Huntsville and the University of Houston then altered the composition of the material slightly and achieved even better superconduction results.

Physicists all over the world dropped their research to take up the challenge of achieving superconduction at or near room temperature. By now, rapid headway has been made at laboratories in the U.S., Europe, Japan and China. "This kind of thing," an MIT scientist remarked, "you see once in your lifetime."

[From the Wall Street Journal, Mar. 30, 1987]

WAYNE STATE PHYSICISTS DEVELOP MATERIAL SUPERCONDUCTIVE AT HIGHER TEMPERATURE

(By Amal Kumar Naj)

DETROIT.—Wayne State University physicists said they developed materials that can conduct electricity without the slightest resistance at temperatures far higher than previously achieved.

The scientists announced Friday that they had fabricated a material that was "superconductive" at 240 degrees Kelvin, or minus 33 degrees Celsius. This level of superconductivity is the warmest yet developed in the U.S. Previously, the highest temperatures of superconductivity, between 90 and 100 degrees Kelvin, were annnounced by scientists at a special session on superconductors at the American Physical Society's annual meeting two weeks ago. There have been unconfirmed reports, however, of superconductivity approaching the 240-degree mark in Japan and West Germany.

The fabrication of materials that are superconductive at higher temperatures would allow low-cost applications in the computer, transportation, power and communication industries. So far, superconductors, have been confined to limited scientific uses, because of the high cost of the supercold liquid helium in which the materials must be immersed to achieve completely resistance-free conductivity. The discoveries announced in recent weeks eliminate the need for using helium, and the materials can be cooled instead by much less expensive liquid nitrogen.

"At temperatures of 240 degrees, we don't even need nitrogen to reach superconductivity." said J.T. Chen, one of the three Wayne State physicists who developed the material. "We can even use the common coolant freon, but liquid nitrogen is very cheap," he said, noting that the 240-degree mark is only 60 degrees below room temperture.

"I will not rule out reaching superconductivity in room temperatures in the very near future." Mr. Chen said.

The other scientists involved in the development are Lowell E. Wenger and Eleftherios M. Legothetis, and two graduate students. Mr. Logothetis, who is an adjunct professor at the university, also is a full-time research scientist at Ford Motor Co., which provided financial support for the project.

The physicists declined to disclose the composition of the material they developed and would only say that it is similar to those used by other scientists in recent experiments. Those materials are an yttrium barium-copper oxide. "Ours have different composition and crystal phase," or the dimensions of the grains, Mr. Chen said.

The Wayne State scientists also used a unique technique in measuring superconductivity. They said in a statement that the conventional method—passing direct current through the material and measuring resistivity—used by others "couldn't clearly establish superconductivity at the higher temperature." Instead, they used a process that used radio frequency and alternating current to verify the existence of superconductivity at the high temperature. "It's a more thorough measurement, because it measures superconductivity of each of the grains of the material," he said.

[From the Wall Street Journal, Mar. 20, 1987]

JAPAN IS RACING TO COMMERCIALIZE NEW SUPERCONDUCTORS

(By Stephen Kreider Yober)

TOKYO.—In the corner of Prof. Shinichi Uchida's laboratory at the University of Tokyo, across from the bottles of liquid nitrogen, stands a bunk bed.

Until recently it was little used. Then, on Feb. 15, a Unversity of Houston press conference announced the latest breakthrough in the science of superconductivity, a development with potentially enormous commercial applications.

The lab and its bunks here seldom have been empty since.

For three weeks Prof. Uchida's 12-researcher team worked around the clock, seven days a week to duplicate the Houston results. Sleeping in shifts, they cooked their meals in a tiny kitchenette while their latest batch of experimental ceramic pellets baked in the lab's kiln.

In other labs, in company board rooms and in the offices of the powerful Ministry of Trade and Industry, or MITI, the Houston breakthrough has galvanized Japan. Scientists, industrialists and government officials have responded frantically, convinced they can, and must, walk away with the commercial applications. "When it comes time to make something out of it," predicts Prof. Shoji Tanaka, who is Prof. Uchida's boss, "the Japanese will have the upper hand."

In the U.S., by contrast, the reaction has been more measured. Labs are busy, but there isn't any nationally coordinated drive for commercialization. Leaders in superconductivity research caution that much science remains to be done first. "You must keep in mind that the scientific scene is changing so rapidly that to decide (on specific applications) on the basis of what is known today would be a mistake," says John Armstrong, director of the research division at International Business Machines Corp. It would also be wrong, he thinks, "to turn this into a race between East and West."

Here in Tokyo, however, the race is already on, showing once again the competitive drive and speed with which Japan can seize on Western science.

New materials that conduct electricity at warmer temperatures with almost no loss of power, have "opened a fantastic world of future industries," says Masatoshi Urashima, a MITI official. Because previous su-

perconductors operated only at extremely low and expensive-to-maintain temperatures, the new materials make economical the creation of tiny, superfast computers, magnetically floating trains, long-distance power lines that don't waste electricity and even applicances that use almost no power.

The discovery meshes with technologies Japan has refined for years. Japan has a train using superconductivity that is almost ready for commercial use. It travels at more than 250 miles an hour while hovering five inches above a track on a magnetic cushion created by superconducting coils. Japan's shipbuilders, meanwhile, have spent $23 million to build a fast ship propelled by superconducting magnets.

NEC Corp. and others already have produced prototypes of superconducting computer ships; the West gave up trying to do so four years ago. Such giant electronics concerns as Hitachi Ltd. are supplying the West with millions of dollars of superconducting equipment. And Japan's leading role in industrial ceramics will help it develop ceramic superconductors. "A lot of revolutionary things are going to come up and a lot of it is going to come from Japan," says David L. Keller, a technology analyst with James Capel & Co., a British securities firm. "The Japanese will dramatically lead the rest of the world."

The Japanese government already is organizing that. Four days after the Houston bombshell, Japan's Science and Technology Agency announced its intent to form a research consortium of Japanese companies, universities and government labs. A week later, the consortium was in place, including such industrial giants as NEC, Toshiba Corp., Nippon Steel Corp. and Mitsubishi Electric Corp. "We've gathered all the leading-edge researchers in superconductivity in Japan," says Koji Yamaguchi, the agency official overseeing research. "We need to get everybody together to share information and decide how to move."

MITI, the agency that picks and funds national projects like the one that helped Japanese makers dominate the memory chip business, began moving on the day of the announcement. It already is polishing up an existing feasibility study on a superconducting power plant and plans to have a working model built by 1992.

"The objective is to organize industry to get the jump on the West in applications and commercialization for a huge new market," says Nihon Keizai Shimbun, Japan's leading business daily. The earliest application, researchers say, could be superconducting computer chips that would enable creation of a shoe box-sized supercomputer. IBM and most other U.S. companies abandoned research in 1983 on the chips, called Josephson Junction devices, partly because of the complications of cooling with helium. That left NEC, Hitachi and a MITI lab to refine the technology with little foreign competition.

For all the government-inspired organization, Japan's research labs didn't wait for government orders when they heard the news from Houston last month.

ELEMENTS OF SURPRISE

At the University of Tokyo, Mr. Uchida sat his researchers down in front of a large periodic table of the elements. For hours they debated which elements Houston could possibly have used. While they were still guessing, a rumor came over the phone that the material was fluoric. Students ran out and bought fluorinated chemicals. For three days they tried out hundreds of combinations until they found the rumor was false.

Action on another tip that the Houston material was dark green, the researchers mixed all the plausible chemicals that would become green when fired, again with no success. (The material needs to be fired further until it is black, they found later.) Then a news report said a Chinese lab had achieved superconductivity at 100 degrees Kelvin (minus 173 degrees Celsius) using a ceramic with ytterbium in it and researchers attacked that. The report proved wrong—the element was yttrium. (Ironically, the University of Tokyo lab later found, by coincidence, that ytterbium works. The lab patented the discovery.)

Finally, at 2 a.m. March 1, they got superconductivity. "It was an other-worldly experience," says Prof. Uchida. They drank a toast and launched back into another week of experiments, this time to refine the resulting ceramic. On March 8 they announced a purified form. On Wednesday the lab finally took a holiday.

Meanwhile, labs at Tohoko University, Hokkaido University and a government research facility in Tokyo have burst forth with rapid-fire announcements of their advances in superconductivity. They and other labs have been snatching up the ingredients for superconductors so fast that there are shortages. Suppliers have run out of yttrium, for example, and labs must wait three weeks for orders to be filled.

THE REAL THING

Prof. Uchida's lab has been flooded by calls and visits from companies. Sumitomo Electric Industries Ltd. researchers brought in some rudimentary wire made from superconducting ceramic. Engineers from Toshiba, Fujitsu Ltd. and Hitachi have visited the lab to keep watch on developments. "Company people have the conviction that this is finally the real thing. A lot are starting to pick it up. . . . They see that superconductivity is a sure thing and they want to get on to application," says Prof. Uchida.

Of course, there is scientific and commercial excitement in the U.S., too, but its less frenetic and isn't centrally controlled. Scientists say indications of an incipient breakthrough came as early as April 1986, when researchers at IBM's laboratory in Zurich, Switzerland, reported they had achieved superconductivity in a new class of materials, the metal oxide ceramics. This galvanized researchers throughout the world. By November, the Japanese and Chinese had confirmed the IBM discovery and by December, scientists in Houston and at American Telephone & Telegraph Co.'s Bell Laboratories were reporting important advances with the new materials.

About 5,000 physicists jammed the ballroom of the Hilton Hotel in New York Wednesday night for an unprecedented special session on superconductors at the annual meeting of the American Physical Society. They listened to the presentation of 60 papers on superconductivity research done largely within the last two to three months. Although scientists from U.S. universities dominated the program, there were reports from IBM, Bell Labs, Westinghouse Electric Corp. and Exxon Corp. as well as from Japanese, Chinese and Canadian scientists.

The breakthrough generated tremendous excitement among Bell Labs scientists, says Robert A. Laudise, director of the laboratories' inorganic chemistry branch. "Usually, research managers are coaching people to do this or that," Mr. Laudise notes. "But in this case we had people coming around from all different disciplines wanting to know if there was anything in this for their area," he says.

TOO SOON FOR APPLICATIONS

"We've had a lot of people going without sleep," Mr. Laudise says. But he agrees with IBM's Mr. Armstrong that it's still too soon for anyone to settle on specific applications of the superconductors. "We're not trying to make any specific devices or systems," he says.

Bell Labs researchers are, however, trying to fabricate various superconducting materials into experimental devices. At Wednesday's APS meeting they displayed a superconductor in the form of a flexible ceramic tape that can be formed and then hardened into a shape to fit a superconducting device.

Researchers at General Electric Co.'s big research and development center in Schnectady, N.Y., agree that it's too soon to jump into an industrial competition with anyone, including the Japanese.

JURY IS STILL OUT

"In the materials field, the events of the last several weeks have been quite spectacular, but in the applications sense, the jury is still very much out," says Michael Jefferies, manager in the center's engineering physics laboratory.

Until recently, the GE lab didn't have a group of scientists working on superconducting materials. "But we're now trying to confirm and duplicate the results that are being reported," Mr. Jefferies says.

Guy Donaruma, vice president for research at the University of Alabama in Huntsville, says governmental agencies and private concerns have shown a keen interest in the university's superconductivity research, which duplicated the Houston breakthrough.

"Wherever I go around town somebody buttonholes me and asks how we're coming along or when can we use this," Mr. Donaruma says. Some inquiries have come from the space and defense related agencies in the area, including the Marshall Space Flight Center and the U.S. Army Missile Command, he says.

In Palo Alto, Calif., where Stanford University recently announced a breakthrough in fabricating a superconducting thin film, useful in electronic devices, a news conference last week was packed with industry people. Several other scientists have called for more information for use in making a superpowerful magnet used by geological researchers. Niels Reimers, director of Stanford's technology licensing office, said, however, that he hasn't been fielding many industry inquiries.

CRASH PROGRAMS

In Japan, however, companies that already sell conventional superconducting wire to the U.S. have begun crash programs to commercialize the new discovery. Fujikura Ltd. and Sumitono Electric, for example, say they have developed rudimentary wire out of the new ceramic, despite skepticism among some scientists that the material won't lend itself to wiremaking.

Like their U.S. counterparts, Japanese makers temper their euphoria with warnings that too little is known about the new ceramic superconductor to tell when and how the material will be commercialized.

Aside from possible problems in forming brittle ceramic into wire, the new superconductor still can't handle enough current to be used in heavy applications such as power

plants. Superconductors also don't work well with alternating current, the type of electricity used in most of the world's power equipment.

But Japanese labs are convinced they can solve the problems over the next several years. Now that the West has made the basic breakthrough, they say, the ball is in their court. "It will be difficult and will take time," says Kasumasa Togano, a government scientist. "But that's precisely where Japan's labs and makers have the edge."

Still, he and other researchers admit to a twinge of hurt pride. "To be honest, we're following in the footsteps of the U.S.," Mr. Togano says. "Here, again, the originality is coming from the West. We have a measure of sadness about that."

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. SUNDQUIST (at the request of Mr. MICHEL), for today and the balance of the week, on account of illness in the family.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. PARRIS) to revise and extend their remarks and include extraneous material:)

Mr. BURTON of Indiana, for 5 minutes, today.

Mrs. BENTLEY, for 5 minutes, today.

Mr. MOLINARI, for 60 minutes, on April 2.

Mr. MACK, for 60 minutes, today.

Mr. DREIER of California, for 5 minutes, today.

(The following Members (at the request of Mr. GONZALEZ) to revise and extend their remarks and include extraneous material:)

Mr. BOUCHER, for 5 minutes, today.

Mr. BROOKS, for 5 minutes, today.

Mr. GRAY of Pennsylvania, for 5 minutes, today.

Mr. PANETTA, for 5 minutes, today.

Mr. KASTENMEIER, for 5 minutes, today

Mr. CONYERS, for 30 minutes, today.

Mr. LAFALCE, for 10 minutes, today.

Mr. MONTGOMERY, for 10 minutes, today

Mr. ALEXANDER, for 15 minutes, today.

Mr. GONZALEZ, for 30 minutes, today.

Mr. DORGAN of North Dakota, for 5 minutes, on April 2.

(The following Member (at the request of Mr. MCCANDLESS) to revise and extend his remarks and include extraneous material:)

Mr. RITTER, for 15 minutes, today.

(The following Member (at the request of Mr. GRAY of Pennsylvania) to revise and extend his remarks and include extraneous material:)

Mr. GONZALEZ, for 60 minutes, on April 2.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. CONYERS and to include extraneous material notwithstanding the fact that it exceeds two pages of the RECORD and is estimated by the Public Printer to cost $2,210.

(The following Members (at the request of Mr. PARRIS) and to include extraneous material:)

Mr. GILMAN in two instances.
Mr. CONTE.
Mr. GOODLING.
Mr. MCKINNEY.
Mr. ROBERT F. SMITH.
Mr. HUNTER.
Mr. COURTER.
Mr. PORTER in two instances.
Mr. GEKAS in two instances.
Mr. COBLE.
Mr. MARLENEE.
Mr. LIGHTFOOT.
Mr. LIVINGSTON in two instances.
Mr. FIELDS.
Ms. SNOWE.
Mr. DORNAN of California.
Mr. IRELAND.
Mr. MOLINARI.
Mr. DANNEMEYER.
Mr. DIOGUARDI.
Mr. RITTER.

(The following Members (at the request of Mr. GONZALEZ) and to include extraneous material:)

Mr. VENTO.
Mr. SMITH of Florida.
Mr. FLORIO.
Mr. HAMILTON.
Mr. GUARINI.
Mr. RICHARDSON in two instances.
Mr. FAUNTROY.
Mr. MONTGOMERY.
Mr. RANGEL.
Mr. DERRICK.
Mr. ECKART.
Mr. LIPINSKI.
Mr. STOKES.
Mr. PANETTA.

ADJOURNMENT

Mr. RITTER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 8 o'clock and 17 minutes p.m.), under its previous order, the House adjourned until tomorrow, Thursday, April 2, 1987, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1055. A letter from the Chairman, Federal Financial Institutions Examination Council, transmitting the Council's 1986 annual report, pursuant to 31 U.S.C. 719(c)(3); to the Committee on Banking, Finance an Urban Affairs.

1056. A letter from the Auditor, District o Columbia, transmitting a copy of a repor entitled, "Review of D.C. Randolph-Shep pard Program", pursuant to D.C. Code Sec 47-117(d); to the Committee on the Distric of Columbia.

1057. A letter from the Secretary of Edu cation, transmitting a copy of notice of fina funding priorities—program for severel handicapped children, pursuant to 20 U.S.C 1232(d)(1); to the Committee on Educatio and Labor.

1058. A letter from the Chairman, Rail road Retirement Board, transmitting a draf of proposed legislation to ensure that futur indexed rail cost-of-living adjustments ar consistently applied to all indexed rail in dustry pensions and eliminate the Decem ber 1987 rail industry pension cost-of-livin adjustment; to the Committee on Energy and Commerce.

1059. A letter from the Chairman, Federa Communications Commission, transmittin the Commission's annual report on goals objectives and priorities, fiscal years 1987 1988, and 1989, and accomplishments ove the past fiscal year 1986, pursuant to 47 U.S.C. 155(g); to the Committee on Energy and Commerce.

1060. A letter from the Assistant Secretary, Legislative and Intergovernmental Affairs, Department of State, transmitting notification that pursuant to the provisions of section 506(a) of the Foreign Assistance Act, the President signed Presidential Determination No. 87-13 (March 28, 1987) authorizing the furnishing of up to $10 million in emergency military assistance to the Government of Chad, pursuant to 22 U.S.C. 2318(b)(2); to the Committee on Foreign Affairs.

1061. A letter from the Comptroller General of the United States, transmitting a draft of proposed legislation to amend 5 U.S.C. 5724a(a)(4)(A) to liberalize certain provisions which authorize reimbursement for the expenses of the sale and purchase of a residence upon transfer of an employee; to the Committee on Government Operations.

1062. A letter from the Chairman, Board of Governors, Federal Reserve System, transmitting the Board's 10th annual report of its compliance with the Government in the Sunshine Act during calendar year 1986, pursuant to 5 U.S.C. 552b(j); to the Committee on Government Operations.

1063. A letter from the Administrator, Federal Aviation Administration, Department of Transportation, transmitting a copy of the summary report for the update of the master plan for Washington Dulles International Airport and the facility concept technical report for Washington National Airport, pursuant to Public Law 99-591; to the Committee on Public Works and Transportation.

1064. A letter from the Acting Assistant Secretary for Civil Rights, Department of Education, transmitting the fiscal year 1986 report summarizing the compliance and enforcement activities of the Office for Civil Rights [OCR] pursuant to 20 U.S.C. 3413(b)(1); jointly, to the Committees on Education and Labor and the Judiciary.

1065. A letter from the Secretary of Transportation, transmitting a draft of proposed legislation to amend the Natural Gas Pipeline Safety Act of 1968, as amended, and the Hazardous Liquid Pipeline Safety Act of 1979, as amended, to authorize appropriations for fiscal years 1988 and 1989, and for other purposes, pursuant to 31 U.S.C.

1110; jointly, to the Committees on Energy and Commerce and Public Works and Transportation.

1066. A letter from the Comptroller General of the United States (omitted from Record—will appear 4/2/87).

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. UDALL: Committee on Interior and Insular Affairs. H.R. 318. A bill to provide for the restoration of Federal recognition to the Ysleta del Sur Pueblo and the Alabama and Coushatta Indian Tribes of Texas, and for other purposes; with amendments (Rept. 100-36). Referred to the Committee of the Whole House on the State of the Union.

DISCHARGE OF COMMITTEE

Pursuant to section 215 of the Military Construction Appropriation Act, 1987 (Public Law 99-500 and Public Law 99-591), the Committee on Appropriations is discharged from further consideration of House Joint Resolution 167; House Joint Resolution 167 referred to the Committee of the Whole House on the State of the Union, and ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BERMAN (for himself, Mr. GLICKMAN, Mr. MORRISON of Connecticut, and Mr. EDWARDS of California):

H.R. 1888. A bill to amend the Foreign Sovereign Immunities Act with respect to certain activities of foreign governments; to the Committee on the Judiciary.

By Mr. BLILEY (for himself, Mr. PARRIS, Mr. SLAUGHTER of Virginia, and Mr. COBLE):

H.R. 1889. A bill to amend title 23, United States Code, relating to advanced construction of highway projects, and to establish certain traffic restrictions with respect to Shirley Highway; to the Committee on Public Works and Transportation.

By Mrs. BOXER (for herself, Mr. EDWARDS of California, and Mr. MILLER of California):

H.R. 1890. A bill to prohibit the obligation or expenditure of funds available to the Department of Defense for the direct or indirect benefit of the Nicaraguan democratic resistance (commonly referred to as the "Contras") unless such funds were appropriated for such purpose; to the Committee on Armed Services.

By Mr. BROOKS:

H.R. 1891. A bill to authorize the several States and the District of Columbia to collect certain taxes with respect to sales of tangible personal property by nonresident persons who solicit such sales; to the Committee on the Judiciary.

By Mr. CARR:

H.R. 1892. A bill to amend the Internal Revenue Code of 1986 to provide that the total amount paid by a self-employed taxpayer for his or her health insurance premiums will be allowed as a business deduction; to the Committee on Ways and Means.

By Mr. HORTON (for himself, Mr. LEWIS of Florida, Ms. SLAUGHTER of New York, Mr. DYMALLY, Mrs. SCHROEDER, Mr. RIDGE, and Mr. BOEHLERT):

H.R. 1893. A bill to amend the Tariff Act of 1930 regarding country-of-origin marking requirements for imported fresh fruits and vegetables; jointly, to the Committees on Ways and Means and Agriculture.

By Mr. JOHNSON of South Dakota (for himself and Mr. BEREUTER):

H.R. 1894. A bill relating to cost-sharing rules of the Missouri National Recreation Area; jointly, to the Committees on Public Works and Transportation and Interior and Insular Affairs.

By Mr. KASTENMEIER:

H.R. 1895. A bill to amend title 18, United States Code, to prohibit certain forms of video surveillance, and to modify certain prohibitions with respect to other surveillance; to the Committee on the Judiciary.

By Mr. KILDEE (for himself, Mr. GOODLING, Mr. COYNE, Mr. FISH, Mr. HORTON, Mr. HOYER, Mr. LAFALCE, Mr. NOWAK, Mr. ROBINSON, Ms. SLAUGHTER of New York, and Mr. VENTO):

H.R. 1896. A bill to reauthorize and improve programs of magnet school assistance under title VII of the Education for Economic Security Act; to the Committee on Education and Labor.

By Mr. LAFALCE (for himself and Mrs. BOGGS):

H.R. 1897. A bill to amend the Equal Credit Opportunity Act; to the Committee on Banking, Finance and Urban Affairs.

By Mr. LIVINGSTON:

H.R. 1898. A bill to temporarily prohibit the Secretary of Commerce from implementing regulations requiring the use of turtle excluder devices in the western Gulf of Mexico; to the Committee on Merchant Marine and Fisheries.

By Mr. MARLENEE (for himself, Mr. CHENEY, Mr. STALLINGS, Mr. CRAIG, Mr. HANSEN, Mrs. VUCANOVICH, Mr. CAMPBELL, Mr. YOUNG of Alaska, Mr. LUJAN, Mr. PASHAYAN, Mr. RHODES, Mr. LAGOMARSINO, Mr. SKEEN, Mrs. SMITH of Nebraska, Mr. ROBERT F. SMITH, Mr. NIELSON of Utah, Mr. KOLBE, Mr. ROBERTS, Mr. STUMP, Mr. HERGER, Mr. SHUMWAY, Mr. JOHNSON of South Dakota, and Mr. RICHARDSON):

H.R. 1899. A bill to make permanent the formula for determining fees for the grazing of livestock on public rangelands; to the Committee on Interior and Insular Affairs.

By Mr. OWENS of New York (for himself, Mr. BIAGGI, Mr. MURPHY, Mr. PERKINS, Mr. RICHARDSON, Mr. ROBINSON, and Mr. SOLARZ):

H.R. 1900. A bill to amend the Child Abuse Prevention and Treatment Act, the Child Abuse Prevention and Treatment and Adoption Reform Act of 1978, and the Family Violence Prevention and Services Act to extend through fiscal year 1991 the authorities established in such acts; to the Committee on Education and Labor.

By Mr. PANETTA:

H.R. 1901. A bill to amend the Internal Revenue Code of 1986 to provide that certified public accountants and enrolled agents may represent taxpayers in certain Tax Court cases involving $10,000 or less; to the Committee on Ways and Means.

By Mr. RANGEL:

H.R. 1902. A bill to amend the Federal Food, Drug, and Cosmetic Act to require that the label or labeling of a food state the specific common or usual name and the amount of each fat or oil contained in the food, the amount of saturated, polyunsaturated, and monounsaturated fats contained in the food, the amount of cholesterol contained in the food, and the amount of sodium and potassium contained in the food; to the Committee on Energy and Commerce.

H.R. 1903. A bill to deny the Prince Edward School Foundation and its successors tax-exempt status during the period beginning on October 3, 1984, and ending when it has demonstrated its nondiscrimination policy for 2 consecutive school years by having more than a token number of black students in attendance, black teachers on the faculty, and black individuals in administrative and clerical positions; to the Committee on Ways and Means.

H.R. 1904. A bill to amend the Internal Revenue Code of 1986 to deny tax-exempt status to educational institutions which have been found to have a policy of racial discrimination against any group in enrollment, hiring, or in other areas, until such institutions clearly and convincingly demonstrate their abandonment of such policy through the enrollment, hiring, or the taking of other vigorous, affirmative, and continued corrective action with respect to such group; to the Committee on Ways and Means.

By Mr. ROE (for himself, Mr. WALGREN, Mr. BROWN of California, Mr. BOEHLERT, Mr. VOLKMER, Mr. NELSON of Florida, Mr. HALL of Texas, Mr. MINETA, Mr. BOUCHER, Mr. TRAFICANT, Mr. HAMILTON, Mr. PERKINS, Mr. NAGLE, and Mr. HAYES of Louisiana):

H.R. 1905. A bill to assist in revitalizing the Nation's academic research programs by authorizing a program in the National Science Foundation for the repair, renovation, or replacement of laboratories and other research facilities at universities and colleges; to the Committee on Science, Space, and Technology.

By Mr. SCHUMER (for himself, Mr. WEISS, Mr. RANGEL, and Mr. DOWNEY of New York):

H.R. 1906. A bill to amend part A of title IV of the Social Security Act to establish a demonstration program to test whether the net costs incurred in making emergency assistance payments to homeless AFDC families for temporary housing can be effectively reduced through the construction or rehabilitation (with Federal assistance) of permanent housing that such families can afford with their regular AFDC payments; jointly, to the Committees on Ways and Means and Banking, Finance and Urban Affairs.

By Ms. SNOWE (for herself, Mr. CLINGER, Mrs. ROUKEMA, Mrs. MORELLA, Mr. STAGGERS, Mr. TRAFICANT, Mr. DAUB, and Mr. SAXTON):

H.R. 1907. A bill to amend title XVIII of the Social Security Act to require fiscal intermediaries to provide prompt handling of reconsiderations of medicare denials for home health services; to the Committee on Ways and Means.

By Ms. SNOWE (for herself, Mr. CLINGER, Mrs. ROUKEMA, Mrs. MORELLA, Mr. TRAFICANT, Mr. BIAGGI, Mr. DAUB, and Mr. SAXTON):

H.R. 1908. A bill to amend title XVIII of the Social Security Act to require fiscal intermediaries to notify home health agencies served by them of changes in Medicare policy within 7 days; to the Committee on Ways and Means.

By Ms. SNOWE (for herself, Mr. CLINGER, Mrs. ROUKEMA, Mrs. MORELLA, Mr. STAGGERS, Mr. TRAFICANT, Mr. BIAGGI, Mr. DAUB, and Mr. SAXTON):

H.R. 1909. A bill to extend the waiver of liability presumption with respect to home health services and hospice care under the Medicare Program through September 30, 1989; jointly, to the Committees on Ways and Means and Energy and Commerce.

By Ms. SNOWE (for herself, Mr. CLINGER, Mrs. ROUKEMA, Mr. ROYBAL, Mrs. MORELLA, Mr. TRAFICANT, Mr. BIAGGI, Mr. DAUB, Mr. SAXTON, and Mr. BONKER):

H.R. 1910. A bill to amend title XVIII of the Social Security Act to require publication of a booklet describing Medicare coverage of home health services to be distributed to current and potential consumers of home health services; jointly, to the Committees on Ways and Means and Energy and Commerce.

By Ms. SNOWE (for herself, Mr. CLINGER, Mrs. ROUKEMA, Mrs. MORELLA, Mr. TRAFICANT, and Mr. SAXTON):

H.R. 1911. A bill to amend title XVIII of the Social Security Act to clarify the reasonable and medically necessary standard in the case of home health services; jointly, to the Committees on Ways and Means and Energy and Commerce.

By Mr. STOKES (for himself, Ms. OAKAR, Mr. FROST, Mr. REGULA, Mr. BEVILL, and Mr. ECKART):

H.R. 1912. A bill to extend until November 15, 1987, the provision of law requiring the continuation of health benefits for retired former employees in certain bankruptcies; to the Committee on the Judiciary.

By Mr. TAUKE (for himself, Mr. LEACH of Iowa, Mr. SLATTERY, Mrs. MEYERS of Kansas, Mr. ROBERTS, and Mr. WHITTAKER):

H.R. 1913. A bill to establish a program to provide dislocation services and assistance to meet the unique needs of farmers, farm workers, and ranchers who face the loss of their primary source of income as a result of the decline in U.S. agriculture, to assist in preparing such individuals for transition to other economic opportunities, and for other purposes; to the Committee on Education and Labor.

By Mr. TRAFICANT (for himself, Mr. FROST, Mr. APPLEGATE, Mr. REGULA, Mr. MURPHY, Mr. KOSTMAYER, Mr. RIDGE, and Mr. STOKES):

H.R. 1914. A bill to extend certain protections under title 11 of the United States Code, the Bankruptcy Code; to the Committee on the Judiciary.

By Mrs. BENTLEY (for herself, Mr. LIPINSKI, Mr. SCHULZE, Mr. RITTER, Mr. GAYDOS, Mr. HUNTER, Ms. OAKAR, Mr. COURTER, and Ms. KAPTUR):

H.J. Res. 221. Joint resolution to establish a commission to study the means to revivify and strengthen the national industrial base of the United States; and to recommend the proper means of achieving that goal; jointly, to the Committees on Energy and Commerce, and Banking, Finance and Urban Affairs.

By Mr. DEWINE:

H.J. Res. 222. Joint resolution to designate May 1987 as "Courtesy Is Contagious Month"; to the Committee on Post Office and Civil Service.

By Mr. LUJAN:

H.J. Res. 223. Joint resolution to provide for the designation of chile as the official food of the United States of America; to the Committee on Post Office and Civil Service.

By Mr. NIELSON of Utah (for himself, Mr. HORTON, Mr. LAGOMARSINO, Mr. SMITH of Florida, Mr. ROE, Mr. WELDON, Mr. KOSTMAYER, Mr. DAVIS of Michigan, Mr. BROOKS, Mr. HUGHES, Mr. MILLER of Ohio, Mr. LEVIN of Michigan, Mr. KASICH, Mr. FISH, Mr. DANIEL, Mr. ESPY, Mr. HYDE, Mr. SUNIA, Mr. DWYER of New Jersey, Mr. BONER of Tennessee, Mr. FAZIO, Mrs. BOXER, Mr. WOLF, Mr. TRAFICANT, Mr. PASHAYAN, Mr. WAXMAN, Mr. MRAZEK, Mrs. ROUKEMA, Mr. VOLKMER, Mr. HANSEN, Mr. BERMAN, Mr. HUTTO, Mr. DAUB, Mr. WILSON, Mr. SAXTON, Mr. LEWIS of Florida, Mr. GRAY of Illinois, Mr. BEVILL, Mr. SPENCE, Mr. YOUNG of Alaska, Mr. GREEN, Mr. SAVAGE, Mrs. BENTLEY, Mr. ATKINS, Mr. PEPPER, Mr. MCCOLLUM, and Mr. OXLEY):

H.J. Res. 224. Joint resolution designating the week of September 14, 1987, through September 20, 1987, as "Benign Essential Blepharospasm Awareness Week"; to the Committee on Post Office and Civil Service.

By Mr. PANETTA:

H.J. Res. 225. Joint resolution to authorize and request the President to designate the week beginning April 12, 1987, as "National Week of the American Taxpayer"; to the Committee on Post Office and Civil Service.

By Mr. RANGEL:

H.J. Res. 226. Joint resolution to designate June 11, 1987, as "National Kidney Program Day"; to the Committee on Post Office and Civil Service.

By Mr. SMITH of Florida:

H.J. Res. 227. Joint resolution to designate the week beginning October 18, 1987, as "Gaucher's Disease Awareness Week"; to the Committee on Post Office and Civil Service.

By Mr. DYSON:

H. Con. Res. 94. Concurrent resolution expressing the insistence of the Congress on the extradition of Mohammed Hamadei to the United States for trial in connection with the murder of Navy diver Robert Stethem and the opposition of the Congress to any trade of Mohammed Hamadei for West German nationals being held hostage; to the Committee on Foreign Affairs.

By Mr. HOYER (for himself, Mrs. BENTLEY, Mrs. BYRON, Mr. CARDIN, Mr. DYSON, Mr. MCMILLEN of Maryland, Mr. MFUME, and Mrs. MORELLA):

H. Res. 136. Resolution saluting Betty Brown Casey for her extraordinary support of Washington College; to the Committee on Post Office and Civil Service.

By Mr. STANGELAND (for himself, Mr. LAGOMARSINO, and Mr. BEREUTER):

H. Res. 137. Resolution expressing the sense of the House of Representatives regarding the importance of protecting the stock of borrowers in the institutions of the Farm Credit System; to the Committee on Agriculture.

MEMORIALS

Under clause 4 of rule XXII

18. The SPEAKER presented a memorial of the Legislature of the State of Utah, relative to proposing an amendment to the Constitution; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. LIVINGSTON:

H.R. 1915. A bill for the relief of Joseph W. Newman; to the Committee on the Judiciary.

By Mr. MCKINNEY:

H.R. 1916. A bill for the relief of Bernard E. Teichgraeber; estate of Barbara G. Teichgraeber, deceased, Bernard E. Teichgraeber and Richard F. Teichgraeber, executors; Bernard E. Teichgraeber and estate of Barbara G. Teichgraeber, Bernard E. Teichgraeber and Richard F. Teichgraeber, executors; and Richard F. Teichgraeber and Winifred Teichgraeber; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 164: Mr. MRAZEK, Mr. HOWARD, Mr. LIPINSKI, Mr. OWENS of New York, Mr. STAGGERS, Mr. FLORIO, Ms. KAPTUR, Mr. KOLTER, Mr. DELLUMS, Mrs. BOXER, Mr. TRAFICANT, Mr. KONNYU, and Mr. GARCIA.

H.R. 300: Mr. ANDERSON.

H.R. 467: Mr. LAFALCE and Mr. LAGOMARSINO.

H.R. 486: Mr. DELAY.

H.R. 543: Mr. JOHNSON of South Dakota, Mrs. VUCANOVICH, Mr. LIPINSKI, and Mr. SCHEUER.

H.R. 585: Mr. FRANK, Mr. KASTENMEIER, Mr. BERMAN, Mr. MRAZEK, Mr. RINALDO, Mr. MCDADE, Mr. TOWNS, Mr. EDWARDS of California, Mr. SMITH of Florida, Mr. PORTER, Mr. DWYER of New Jersey, Mr. HUGHES, Mr. GLICKMAN, Mr. OWENS of New York, Mr. EVANS, Mr. GALLO, Mr. SCHAEFER, Mr. RANGEL, Mr. FEIGHAN, Mr. GILMAN, Mr. SMITH of New Jersey, Mr. MARTINEZ, Mr. GOODLING, Mr. DONNELLY, Mr. SMITH of New Hampshire, Mr. SHAW, and Mr. HENRY.

H.R 618: Mr. GRAY of Pennsylvania and Mr. PENNY.

H.R. 621: Mr. MCGRATH and Mr. GARCIA.

H.R. 758: Mr. LIPINSKI.

H.R. 792: Mr. FISH and Mrs. BOXER.

H.R. 910: Mrs. BYRON.

H.R. 1007: Mr. YOUNG of Alaska, Mr. LIPINSKI, Ms. OAKAR, Mr. COUGHLIN, Mr. ROE, Mr. KOLTER, Mr. VOLKMER, Mr. FOGLIETTA, Mr. MINETA, Mr. HERTEL, Mr. KOSTMAYER, Mr. MCHUGH, and Mr. WILLIAMS.

H.R. 1049: Mr. EVANS, Mr. JONTZ, and Mr. FRANK.

H.R. 1068: Mrs. COLLINS, Mr. TRAFICANT, and Mr. RIDGE.

H.R. 1082: Mr. DAVIS of Illinois, Mr. SHUSTER, Mr. MICHEL, Mr. HOLLOWAY, Mr. ENGLISH, Mr. HUBBARD, Mr. THOMAS of California, Mr. GEKAS, Mr. COMBEST, Mr. CRANE, and Mr. COBLE.

H.R. 1119: Mr. MCKINNEY.

H.R. 1212: Mr. LEWIS of Georgia and Mr. HORTON.

H.R. 1232: Mr. GARCIA, Mr. RITTER, Mr. FRANK, Mr. DYMALLY, Mr. TRAFICANT, Mr. BIAGGI, Mr. ESPY, Mr. BUSTAMANTE, Mrs. BENTLEY, Mr. TOWNS, Mr. MARTINEZ, Mr. MRAZEK, Mr. ATKINS, Mr. STRATTON, Mr. LEVIN of Michigan, Mr. HORTON, Mr. PENNY, Mr. SIKORSKI, Mr. OWENS of New York, Mr. MCGRATH, Mr. DORNAN of California, and Mr. WOLPE.

H.R. 1282: Mr. ARMEY, Mr. INHOFE, Mr. BROWN of Colorado, Mr. GREEN, and Mr. CRANE.

H.R. 1302: Mrs. BENTLEY and Mr. MORRISON of Connecticut.

H.R. 1310: Mr. DYSON, Mr. TAYLOR, Mr. LAGOMARSINO, and Mr. MCEWEN.

H.R. 1336: Mr. MURTHA, Mr. FLORIO, and Mr. LIPINSKI.

H.R. 1339: Mr. BROOMFIELD.

H.R. 1342: Ms. SLAUGHTER of New York and Mr. GARCIA.

H.R. 1367: Mr. SHUMWAY and Mr. WEBER.

H.R. 1398: Mr. ACKERMAN and Mr. SAVAGE.

H.R. 1412: Mrs. BENTLEY and Mr. MCDADE.

H.R. 1417: Mr. FASCELL, Mr. LANTOS, Mr. WHEAT, Mr. KASTENMEIER, Mr. HALL of Ohio, Mr. DORGAN of North Dakota, Mr. MILLER of California, Mr. GREEN, Mrs. BOXER, Mr. FAUNTROY, Mr. LEHMAN of Florida, Mr. SMITH of Florida, Mr. GILMAN, Mr. FUSTER, Mr. LELAND, Mr. LEWIS of Georgia, Mr. BERMAN, Mr. LEVIN of Michigan, Mr. CLAY, Mr. OWENS of New York, Mr. BIAGGI, Mr. FRANK, Mr. MORRISON of Connecticut, Mr. CARDIN, Mr. WILSON, Mr. EDWARDS of California, Mr. BUSTAMANTE, Mr. MILLER of Washington, Mr. HUGHES, Mr. LEVINE of California, Mr. DYMALLY, Mr. WAXMAN, Mr. SOLARZ, Mr. STUDDS, Mrs. BENTLEY, Mr. DELLUMS, Mr. GRAY of Pennsylvania, Mr. FRENZEL, and Mr. SCHEUER.

H.R. 1429: Mr. STARK and Mr. LOWRY of Washington.

H.R. 1468: Mr. FAZIO and Mr. BATES.

H.R. 1496: Mr. BRYANT, Mr. DORNAN of California, Mr. ARMEY, Mr. WILSON, Mr. RITTER, Mr. LIVINGSTON, and Mr. RICHARDSON.

H.R. 1534: Mr. MARTINEZ and Mr. GARCIA.

H.R. 1546: Mr. SCHUMER, Mr. YATRON, and Mr. MARTINEZ.

H.R. 1599: Mrs. BENTLEY.

H.R. 1604: Mr. HATCHER, Mr. WORTLEY, Mr. GARCIA, and Mr. HYDE.

H.R. 1716: Mr. GARCIA, Mr. HUGHES, Mr. KOLBE, Mr. NEAL, Mr. RANGEL, Mr. SCHUMER, Ms. SLAUGHTER of New York, and Mr. TORRES.

H.R. 1766: Mr. LOTT.

H.R. 1769: Mr. FAUNTROY, Mr. FORD of Tennessee, Mr. GRAY of Pennsylvania, Mr. MARTINEZ, Mr. OWENS of New York, and Mr. RICHARDSON.

H.R. 1786: Mr. LUNGREN, Mr. FROST, Mr. STENHOLM, Mr. HENRY, Mr. BROOMFIELD, Mr. DEWINE, Mr. TAUZIN, Mr. LEWIS of Florida, Mr. WORTLEY, Mr. SUNIA, Mr. PORTER, Mr. SMITH of New Hampshire, Mr. MADIGAN, and Mr. ERDREICH.

H.J. Res. 90: Mr. PICKETT, Mr. TALLON, Mr. FRANK, Mrs. BENTLEY, Mr. BROWN of California, Mr. TORRICELLI, and Mr. SWIFT.

H.J. Res. 111: Mr. LEWIS of Georgia.

H.J. Res. 114: Mr. ROWLAND of Connecticut, Mr. MILLER of Ohio, Mr. CRAIG, Mr. KASICH, Mr. BILIRAKIS, Mr. ENGLISH, Mr. WILSON, Mr. YATRON, Mr. PICKLE, Mr. STENHOLM, Mr. GONZALEZ, Mr. MACKAY, Mrs. VUCANOVICH, Mr. CHAPPELL, Mr. SHAW, Mr. WHITTEN, Mr. TALLON, Mr. ANDERSON, Mr. PETRI, Mr. WAXMAN, Mr. SHARP, Mr. LEATH of Texas, Mr. LOWERY of California, Mr. ROTH, Mr. LAGOMARSINO, Mr. MICA, Mr. SWINDALL, Ms. KAPTUR, Mr. ANDREWS, Mr. DOWDY of Mississippi, Mr. SABO, Mr. DERRICK, Mr. THOMAS of Georgia, Mr. DIXON, Mr. SPENCE, Mr. LEWIS of Georgia, Mr. AKAKA, Mr. STUMP, and Mr. ANNUNZIO.

H.J. Res. 137: Mr. WOLPE, Mr. UPTON, Mr. TRAXLER, Mr. VANDER JAGT, Mr. GREEN, Mr. FAZIO, Mr. ROBERTS, Mr. DORNAN of California, Mr. DIOGUARDI, Mr. LAGOMARSINO, Mr. HATCHER, Mr. HORTON, Mr. DE LA GARZA, Mr. DANIEL, and Mr. DONNELLY.

H.J. Res. 140: Mr. MCHUGH, Mr. MINETA, Mr. PANETTA, Mr. HOWARD, Mrs. BENTLEY, Mr. EDWARDS of California, Mr. ANDREWS, Mr. TRAFICANT, Mrs. MARTIN of Illinois, Mr. DELLUMS, Mr. HUGHES, Mr. HALL of Ohio, Mr. FOLEY, and Mr. CONYERS.

H.J. Res. 148: Mr. GREEN, Mr. MRAZEK, Mr. JEFFORDS, Mr. HOWARD, Mr. LELAND, Mr. STARK, Mr. PEPPER, Mr. NEAL, Mr. STUDDS, Mr. MCKINNEY, Mr. PANETTA, Mr. GREGG, Mr. DARDEN, Mr. STRATTON, Mr. EVANS, Mr. SPRATT, Mr. COELHO, Mr. BERMAN, Mr. BOSCO, Mr. BROWN of California, Mr. GOODLING, Mr. CARDIN, Mr. OWENS of New York, Mr. DELLUMS, Mr. DIXON, Mr. TOWNS, Mr. HOYER, Mr. MFUME, Mr. SABO, Mr. SKAGGS, Mr. LEACH of Iowa, Mr. HAWKINS, Mr. FOGLIETTA, Mr. MORRISON of Connecticut, Mr. KILDEE, Mr. CRAIG, Mr. KLECZKA, and Mr. RICHARDSON.

H.J. Res. 176: Mr. WILLIAMS, Mr. WYDEN, Mr. SCHUMER, Mr. SMITH of Florida, Mr. TOWNS, Mr. OLIN, Mr. NEAL, Mr. UDALL, Mr. HORTON, Mr. OWENS of New York, Mr. GARCIA, Mr. HAWKINS, Mr. FASCELL, Mr. DICKS, Mr. GORDON, Mr. FRENZEL, Mr. HAMILTON, Mr. MCKINNEY, Mr. MARKEY, Mr. CARDIN, Mr. HALL of Ohio, Mr. KENNEDY, Mrs. COLLINS, Mr. DEFAZIO, Mr. HOYER, Mr. MILLER of California, Mr. DORGAN of North Dakota, Mr. HUGHES, Mr. BEILENSON, Mr. ROYBAL, Mr. MRAZEK, Mr. WALGREN, Mr. BATES, Mr. STAGGERS, Mr. ACKERMAN, Mr. BERMAN, Mr. BONKER, Mr. KASTENMEIER, Mr. MCHUGH, Mr. HAYES of Illinois, Mr. MURPHY, Mr. FRANK, Mr. PENNY, Mr. LELAND, Mr. SCHEUER, Mr. WAXMAN, Mr. LEHMAN of Florida, Mr. LEVIN of Michigan, Mr. CONYERS, Mr. FAUNTROY, Mr. AKAKA, and Mr. LEWIS of Georgia.

H.J. Res. 200: Mr. ARCHER, Mrs. BENTLEY, Mr. BONER of Tennessee, Mr. BROWN of Colorado, Mr. BURTON of Indiana, Mr. CALLAHAN, Mr. CARR, Mr. CONTE, Mr. COURTER, Mr. DAUB, Mr. DE LA GARZA, Mr. DIXON, Mr. DONNELLY, Mr. DORNAN of California, Mr. DWYER of New Jersey, Mr. FASCELL, Mr. FAWELL, Mr. FLIPPO, Mr. FRANK, Mr. FUSTER, Mr. GILMAN, Mr. GORDON, Mr. HARRIS, Mr. HAYES of Illinois, Mr. HAYES of Louisiana, Mr. HENRY, Mr. HORTON, Mr. HOWARD, Mr. HUGHES, Mrs. KENNELLY, Mr. LAGOMARSINO, Mr. LATTA, Mr. LEHMAN of Florida, Mr. LENT, Mr. LEVIN of Michigan, Mr. LEWIS of Florida, Mr. MCDADE, Mr. MACKAY, Mr. MARKEY, Mr. MARTIN of New York, Mr. MONTGOMERY, Mr. NEAL, Mr. NIELSON of Utah, Mr. OWENS of New York, Mr. PERKINS, Mr. QUILLEN, Mr. REGULA, Mr. ROE, Mr. SCHEUER, Mr. DENNY SMITH, Mr. SMITH of Florida, Mr. SOLARZ, Mr. VOLKMER, Mr. WALGREN, Mr. WORTLEY, Mr. WYLIE, Mr. YATES, Mr. RHODES, Mr. GRADISON, Mr. BALLENGER, Mr. CONYERS, Mr. DERRICK, Mr. DURBIN, Mr. FAUNTROY, Mr. HATCHER, Mr. JONES of North Carolina, Mr. KOSTMAYER, Mr. LIPINSKI, Mrs. LLOYD, Mr. SABO, Mr. SIKORSKI, Mr. STOKES, Mr. STRATTON, Mr. SUNIA, Mr. TAUKE, Mr. VISCLOSKY, and Mr. WYDEN.

H. Con. Res. 7: Mr. HOUGHTON, Mr. STUMP, Mr. NIELSON of Utah, and Mr. HERGER.

H. Con. Res. 67: Mr. ROBINSON, Mr. HALL of Ohio, Mr. MANTON, Mr. AKAKA, Mr. DENNY SMITH, Mr. FIELDS, Mr. BLAZ, Mr. MCGRATH, Mr. WELDON, Mr. BOULTER, Mr. MRAZEK, Mr. BUSTAMANTE, and Mr. CRANE.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.J. Res. 42: Mrs. BENTLEY.

EXTENSIONS OF REMARKS

INTRODUCTION OF LEGISLATION TO REAUTHORIZE CHAPTER 2 OF THE ECIA

HON. WILLIAM F. GOODLING

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 1, 1987

Mr. GOODLING. Mr. Speaker, last week I introduced H.R. 1795 which would reauthorize chapter 2 of the Education Consolidation and Improvement Act through 1993. Chapter 2 was created as part of the Ominbus Budget Reconciliation Act of 1981 by combining over 30 categorical programs into an educational block grant. Last year Congress appropriated $529 million for this purpose.

Most Federal education funding comes with many strings attached. While this makes sense in most cases, it is also important for us to help schools implement innovative programs based on their own ideas. Parents, students, and educators from across the country have told members of the Education and Labor Committee that chapter 2 is an important part of their school program. This reauthorization proposal retains the current flexibility in chapter 2, while specifying more clearly what are its major goals.

The proposed chapter 2 legislation would:

First, retain the current 80-20 percent split between local and State education agencies.

Second, with the 20 percent money States could find three general categories of activities: State administration of the chapter 2 program, technical assistance, grants to local school districts, and statewide activities aimed at achieving the goals of the act, and with 25 percent of the State money—which is 5 percent of the total State grant—they must specifically do "effective schools" programs.

Otherwise, the application process and the creation of the State advisory council remain much the way they are under current law.

Third, with the 80 percent money, local school districts could choose among the following educational areas in deciding how to utilize their local funds: programs for at risk youth, instructional, educational materials and equipment, educational personnel development and training, effective schools programs, and special projects—including gifted and talented and technology education.

I worked very closely with Chairman HAWKINS in developing this bill and I am glad that we have followed the example of H.R. 950, which reauthorizes chapter 1, and introduced this legislation jointly. In fact, H.R. 1795 represents the efforts of many people who provided input to our committee and who will see their finger prints in the bill.

Chapter 2 is a program that started out as an orphan but has definitely been adopted by the educators of this country. H.R. 1795 retains the original purposes of chapter 2 while making some modifications suggested by the persons most closely involved in its implementation. I hope to continue to work with my colleagues in Congress in order to perfect this legislation so that it can best meet the needs of our Nation's schools.

THE MIAMI PROJECT

HON. LAWRENCE J. SMITH

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 1, 1987

Mr. SMITH of Florida. Mr. Speaker, a dedication ceremony is taking place in south Florida that is of interest to the entire Nation. On April 3, 1987, the basic science laboratories of the Miami Project to Cure Paralysis will be dedicated.

The project, based at the University of Miami Medical Center, has been the focus of international media attention over the past year.

The project's goal is quite clear. In fact, it's stated in the organization's name. The Miami project aims to cure paralysis. It hopes to bring the top physicians and scientists from around the world together to launch an attack on this devastating affliction.

Mr. Speaker, the Miami project is a reality today because of Nick Buoniconti who, for many years, was a major player with the Miami Dolphins football team. In 1985, Nick's son Marc suffered a severe spinal cord injury while playing college football that has left him a quadriplegic. Since that time, Marc has been undergoing rehabilitation and has become an international symbol of the Miami project's goal: To make paralysis an affliction of the past.

Nick Buoniconti's love for his son is so strong that his concern has grown beyond family needs. Nick's aim now is to help people throughout the Nation and the world who suffer from paralysis.

The dedication on April 3 marks an important step for everyone who has been or will be touched by the tragedy of paralysis. I believe it's also a testimony to the courage of Marc Buoniconti and the dedication of Nick Buoniconti and the many citizens who are working for the success of the Miami Project to Cure Paralysis.

To further the goals of the Miami project, Nick Buoniconti's friends and former teammates will be hosting the second annual NFL Celebrity Roast on April 11, 1987, in Miami.

As the newest addition to the NFL Hall of Fame, former Miami Dolphin great, Larry Csonka will be roasted by members of the 1972 team. The event will be a stroll down memory lane with members of the Miami Dolphins' great 1972 season, and will raise funds for this very worthy and important medical goal. I urge all my colleagues and the community to support this important step for those of our citizens who are suffering from forms of paralysis. With the devotion of all connected with this project we can cure this dreaded affliction.

COMMEMORATING LARRY VUILLEMOT'S SERVICE TO THE NATION

HON. JOHN EDWARD PORTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 1, 1987

Mr. PORTER. Mr. Speaker, I rise today to commend the work of Lawrence Donald Vuillemot who is retiring from a career devoted to excellence as the director/superintendent of the special education district of Lake County in Gurnee, IL. His commitment to this endeavor extends all the way back to May 1960.

The special education district of Lake County [SEDOL], is a centralized joint agreement serving 40 school districts, and presently employing more staff and providing more services to more students than any other joint agreement in the State. In 1979-80, the SEDOL Program served over 2,489 students, not including those served by each of the member district's Speech Therapy and Learning Disabled Student Programs. A total of 570 professional and clerical staff are currently employed, including 325 classroom teachers representing all categories of special education.

The cooperative joint agreement model has requested and received Mr. Vuillemot's assistance as a consultant since 1960. This model delivers services to Special Education Programs at numerous institutions including, the Minnesota State Department of Education, Indiana University, the University of Illinois, the Montana State Department of Education, and the Western Interstate Commission for Higher Education.

Mr. Vuillemot has served on the board of directors of the Lake McHenry Regional Program since it's inception in 1967. His guidance and counseling in that capacity has helped produce one of the State's outstanding programs in the provision of diagnostic services to children.

In 1972, in cooperation with the special education department at Illinois State University at Normal, Mr. Vuillemot developed a unique off campus Teacher Training Program. This program has been responsible for training an exceptional group of special education teachers.

Through the years, Larry Vuillemot's professional involvement has included work with such groups as the American Academy of Pediatrics and the American Association of Mental Disorders—an active member since 1952. He has spoken three times at the national conventions of the American Association of School Administrators—a member since 1967. He has been a member of the Council for Exceptional Children since 1954

and served as editor of the Illinois Council for Exceptional Children Newsletter from 1962 to 1964.

From 1962 to 1964, he was also president of the Illinois Administrators of Special Education. He has been involved with the Illinois Commission on Children as a member of the Committee on Emotionally Disturbed Children and as chairman of the Subcommittee on Legal Mandates. Mr. Vuillemot was appointed by Gov. Richard Ogilvie to the first Statewide Council on Developmental Disabilities, and since 1981 he has been chairman of the Illinois State Advisory Council for the Education of Handicapped Children.

Other advisory boards that Mr. Vuillemot has served on include those of the Lake County Society for the Mentally Retarded, since 1960; the Illinois Regional Resources Center at Northern Illinois University; and the Moraine Association Residential Daily Living Facility for the Adult Retarded.

Mr. Vuillemot has received numerous honors, including annual recognition by the president of the Illinois Administrators of Special Education for dedicated service to the IASE since 1966. In 1972, he received the Lake County Mental Health Award, and in 1979 he received a certification of recognition by the Illinois House of Representatives. In 1980, he was invited to be the first special education administrator in residence at the University of Illinois, College of Education. That same year he was also named the Raymond E. Williams Memorial Lecturer at the University of Illinois, Phi Delta Kappa, PI chapter.

Mr. Speaker, Lawrence Donald Vuillemot's record speaks for itself. I can only add that he has worked his entire life to uphold one of the basic tenets of SEDOL's philosophy, that the "provision of educational services designed to meet the individual's needs is an intrinsic right." Larry Vuillemot's retirement after 27 years of dedicated service to Lake County and the State of Illinois is well deserved. I am sure he will be both missed and remembered for years to come.

POW NIGHTMARE STILL HAUNTS SURVIVOR OF THE BATAAN DEATH MARCH

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 1, 1987

Mr. RICHARDSON. Mr. Speaker, I would like to call the attention of my colleagues to an article written in the Albuquerque Tribune. It concerns a POW's nightmare existence while in the service of the U.S. military during World War II. The article gives people a glimpse at the terrible pain suffered by men who were tortured over long periods of time. Much of that pain goes on today—both bodily and psychologically. I feel this article points out the sacrifice that Carlos Montoya gave for his country, and the adulated praise that is owed him and other veterans like him. Congress would do well to bear in mind that our veterans deserve the utmost attention for their service.

[From the Albuquerque Tribune, Sept. 19, 1986]

POW NIGHTMARE STILL HAUNTS SURVIVOR OF THE BATAAN DEATH MARCH

(By Beatriz J. Hernadez)

Carlos Montoya's years of torment as a Japanese prisoner of war drag on, paving a trail of ailments, disillusion and nightmares common to the victims of torture.

It is etched in his memory, he said: Every moment from April 4, 1942, to Sept. 18, 1945, when he was held prisoner in the Philippines and Japan.

"In my nightmares, the Japanese are after me, or I'm after them. I would like to dream of my little girl, Nora, but I don't," he said, shaking his head. "I would like to dream of things that have happened since, but I don't. I've had disagreements recently, and I wish I could dream about those . . . I just can't!"

Montoya, 71, was one of the tens of thousands of World War II American soldiers—many from New Mexico—subjected to a 100 mile march known as the Bataan Death March. Scores of men died on the march from thirst and starvation.

Though Montoya was freed three and one-half years later, he at times is sorry he is not among the dead soldiers.

"I would have preferred to have been killed at the beginning of the war than go through that (the captivity and the aftermath)," he said in a low voice.

To Montoya, today's Day of Recognition of Prisoners of War (POWs) and Missing in Action (MIAs) at Kirtland Air Force Base has little practical meaning. Rather than symbolism, Montoya prefers relief.

He continues to fight with the Veterans Administration for full disability insurance. Next week he will file yet another claim in a long series of unsuccessful attempts at increasing his 60 percent disability to full coverage.

Montoya says he takes dozens of pills a day for the asthma he contracted shoveling coal for the Japanese. His breathing is labored because Paddlefoot, a Japanese guard, broke his nose. He said he has paid thousands of dollars to heal his back, which he hurt falling 40 feet from a trestle in Japan.

Montoya was beaten repeatedly with the butt of rifles, he said. His right hand bears the deforming mark of torture.

He gets piercing cramps in his feet at night—he thinks from wearing only discarded Japanese army pants and shoes and a straw coat in freezing weather. The prisoners made the blankets into mittens because others had lost skin from their unprotected palms while pushing searing carts of coal in a Japanese port city, Montoya said.

"But no one compensates me for the cramps, (the VA) could care less," he said, his voice rising.

V.A. spokesman Gerry Murphy said many New Mexico POW's get no compensation from the government because they have no evidence to back their claims. The other POW's, he said, are compensated according to the amount of damage their body suffered.

Montoya said he is awaiting documents that he said would complete his disability claim.

Meanwhile, he is here, busy as always in his successful Northeast Heights restaurant, Cocina de Carlos, but 15 Albuquerque men are still missing in action or are prisoners of war in Southeast Asia, 13 years after the United States pulled out of Viet Nam.

"It's horrible the United States was not able to win in Viet Nam because of lack of strength . . . and I don't think the government is doing enough to find out if our boys are really alive or dead," Montoya said, echoing the exasperation of Albuquerque families still waiting for their men.

He tapped his forehead with apparent frustration.

The memories open wounds that apparently haven't healed. And he becomes choked with tears recalling the ten years after being freed. But of those, he won't say much except to refer to his wife as "a strong woman." His business, he said, was not set up to make money, but to hold on to his sanity.

"It's terrible how one race acts against another," he said, sighing.

EAGLE SCOUT AWARD

HON. GEORGE W. GEKAS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 1, 1987

Mr. GEKAS. Mr. Speaker, so often we, as Members of this great deliberative body, tend to overlook the extremely important achievements of our constitutents. Thus, it is with great pride that I bring to your attention the accomplishments of three young constituents of mine from Middletown, PA.

All three young men, Mark Henderson, Paul Ford Cranes, and Steven Kuhn, members of Boy Scout Troop, 594, will receive Boy Scouts' highest award—the coveted Eagle Award—before family, friends and their Congressman at the Middletown American Legion, Post 599, this Sunday, April 5, 1987.

I would like to extend my congratulations to each of these young men and would ask my colleagues in the U.S. Congress to join me in paying tribute to them on this very special occasion.

NATIONAL WEEK OF THE AMERICAN TAXPAYER

HON. LEON E. PANETTA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 1, 1987

Mr. PANETTA. Mr. Speaker, I am introducing today a resolution authorizing the President to designate the week of April 12-18, 1987, as "National Week of the American Taxpayer."

This, of course, is the week in which April 15 falls, the date by which most Americans are required to file their annual income tax returns. It is an appropriate time to pay recognition to the American taxpayer, on whose shoulders rest the burden of paying for Government and on whose hard work the vitality and security of this Nation depend.

For millions of Americans, the chief form of contact with the Federal Government is through the annual filing of a tax return. This has often been an onerous experience. Last year's tax reform bill was intended to ease some of the burden of paying Federal taxes for most Americans. Either through reducing the taxes owed or by simplifying the system,

the bill was designed to stem the erosion of public trust in Government and taxation.

Ultimately, the new law may be successful in this regard, but for now, the new W-4 forms and a general mistrust of new tax laws have combined to create the opposite effect of what was intended. The American taxpayer is feeling as put-upon as ever, and not without justification.

The resolution I am introducing would not reduce taxes, reform the Tax Code, or simplify tax forms. It would, however, pay tribute to the people who made Government in this country possible. I hope my colleagues will join me in sponsoring this resolution.

Mr. Speaker, it is obviously too late to gain the necessary 218 cosponsors to gain enactment of this resolution in time for this April 15. However, I will soon introduce a new resolution for the week of 1988 that includes April 15. The American taxpayer deserves this recognition, and I hope we will give it to him.

Following is the text of the resolution:

H.J. RES. 225

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President of the United States is authorized and requested to issue a proclamation designating the week beginning April 12, 1987, as "National Week of the American Taxpayer" and calling upon the people of the United States to observe such week with appropriate ceremonies and activities.

IN MEMORIAM OF ADM. ARTHUR STANLEY MOREAU, JR., U.S. NAVY

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 1, 1987

Mr. DORNAN of California. Mr. Speaker, a close personal friend of mine, Karl Bergheer, wrote me a touching letter expressing his sense of loss over the death of one of his closest and dearest shipmates. As my colleagues who had the privilege to serve in the armed services know, the friends we made during our service often became friends for life. I share his loss and would like to place into the RECORD Karl's thoughtful letter to me and the accompanying biography of one of America's unsung heroes, Adm. Arthur Stanley Moreau, Jr.

DEAR BOB: Enclosed is the Order of Funeral Services at the United States Naval Academy chapel for Admiral Arthur Stanley Moreau, Jr., USN. Art and I were shipmates in 1953-54 on the USS Bayfield APA33. I was a Ltjg., Art was an Ensign. Even then it was common knowledge that Ensign Moreau was destined for greatness. He fulfilled that promise, that vision of his peers, but tragically died of a massive heart attack on December 8, 1986. He was buried in Arlington with all the honors befitting a four-star Admiral of the United States Navy. Art's next assignment would have been with even greater areas of authority and command responsibility.

The country lost one of its great unsung heroes and military leaders; Katie Moreau lost her husband; the Moreau children lost their father, and I lost one of my closest and dearest shipmates. As I stood at attention at the gravesite with the other honorary pallbearers and as taps was played, the men around me stood silently with tears coursing down their cheeks. Standing next to the grieving widow was the Secretary of Defense, Cap Weinberger, whose eyes, like mine, were brimmed with tears. And so we put to rest Admiral Arthur Stanley Moreau, Jr., USN, who had served the Navy and his country his whole life.

I wanted to share this with you because Art, like the other men who serve in this position of responsibility, are the men of honor, integrity, discipline and courage, who keep us free and liberty alive for us and for our children. For me, when the last note of taps ended, it was a moment of instant rededication—to rededicate my life to the memory of Art, the principles that he believed in and stood for as an American—a free American.

KARL.

ADMIRAL ARTHUR STANLEY MOREAU, JR., U.S. NAVY

Admiral Arthur Stanley Moreau, Jr., U.S. Navy Commander in Chief, U.S. Naval Forces, Europe and Commander in Chief, Allied Forces Southern Europe died of cardiac arrest at the U.S. Naval Hospital, Naples, Italy at 4:38 A.M. (GMT) Monday, December 8, 1986.

Admiral Moreau served as both a NATO Commander and as one of the Navy's three Fleet Commanders in Chief. He assumed these commands November 15, 1985, and was promoted to Admiral in that year. As CINCUSNAVEUR, Admiral Moreau served as a component commander of the U.S. Commander in Chief, Europe. In this capacity he was operational commander in charge of all U.S. Navy forces in Europe. During his command, his staff in London was awarded the Navy's Meritorious Unit Commendation for the planning and execution of critical military operations in the European theater.

In his NATO duties, he commanded the largest of NATO's regional commands, with responsibilities for the land and air defense of Italy, Greece and Turkey and the defense of NATO sea lines of communication throughout the Mediterranean and Black Seas. Admiral Moreau's previous Assistant to the Chairman, The Joint Chiefs of Staff, a position he assumed in may 1983.

Admiral Moreau was born June 3, 1931, in Mount Rainier, Maryland, son of Arthur Stanley Moreau and Helen O'Leary (both deceased). He graduated from the U.S. Navy Academy in the Class of 1953. He was a 1964 graduate of the Command and Staff Course, U.S. Naval War College, and held a Master's Degree in International Affairs for George Washington University.

Admiral Moreau served with distinction in a wide variety of sea and shore assignments, and he commanded two ships and one naval station. He was decorated during combat operations in Southeast Asia in action off the Republic of Vietnam.

Admiral Moreau is survived by his wife, the former Katherine Ann Schindling of Cheverly, Maryland, and five children, Arthur Stanley III, Steven Matthew, Kathleen Elizabeth, Christopher Andrew, and Katherine Johanna. Arthur and Steven are both Naval Aviators. Kathleen is married to Lieutenant Townsend Griffiths Alexander, USN, who is also a Naval Aviator.

TRIBUTE TO THE FALLEN FIREFIGHTERS OF 1985

HON. WILLIAM F. GOODLING

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 1, 1987

Mr. GOODLING. Mr. Speaker, on October 4, 1981 the people of the United States dedicated a monument at the national Emergency Training Center in Emmitsburg, MD known as the National Fallen Firefighters Memorial. The monument pays tribute to America's firefighters, who have been the bulwark of the Nation's civil defense effort since the founding days of our country. Throughout our history, patriotic Americans have risked their lives to defend their communities against fire and disasters. Therefore, it is only fitting to remember those who have given their lives unselfishly in service to their fellow man.

On Sunday, October 12, 1986, the fifth annual Fallen Firefighters Memorial ceremony was held on the campus at the monument site, honoring these who made the ultimate sacrifice, the sacrifice of their life, in an effort to save others during 1985.

Public interest and participation continues to grow since the 1981 dedication with a large attendance on that Sunday. Over 40 families of deceased persons were present on this special occasion. The observance, as is traditional, started in the chapel on the campus. The memorial service was concluded at the monument. This year it was an especially beautiful and moving ceremony and the Almighty truly looked in favor on the occasion by providing good weather.

The program of the second year again was orchestrated in a very professional manner under the able leadership of Timothy S. May of Frederick, MD, and a staff member of the National Fire Academy [NFA], who served as project officer for the occassion. This successful memorial recognition was the result of a great term effort on the part of many NETC staff members and volunteers. The special efforts of NETC Frank Davis and his wife, Julia Davis, were of inestimable value in contributing to the services of this day. Others who made a contribution of special note were Mary Ellis, program coordinator at the Fire Administration, members of the National Joint Fire Council Service, Marvin Gibbons, the liaison officer of Maryland State Firemens Association; Baltimore City Honor Guard; Baltimore County Honor Guard; Prince Georges County Honor Guard; Prince William County, Virginia Honor Guard; Washington, D.C. Honor Guard; and Montgomery County Honor Guard to name just a few.

For those Americans who did not have the privilege to attend this special occasion, a copy of the day's program is submitted for all to share.

PROGRAM—FIFTH ANNUAL NATIONAL MEMORIAL SERVICES FOR FALLEN FIREFIGHTERS, SUNDAY, OCTOBER 12, 1986.

CHAPEL

9:45—Organ Prelude, Sister Leona Russo, St. Joseph's Provincial House.

Choir, Messiah College Singers.

10:00—Welcome, Honorable James P. McNeill, Associate Director, Training and Fire Programs.

MEMORIAL

10:45—Concert, Messiah College Singers.

11:00—Invocation, Reverend Robert Grumbine, Chaplain, Baltimore City and County Fire Department, Maryland.

Posting of Colors, Baltimore County Fire Department Honor Guard.

National Anthem.

Introduction of Guests, Honorable Clyde A. Bragdon, Jr., Administrator, U.S. Fire Administration.

Memorial Address, Charles A. ("Chet") Henry, State Fire Commissioner of Pennsylvania.

Flag Presentation to Families, Jim Casey, Acting Superintendent, National Fire Academy.

Warren Isman, Chairman, National Fire Academy Board of Visitors.

Chief Larry Bonnafon, International Assoc. of Fire Chiefs, Louisville, Kentucky.

Unveiling of 1985 Memorial Plaque.

Placing of Wreath.

Taps.

Benediction, Reverend Edward M. Stauffer, Chaplain, Ft. Worth Fire Department, Texas.

The occasion was enhanced by the Messiah College Singers under the direction of Dr. Ronald L. Miller and accompanied by Aleta Crone. Among the numbers performed were "Exultate Justi", "They Shall Reap in Joy", "All That Hath Life and Breath", and "The Eyes of All Wait Upon Thee." The sopranos were Joy Ebersole, Regina Hershey, Leslie Lange, Reva Meiser, Jennifer Schrier and Christine Stanco. Tenors were Robert Freeman, Lance Schanck, Brian Trostle and Michael Wismer. Altos included Candice Hershey, Dawn Martin, Donna Musser, Kara Swartz and Stacey Willett. Singing bass were Mark Brumbach, Douglas LaRue, Steve Lias and Dan Reed.

1:00—Buffet Luncheon, Dining Room.

Mr. Speaker, it is proper and a privilege for me to bring the names of these everyday patriots to your attention and the attention of the Nation as a permanent record of their honorable and selfless deeds.

1985 FIREFIGHTER FATALITIES—122

01/02/85, James Hunkins, Breckenbridge Fire Dept., Minnesota.

01/04/85, Robert Binder, Edinboro Volunteer Fire Department, Pennsylvania.

01/06/85, Robert L. Keen, Fort Worth Fire Department, Texas.

01/06/85, Camella D. Kohl, Spring Grove Fire Protection District, Illinois.

01/07/85, David J. Kane, Sauk Centre Volunteer Fire Department, Minnesota.

01/07/85, Douglas E. Zabel, Sauk Centre Volunteer Fire Department, Minnesota.

01/13/85, John J. Durco, Sr., Salem Township Volunteer Fire Co. 2, Forbes Road, Pennsylvania.

01/13/85, Ricky E. May, Jackson Fire Department, Mississippi.

01/20/85, Ronald C. Edgmon, Gravette Fire Department, Arizona.

01/21/85, Lyle V. Boone, Sidney Fire Department, Iowa.

01/21/85, Charles D. Pickard, Marilla Volunteer Fire Department, Inc., New York.

01/28/85, Donald G. Jacobs, Reading Bureau of Fire, Pennsylvania.

01/29/85, Robert Bennett, Maple Rapids Fire Department, Michigan.

01/30/85, Marco A. Miranda, Florida Division of Forestry, Tallahassee, Florida.

01/30/85, Phillip R. Eicke, Kingston Fire Department, Pennsylvania.

01/31/85, Richard E. Webb, Whitney Fire Department, Spartanburg, South Carolina.

02/01/85, Daniel A. Nockels, Chicago Fire Department, Illinois.

02/01/85, Michael L. Forchione, Chicago Fire Department, Illinois.

02/01/85, Michael A. Talley, Sr., Chicago Fire Department, Illinois.

02/03/85, Richard A. McConnell, Castle Rock Fire Department, Colorado.

02/08/85, Carmen A. Lettieri, McKeesport Fire Department, Pennsylvania.

02/10/85, Robert J. Johnson, Jr., Plainview Fire Department, Minnesota.

02/11/85, Alvie L. Hudgens, Keyes Fire Department, Oklahoma.

02/13/85, Francis C. Lewis, Russell Volunteer Fire Department, Pennsylvania.

02/16/85, Shawn T. O'Dare, Metro-Dade County Fire Department, Miami, Florida.

02/16/85, Richard J. Daley, Brookline Fire Department, Massachusetts.

02/17/85, John A. Wysong, Hillsboro Fire Protection District, Missouri.

02/17/85, Alvin M. Brown, Oakland Fire Department, California.

02/20/85, Leon Dudak, Irvington Fire Department, New Jersey.

02/24/85, Jimmie A. McElwain, Claremore Fire Department, Oklahoma.

02/24/85, Guy T. Cooper, Claremore Fire Department, Oklahoma.

02/25/85, Vernon H. Harmon, Valley Inn Volunteer Fire Department, Monongahela, Pennsylvania.

02/28/85, James A. Whitfield, Carrollton-North Carrollton Fire Department, North Carrollton, MS.

03/01/85, Michael F. West, Spring Volunteer Fire Department, Texas.

03/03/85, Frank DiSarlo, Freeport Fire Department, New York.

03/04/85, Roland A. Weatherbee, Belmont Fire Department, Massachusetts.

03/05/85, Ronald B. Snow, Arlington Fire Department, Texas.

03/06/85, Thomas J. Gibson, Union Fire Co., Bensalem, Pennsylvania.

03/09/85, William M. Freeman, Jr., Martinez Fire Department, Georgia.

03/09/85, Federick G. LeGrys, Philomont Volunteer Fire Department, Virginia.

03/10/85, John T. Killian, Baltimore City Fire Department, Maryland.

03/11/85, James E. Smith, Cashtown Volunteer Fire Department, Buchanan, Georgia.

03/16/85, Russell H. Jones, Poquonock Bridge Fire Department, Groton, Connecticut.

03/18/85, James K. Allen, Morris Volunteer Fire Department, Illinois.

03/20/85, Harry Sauer, Salisbury Mills Fire Company, New York.

03/21/85, Jack Greer, Spangler Volunteer Co., Pennsylvania.

03/22/85, Paul M. Hand, Terrell Hills Fire Department, San Antonio, Texas.

03/24/85, Ozakie B. Knotts, Columbia Fire Department, South Carolina.

04/01/85, Gilbert Wiggins, Westvaco Pulp and Paper Company, Summerville, South Carolina.

04/09/85, C. Clifford Preisigke III, Buffalo Fire Department, New York.

04/17/85, Bradford C. Lennon, Flint Fire Department, Michigan.

04/22/85, Hilario Bustos, Weslaco Fire Department, Texas.

04/27/85, Benny M. Gracy, Rockwall Volunteer Fire Department, Texas.

05/07/85, Erwin N. Sample, Alliance Fire Department, Nebraska.

05/13/85, Donald I. Kemmerer, Anmoore Fire Department, West Virginia.

05/13/85, Joseph Lemieux, Quincy Fire Department, Massachusetts.

05/13/85, David D. Duncan, Jr., Albany Fire Department, New York.

05/14/85, John C. Edwards, Hunlock Creek Volunteer Fire Company, Pennsylvania.

05/16/85, Robert D. Tabor, ITT Rayonier Corporation, Fernandina Beach, Florida.

05/17/85, Randall O. Garrett, Midway Volunteer Fire Department, Gulf Breeze, Florida.

05/21/85, Ron Hubbard, San Diego Fire Department, California.

05/26/85, Raymond J. Magnus, Chicago Fire Department, Illinois.

05/29/85, James T. Flanagan, Florence Fire Department, South Carolina.

06/03/85, Frank Jelley, Smithtown Fire Department, New York.

06/03/85, George H. Knight, Danville Fire Department, Virginia.

06/07/85, Herbert Rasmussen, Grand Ledge Fire Department, Michigan.

06/17/85, Frank R. Vigh, Orange County Fire Department, Orlando, Florida.

07/04/85, Louis Kunde, Jr., New Berlin Fire Department, Seguin, Texas.

07/07/85, Claude Gowdy, Willing Volunteer Hose Company 1, Wellsville, New York.

07/15/85, Raymond M. Sidwell, Chicago Fire Department, Illinois.

07/19/85, Vernon W. Gaines, Western Laurens County Volunteer Department, Ware Shoals, South Carolina.

07/22/85, Dwight W. Dabbs, Anderson Twp. Volunteer Fire Department, Burlington, North Carolina.

07/22/85, Mariano F. Leoni, Evanston Fire Department, Illinois.

07/24/85, Charles E. Croy, Slaughter Volunteer Fire Department, Louisiana.

07/29/85, Bobby Lee Carter, Cobb County Fire Department, Marietta, Georgia.

07/29/85, Raymond J. Whalen, Buffalo Fire Department, New York.

07/30/85, Jaycee Nosie, Bureau of Indian Affairs, Department of the Interior, Wenatchee National Forest, Chelan County, Washington.

07/31/85, John W. Askew, Jr., Evington Volunteer Fire Department, Virginia.

08/05/85, Larry D. Filler, Greensburg Fire Department, Indiana.

08/05/85, Adam M. Tucker, Talco Fire Department, Texas.

08/05/85, Kenneth C. Whitney, Talco Fire Department, Texas.

08/07/85, Leland F. Jones, Edwardsville Fire Department, Kansas.

08/08/85, Leon I. Walton, York Fire Department, New York.

08/18/85, Glen L. Ussery, Norwood Volunteer Fire Company, Missouri.

08/27/85, Edward L. Brillhart, Marshallville Fire Department, Ohio.

08/27/85, Robert K. Galehouse, Marshallville Fire Department, Ohio.

08/27/85, Tommy J. Ware, Marshallville Fire Department, Ohio.

08/28/85, Richard Lee Gustafson, Socorro Fire Department, New Mexico.

08/28/85, Marinus P. Witte, Midland Park Volunteer Fire Department, New Jersey.

09/01/85, Theodore P. Lander, Evansville Fire Department, Indiana.

09/02/85, William J. Koenemund, Secaucus Fire Department, New Jersey.

09/03/85, W. Phillip Saaranzin, USDA Forest Service, Monterey, California.

09/05/85, James D. Ealey, Boston Fire Department, Massachusetts.

09/06/85, Victor E. Buckingham, Owatonna Fire Department, Minnesota.

09/07/85, Jean R. Charles, Altamont Fire Department, Kansas.

09/18/85, Michael A. Gurley, Fulton County Fire Department, Atlanta, Georgia.

09/22/85, Bernard O. Rogers, Chicago Fire Department, Illinois.

09/25/85, John F. Moore, Cochranton Volunteer Department, Pennsylvania.

10/04/85, Burton M Bowen, Center Barnstead Fire Department, New Hampshire.

10/10/85, Mary L. Francis, Crow Valley Rural Fire District, Veneta, Oregon.

10/11/85, James F. McDonnell, New York City Fire Department, New York.

10/15/85, Ralph R. Newell, Baltimore City Fire Department, Maryland.

10/26/85, Robert W. Jahelka, Los Angeles City Fire Department, California.

10/30/85, Jesse Y. Lara, Nixon Fire Department, Texas.

11/01/85, Robert G. Cassell, Roanoke City Fire Department, Virginia.

11/01/85, Harvey H. Helm, Sr., Roanoke City Fire Department, Virginia.

11/03/85, Kenneth E. Ferguson, Smithville Volunteer Fire Department, Missouri.

11/03/85, H. Gordon Walker, Norristown Fire Department, Pennsylvania.

11/04/85, James L. Craig, Jr., Memphis Fire Department, Tennessee.

11/04/85, Thomas Phillips, Deerfield Valley Volunteer Fire Department, Virginia.

11/18/85, Debra R. Swanson, Dalbo Fire Department, Minnesota.

11/21/85, Nelson K. Taylor, Baltimore City Fire Department, Maryland.

11/24/85, Frank Poatsy, Upper Salford Volunteer Fire Company, Salfordville, Pennsylvania.

12/08/85, Guy F. Baquet, Los Angeles County Fire Department, California.

12/09/85, Francis W. Sheppard, Charleston Fire Department, South Carolina.

12/18/85, Katherine M. Hippensteel, New Oxford Fire Company, Pennsylvania.

12/23/85, Wayne H. Burmeister, Lost Nation Fire Company, Iowa.

12/23/85, Robert Snyder, Baltimore City Fire Department, Maryland.

12/26/85, Barry J. Hawthorne, Kilgore Fire Department, Texas.

12/29/85, Franklin W. Mercer, Waukegan Fire Department, Illinois.

12/31/85, Daniel R. Pescatrice, Cleveland Fire Department, Ohio.

12/31/85, Marcus A. Reddick, Newark Fire Department, New Jersey.

A FIREFIGHTER'S PRAYER

Give Me Concern
A willingness to seek out those in need
Give Me Courage
The boldness of spirit to face and conquer fear,
to share and endure the ordeal of others in need
Give Me Strength
Strength of heart, to bear whatever burden might be placed on me and strength of body to deliver safely all those placed in my care
Give Me Wisdom to Lead
The Compassion to comfort, and the love to serve unselfishly wherever you take me
And please Lord, through it all, be at my side.

GAUCHER'S DISEASE AWARENESS WEEK

HON. LAWRENCE J. SMITH

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 1, 1987

Mr. SMITH of Florida. Mr. Speaker, today I am pleased to introduce a resolution to designate the week of October 18, 1987, as Gaucher's Disease Awareness Week. Congress passed a similar resolution last year.

Gaucher's disease is the most prevalent among seven genetic disorders known to primarily affect Jewish populations. As many as 1 in 12 Jewish persons may be a carrier of Gaucher's disease which means that an estimated 1 child in every 600 born could have the disease.

Gaucher's disease is caused by the body's failure to produce an essential enzyme. The absence of this enzyme causes the body to store abnormal quanitities of lipids in the liver and spleen and can have an adverse effect on tissues in the body, especially bone tissue. Commonly associated symptoms inlcude an enlarged spleen, unusual bruising or bleeding and bone and joint pain.

In 1984, the National Gaucher's Foundation was founded to promote and support Gaucher's research and increase public awareness. I commend the National Gaucher's Foundation for their dedicated efforts in public education and awareness. On March 31, I had the pleasure to meet Jamie Seaver, a beautiful 6-year-old girl suffering from Gaucher's Disease. Watching Jamie and her parents convinced me more than ever of the need for this legislation. She brought to life the difficulties which children who suffer from Gaucher's disease and their families face. Due to the efforts of Gaucher's Awareness Week, Jamie's case became well-known in her Indiana community. Through money raised at home with the assistance of the Gaucher's Foundation, Jamie was in Washington for testing at the National Institutes of Health [NIH].

Gaucher's disease is a genetic timebomb—with no known cure in sight or any successful treatment. We must increase public awareness and support research efforts to understand and find a cure for patients like Jamie and others suffering from Gaucher's disease. Gaucher's Disease Awareness Week is a positive first step, and I urge my colleagues to join me in cosponsoring this resolution.

NUCLEAR SAFETY: A HIGH PRIORITY

HON. JOHN EDWARD PORTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 1, 1987

Mr. PORTER. Mr. Speaker, the news of the Peach Bottom Nuclear Plant shutdown in Pennsylvania was both startling and shocking.

The realization that workers, supposedly monitoring the plant's controls, were asleep on the job put fear in the hearts of many living around Peach Bottom and other nuclear plants.

Mr. Speaker, nuclear energy is a very important part of our Nation's energy future. However, nuclear energy must be produced by plants that are managed and run in the safest, most alert manner.

With the recent glut of oil on the world market and the return to rockbottom gasoline prices at the pump, American dependence on foreign oil has reached 38 percent.

Nuclear energy is a clean, efficient form of energy that will continue to supplement our Nation's energy supply for future years, especially in the face of another oil crisis. However, it is essential that all nuclear powerplants meet, and even exceed, strict safety regulations set forth by the NRC and the individual States.

Safety must be our highest priority at all nuclear facilities.

THE CHALLENGE OF AMERICAN CITIZENSHIP

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 1, 1987

Mr. RICHARDSON. Mr. Speaker, each year the Veterans of Foreign Wars of the United States and its ladies auxiliary conduct the voice of democracy broadcast scriptwriting contest. The program was started 40 years ago with the endorsement of the U.S. Office of Education and the National Association of Secondary Schools Principals. In 1961-62, the Veterans of Foreign Wars assumed sole sponsorship responsibility. At that time, the national scholarship award consisted of a single $1,500 scholarship for the first place national winner. During the past 25 years under VFW sponsorship, the annual national scholarships have been increased to seven, totaling $33,500 with the first place winner currently receiving a $14,000 scholarship to the school of his or her choice. Student participation has tripled and school paticipation has doubled. Winners from each of the 50 States are invited to come to Washington, DC, for the final judging as a quest of the Veterans of Foreign Wars.

I would like to call the attention of my colleagues to the winning paper from my State, which was written by one of the constituents in my district—Leslie Sanchez. One of the daughters of Edward and Kathleen Sanchez, Leslie is currently a senior at Raton High School who hopes to attend Indiana University. Leslie's paper tells of the challenge of American citizenship. It was a moving statement, and hopefully represents the patriotism our young people have for our country. I am proud to insert her paper in the CONGRESSIONAL RECORD.

THE CHALLENGE OF AMERICAN CITIZENSHIP

(By Leslie Sanchez)

"Not like the brazen giant of Greek fame, with conquering limbs astride from land to land; here at our sea-washed, sunset-gates shall stand a mighty woman with a torch * * * her name Mother of Exiles. From her beacon-hand grows world-wide welcome

* * * with silent lips, 'Give me your tired, your poor, your huddled masses yearning to breath free, the wretched refuse of your teeming shore; send these, the homeless tempest-tost to me. I lift my lamp beside the golden door."

Emma Lazarus' famous poem which is inscribed on the base of the Statue of Liberty, helps establish the importance of America. The Statue of Liberty, a constant reminder of our freedom, our rights, our liberties, is symbolic of a nation and an American citizen.

Anyone may become a citizen of the United States. "We the people" together as one. Race, creed, or religion make no difference here in our great melting pot of individuals. We as Americans take pride in ourselves and our freedom. Setting the example of a government of the people, by the people. Being citizens, we as Americans are challenged.

The challenge of life is the pursuit of happiness through liberty; not just personal happiness, but that of your fellow man. Our invincible, inalienable rights which no man nor woman may take away.

We must uphold the twenty-six amendments. We as Americans must face the challenge and responsibilities of being able to question what isn't always right. To fight for what we believe in and never give up our own opinion. The first amendment guarantees us freedom of religion, press, and speech, also our right as citizens to assemble. These rights must be practiced regularly to preserve our democratic way of life.

The challenge of American citizenship is fundamentally the rights and bonding together of all. To give of yourself, saying the "Pledge of Allegiance" and realize what you are saying is more than just words. To stand for the "Star-Spangled Banner," not only because it is our national anthem, but because it should bring to mind all the men and women who fought and died for our great nation and helped make it become what it is today. Without them, we may not have had any challenges to face at being an American.

I am proud to be an American, and as I grow older, I am ready to face all challengers with open eyes and a strong heart. I believe that we are the future, and we will decide our own fate. So together we must stand, participate, and face the challenges of being an American citizen and realize that being an American citizen means also to be a citizen of the world.

The Statue of Liberty shows us an example of a genuine American citizen. She has stood watch for over a hundred years over our sometimes confused society. In the rain and snow, facing all the challenges that are brought to her, never faltering. One doesn't realize the impact of just the sight of the Statue of Liberty until it is there in front of you. Our forefathers must have had such a wonderful feeling inside about becoming Americans, about a new life, new challenges. To us, the Statue of Liberty is a constant reminder of our freedom, our liberties, our friendship, but most of all, what it takes to be a citizen here "in the land of the free and the home of the brave"—America.

RECOGNITION OF 30 YEARS OF FEDERAL SERVICE OF MR. LLOYD SCOTT

HON. MERVYN M. DYMALLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 1, 1987

Mr. DYMALLY. Mr. Speaker, seldom do Members have the opportunity to bring recognition to those in the career civil service who make outstanding contributions over the period of their service to the Federal Government. In this vein, I wish this House to recognize a dedicated and conscientious Federal employee who has earned retirement after contributing 30 years of service mainly in the Departments of Justice, Defense, and Treasury. Perhaps it is because of the legions of employees serving in our important and critical positions of accountants, auditors, and special agents, we often neglect to point out the distinction and devotion to which these employees serve. It is to these often unobserved civil servants who contribute daily to the capacity of our Federal Government to function substantively, efficiently and anonymously that much of the necessary work critical to our service to the greater public can be achieved and thereby keep our Government moving forward smoothly.

I am most happy to point to such an individual as Lloyd Scott, who began his erstwhile career as an Internal Revenue agent in early 1962 in Dayton, OH. After spending another 4 years as an accountant at the large Wright Patterson Air Force Base at Dayton, OH, Lloyd spent from 1966 to 1970 with the Defense Supply Agency in Columbus before accepting a position as audit manager with the Department of Justice where he labored from 1970 to June 1986 and chose to retire thereafter.

Lloyd Scott was born on August 21, 1935 in Fairmont, WV, and attended Roosevelt High School in Dayton, OH. He went on to Ohio State University in 1953 but completed his bachelor of science degree in business administration and accounting at West Virginia State College Institute in 1958. Lloyd was honorably discharged from the U.S. Army after 2 years of service in 1960. For his arduous endeavors in developing audit systems, managing new fiscal and audit systems for Federal agencies and for his achievements during his professional career, I am certain that Members join me in saluting Lloyd Scott for his integrity, his devotion to duty and his high standards of professionalism which he has brought in his 30 years of service to our Government.

IN CELEBRATION OF THE 100TH ANNIVERSARY OF THE CENTRAL VALLEY CHAPTER OF THE AMERICAN HISTORICAL SOCIETY OF GERMANS FROM RUSSIA

HON. RICHARD H. LEHMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 1, 1987

Mr. LEHMAN of California. Mr. Speaker, I am pleased to join my friends and family in celebration of the 100th anniversary of the arrival of the first German immigrants to Fresno County. As a descendant of this proud group, I am honored to pay tribute to the small group of Germans who settled in Fresno County back in the late 1880's.

The history of the Germans who left their homeland to move to Russia during the 18th century is a unique point in German history. In the late 1700's, Germany was struggling with severe economic devastation from the Seven Years' War as well as serious and oftentimes brutal religious conflicts in recorded history. Poverty, unemployment, and shortages of food were evident at every level of society. Most of the people had lost hope for a quick and smooth recovery. Life in Germany at that time could be compared with that in Germany after World War II. The offer by Russian Empress Catherine II to move to Russia with the rare opportunity to settle land along the Volga River Basin was the sign of an end to the misery and the beginning of hope.

Catherine's timing could not have been better. As an educated and well-traveled member of the elite in Germany, Catherine II was well aware of the depression of the German peasants. She wanted to improve the lives of the German people by offering them something they could not have as quickly if they remained in their villages. As Empress of Russia, however, she also wanted to cultivate and settle the land in the Lower Volga Basin. She saw the need to populate large sections of uninhabited regions with civilized and hard-working people. Her plan ultimately proved to be one of her most successful accomplishments.

The response to her offer was widespread. She attracted over 27,000 immigrants who eventually settled 104 families in the Lower Volga Basin. Her cleverly crafted manifesto of July 22, 1762, addressd the known social grievances and provided an attractive alternative. She guaranteed free exercise of religion, the right to build churches, the exemption from taxes and exclusion from civil or military service. Moreover, Catherine made provisions for family and friends to settle in the same village, or "dorf" in German, recognizing the need for the large groups of people to live and work together in a foreign land.

The Germans from Russia eventually settled the rough terrain and vast wooded steppes of the Lower Volga Basin. Notwithstanding the initial disappointment of the terrain, the long, sometimes fatal, voyage, and the lack of adequate housing and farming tools, many Germans became productive farmers, teachers, blacksmiths, and carpen-

ters, and contributed to the establishment of a productive Volga River Basin.

I am pleased to honor the ancestors of the 10 families who eventually made their way from Russia to the United States, particularly the 10 families who came to the Fresno area. I share in your celebration of our special heritage.

THE SUPER CONDUCTING SUPERCOLLIDER

HON. JACK FIELDS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 1, 1987

Mr. FIELDS. Mr. Speaker, I want to take this opportunity to share with my colleagues in Congress a resolution by the 70th Texas Legislature which demonstrates the Lone Star State's support of the superconducting super collider. Moreover, House Concurrent Resolution 53 details Texas' commitment to providing the ideal location for the Nation's most advanced particle accelerator.

House Concurrent Resolution 53 was supported by all 150 members of the Texas House of Representatives and signed by Governor Clements on February 27, 1987. The unanimity of support in Texas for the superconducting super collider could not be more evident.

Therefore, it is with great pride I present Texas House Concurrent Resolution 53:

Whereas, The proposed Superconducting Super Collider (SSC) is a high-energy research accelerator that, when completed, will be the largest and most ambitious purely scientific project ever constructed; and

Whereas, As designed, the facility will be located 30 feet below ground and will consist of a circular tunnel 10 feet in diameter and 52 miles in circumference; and

Whereas, Scientists believe the device, essentially the world's largest atom smasher, will enable them to discover more about minute particles; spin-off research from a smaller European model has already led to a nuclear scanning device that has considerably advanced the field of X-ray technology; and

Whereas, The accelerator's design requires as much as 11,000 surface acres with a site tilt of less than one degree, making Texas an ideal choice for the laboratory's location; and

Whereas, The flat land and loose rock formations available in certain sections of Texas provide optimum conditions for the SSC's construction; further, the project will coexist harmlessly with farming and ranch usage and poses no hazard to human, plant, or animal life; and

Whereas, With an initial construction cost of roughly $3 billion and an annual operating budget of over $200 million, this important research center would be an appreciable addition to the Texas economy; at least 2,300 new jobs will be generated during the six-to-nine year construction phase and roughly 2,700 positions will become available once the facility is fully operational; and

Whereas, Conservative estimates indicate that net benefits from the project's building phase and first 20 years of operation will total approximately $553 million; other states have already mounted lobbying campaigns in an attempt to secure this lucrative and prestigious project; and

Whereas, Construction of the SSC in Texas would greatly enhance the state's sagging economy by bringing much-needed economic diversity, and the research performed in connection with the project promises to produce long-range benefits of great scientific and practical value; and

Whereas, The State of Texas possesses a competent and hardworking labor pool; and

Whereas, Texas is the nation's leading energy-producing state and has the power resources necessary for a project on the scale of SSC; and

Whereas, Texas is the home of great public and private universities and colleges, which can readily provide much-needed expertise for the project and capable resources to accelerate spin-off research and develoment that will be of great benefit to this country; and

Whereas, Texans stand united in their desire to attract the SSC to this state; and

Whereas, The Texas Legislature in 1985 created the Texas National Research Laboratory Commission to serve as the coordinating unit and authority within the state for the formulation of a siting proposal for SSC; and

Whereas, The Texas Legislature remains committed to providing whatever support is necessary to the success and timely advancement of the SSC project; now, therefore, be it

Resolved, That the 70th Legislature of the State of Texas hereby request the Congress of the United States to support construction of the Superconducting Super Collider in Texas; and, be it further

Resolved, That the Texas secretary of state forward official copies of this resolution to the president of the United States, to the vice-president of the United States, to the speaker of the United States House of Representatives, to the secretary of energy, to the science advisor to the president, and to all members of the Texas delegation to the congress, with the request that this resolution be officially entered in the Congressional Record as a memorial to the Congress of the United States.

Lewis, Agnich, Aikin, Arnold, Barton, Beauchamp, Berlanga, Betts, Blackwood, Blair.

Burnett, Cain, Campbell, Carriker, Carter, Cavazos, Ceverha, Clark, Clemons, Colbert.

Collazo, Connelly, Cooper, Craddick, Criss, Cuellar of Webb, Cuellar of Hidalgo, Culberson, Danburg, Delco.

Denton, Dutton, Earley, Eckels, Edge, Edwards, Evans of Tarrant, Evans of Harris, Finnell, Garcia.

Gavin, Geistweidt, Gibson, Givens, Glossbrenner, Granoff, Grusendorf, Guerrero, Hackney, Haley.

Hammond, Harris of Tarrant, Harris of Brazoria, Harrison, Heflin, Hightower, Hilbert, A. Hill of Dallas, P. Hill of Dallas, Hinojosa.

Hollowell, Holzheauser, Horn, Hudson of Smith, Hudson of Dallas, Hunter, Hury, Johnson of Anderson, Johnson of Collin, Jones.

Kubiak, Kuempel, Laney, Larry, Leonard, Lewis of Orange, Lucio, Luna of Harris, Luna of Bexar, McDonald.

McKinney, McWilliams, Madla, Marchant, Martinez, Melton, Millsap, Morales, Moreno of Hidalgo, Moreno of El Paso.

Oakley, Ovard, Parker, Patrick, Patronella, Patterson, Pennington, Perez Perry, Pierce.

Polumbo, Price, Rangel, Repp, Richardson, Riley, Roberts, Robinson, Robnett, Rodriguez.

Rudd, Russell, Saunders, Schleuter Schoolcraft, Seidlitz, Shaw, Shea Shelley, Shine.

Smith of Harris, Smith of Brazos, Smith of Travis, Smithee, Staniswalis, Stiles Sutton, Tallas, Taylor, Telford.

Thompson of Tarrant, Thompson of Harris, Toomey, Uher, Valigura Vowell, Waldrop, Wallace, Warner Waterfield.

Watkins, Watson, Whaley, Williamson Willis, Willy, Wilson, Wolens, Wright Yost.

"WHYS AND HOWS" OF LEGISLATIVE OVERSIGHT

HON. BUTLER DERRICK

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 1, 1987

Mr. DERRICK. Mr. Speaker, I want to call the attention of my colleagues and their staff aides to an April 15 Institute on Congressional Oversight and Investigations that the Congressional Research Service has organized. My distinguished former chairman of the Committee on Rules, Richard Bolling, will be the keynoter of this 1-day program on the "whys and hows" of legislative oversight. The Oversight Institute will be held in the Library of Congress's Madison Building, and the program for the day is presented below.

CRS INSTITUTE ON CONGRESSIONAL OVERSIGHT AND INVESTIGATIONS

8:45-9:00—Introduction to Program, Joseph E. Ross, CRS Director.

9:00-10:00—Keynote Address, Richard Bolling, Former Chair, House Committee on Rules.

10:00-10:45—Address: Congress's Oversight Functions, Steven R. Ross, General Counsel to the Clerk of the House.

11:00-12:30 (Concurrent panels)—Panels: Key Elements of Legislative Oversight.

Four small group sessions. Each will cover essentially the same material: the information-gathering process, essential steps in organizing a committee hearing/investigation, and the followup process. There will be brief presentations by panels of experienced Hill staffers, followed by Q&A interaction with the audience.

1. Moderator: Roger H. Davidson, CRS Senior Specialist.

Andrew A. Feinstein, Staff Director, Subcommittee on Civil Service, House Committee on Post Office and Civil Service.

Stuart Weisberg, Staff Director, Subcommittee on Employment and Housing, House Committee on Government Operations.

2. Moderator: Alfred R. Greenwood, Specialist, CRS Environmental and Natural Resources Division.

Roy Jones, Associate Staff Director, House Committee on Interior and Insular Affairs.

William D. Price, Professional Staff Member, House Committee on Armed Services.

3. Moderator: Frederick M. Kaiser, Specialist, CRS Government Division.

Fred Asselin, Consultant, (Former Investigator, Permanent Subcommittee on Investigations, Senate Committee on Governmental Affairs).

Michael J. O'Neil, Chief Counsel, House Permanent Select Committee on Intelligence.

4. Moderator: Morton Rosenburg, Specialist, CRS American Law Division.

Edward Correia, Chief Counsel and Staff Director, Subcommittee on Administrative Practice and Procedure, Senate Committee on the Judiciary.

Patrick M. McLain, Counsel, House Committee on Energy and Commerce, Subcommittee on Ovesight and Investigations.

Charles Tiefer, Deputy General Counsel to the Clerk of the House and Deputy General Counsel, House Select Committee to Investigate Covert Arms Transactions with Iran.

1:30-3:00 (Concurret panels)—Panels: Topical Subjects.

The Special Dimensions of Fiscal Oversight

Moderator: Angela M. Evans, Specialist, CRS Education and Public Welfare Division.

Martha Grundmann, Analyst in Domestic Programs, House Committee on the Budget.

Rikki Sheehan, Staff Member, Subcommittee on Labor, HHS, and Education, Senate Committee on Appropriations.

Eugene F. Sofer, Budget and Appropriations Analyst, House Committee on Education and Labor.

Bayla White, Senior Budget Examiner in Education Branch, U.S. Office of Management and Budget.

The Volatile Nature of Environmental Oversight

Moderator: James E. McCarthy, Specialist, CRS Environmental and Natural Resources Division.

Richard Frandsen, Counsel, Subcommittee on Oversight and Investigations, House Committee on Energy and Commerce.

Sue Morland, Executive Director, Association of State and Territorial Solid Waste Management Officials.

Curtis A. Moore, Counsel, Senate Committee on Environment and Public Works.

Resources for Oversight: Congressional Support Agencies, Inspector General, and Other Executive Branch Sources

Moderator: Thomas W. Novotny, CRS Senior Specialist.

Charles Dempsey, Management Consultant (Former Inspector General, HUD).

Richard Schmidt, Scanlon, Hastings, and Schmidt (Former Associate Director, Office of Evaluation and Technical Analysis, HHS).

Roger Sperry, Senior Management Analyst, GAO (Former Professional Staff Member, Senate Committee on Governmental Affairs).

3:15-4:30—Plenary Session: Outside Perspectives on Oversight.

Moderator: Charles H. Levine, CRS Senior Specialist.

Joan Claybrook, President, Public Citizen (Former Administrator, National Highway Traffic Safety Administration).

James F. Fitzpatrick, Partner, Arnold and Porter.

Howard M. Messner, Assistant Administrator for Administration and Resources Management, Environmental Protection Agency.

PAUL "RED" SITZLAR'S RETIREMENT

HON. JOHN J. DUNCAN

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 1, 1987

Mr. DUNCAN. Mr. Speaker, the Etowah Enterprise accurately sums up the career of retiring general manager, Paul Sitzlar. Paul served the Etowah Utilities Board for 37 years.

The article follows:

RED RETIRES AFTER 37 YEARS WITH EUB

(By Richard McCoy)

Paul "Red" Sitzlar's desk at the Etowah Utilities Board looks strange. It's clean.

It's usually cluttered with reports, files and whatever else a utilities general manager needs. But he's getting ready to leave.

"I've given everybody everything they need," he explained. Friday he will retire after 37 years with the cityowned utilities department. Since 1971 he had been general manager.

Sitzlar was born and attended school in Tellico Plains. From the earliest days electricity has always been a love of his.

When he was 34 years old and working for himself as an electrician Frank Berry, then EUB general manager, asked him to come to work in Etowah.

At first he was a linesman. He stayed on the ground while others climbed the poles.

He was promoted and for the next four years he climbed the poles.

In 1955 there was another promotion. "I was made meter superintendent. I read the meters."

Ten years later he was named superintendent of the electric department.

Then, in January 1971, he was named overall general manager of the utilities.

Since he started with the EUB it has grown, tremendously.

In 1949 about 1 million kilowatt hours of electricity were sold. Now sales top 120 million kilowatt hours a year.

In 1955 there were 2,000 electric customers. Now there's twice that many.

Sitzlar likes to talk about the electric department. He says that if he had not become EUB manager he would have liked to have been manager of an electric coop—no gas, water or sewer.

If he couldn't do that he would have stilled worked with electricity.

"Electric work, that's what I like. That's all I've ever known."

His biggest headaches have come from the sewer department.

"It's a constant problem and will continue to be," he says citing constantly changing environmental regulations and maintenance problems.

There's been two major additions since Sitzlar started with the EUB.

Around 1956 gas lines were extended to Etowah and EUB got a gas department. And in 1957 the water plant was built. Before that Etowah got its water from wells.

EUB has about 40 employees now. "When I came here we only had 12 to 14," he recalled. He is the last of that group still working. Others have retired or died.

"I'm the last of the old ones."

He's been through four general managers. In addition to Berry, who hired him, there were C.E. McGee, J.G. Synder and Bill Huddleston. Sitzlar served as general manager longer than any of the others.

"I don't know why I've lasted so long. I haven't had any serious political problems."

Following a heart attack in 1976 and bypass surgery in 1977 he thought about retiring.

"But my doctor said to keep working and I thinks its been for the best. It has been good for my health."

He leaving now because he has in enough years.

"I wanted to retire as soon as I could. I wanted to enjoy life."

But, he's not leaving without regrets.

"If I was younger I would like to stay on. The job is interesting and demanding. It's still enjoyable—most of the time."

What he will not miss is telephone calls in the wee hours of the morning. What he will miss is the "involvement with things going on."

But, he plans to keep busy, He and his wife, Faye, plan to camp, travel and go to UT football games. They have season tickets and make every home game.

They would like to tour the U.S., especially Hawaii and maybe Alaska.

He knows he has been lucky to have worked with one thing he really enjoys, electricity, even if he had had to put up with the problems of sewer, water and gas.

GREEK INDEPENDENCE DAY

HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 25, 1987

Mr. LIPINSKI. Mr. Speaker, as cochairman of the Democratic Council on Ethnic-Americans, I rise to pay tribute to the day—March 25, 1821—when Greek patriots rose up in rebellion against their Turkish oppressors. One hundred and sixty-six years later, many Americans of Greek descent still remember and honor this most important and historic event.

After the fall of the Byzantine Empire in 1453, the Greek people lived for almost 400 years under Turkish domination. But with courage and conviction and after nearly 6 years of war beginning in 1821, the Greek revolutionaries finally won national independence from the Sultan of the Turkish Empire.

As a country committed to the ideals on which the Greeks based their rebellion, America provided much moral support and backing. President James Monroe, John Adams and other prominent Americans at the time expressed themselves quite strongly in support of the Greek people. In our century, Mr. Speaker, another American President, Harry S. Truman, provided both moral and material aid to ensure that Greece would not fall victim to the forces of anarchy and communism.

Today, Greece is a valued friend and integral ally of the United States. The idea of democracy, born in ancient Greece over 2,000 years ago, is still fresh in its appeal to the peoples of the world, while the contributions of Greek-Americans have enriched the lives of all who live in our land. Mr. Speaker, I would like to take this opportunity to convey my warmest wishes to those Greek Americans who reside in the Fifth District of Illinois and to all Americans of Greek descent throughout our Nation.

AMENDMENT TO IMMIGRATION REFORM ACT

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 1, 1987

Mr. RICHARDSON. Mr. Speaker, I am planning to introduce an amendment to the State Department authorization bill designed to assist former and present Cuban political prisoners in getting their freedom by permitting visas to be issued to nationals of Cuba who are or were imprisoned in Cuba for political activities without regard to section 243(g) of the Immigration and Nationality Act. My amendment would exempt Cuban political prisoners from certain visa restrictions. The Immigration and Naturalization Service [INS] will not presently give visas to individuals who are trying to enter this country from a third country. Cuban political prisoners who have successfully left Cuba and made it to another country such as Panama or Mexico are therefore denied visas to enter this country. This action effectively turns these individuals back over to Castro—they have left Cuba with the goal of achieving freedom in this country—and then they are denied that freedom. The policy of this administration, designed purportedly to punish Castro backfires and the people who suffer are the Cuban political prisoners who so desperately need our help.

Hearings held on human rights in Cuba late during the 99th session of Congress highlighted the dire circumstances of Cuban political prisoners. Armando Valladares, a former long-term Cuban political prisoner and author of a poignant and disturbing book on his experiences in Castro's prisons, stated that the most significant thing the United States can do for all Cuban political prisoners is to let them come to this country. My bill will ease passage into this country for a group of present and former Cuban political prisoners. It is long past time for us to do so.

I originally offered this amendment to the Immigration Reform Act of the 99th Congress. It was incorporated into the original text of the legislation and passed the House. During the House-Senate conference, it was turned into a sense of Congress. It is good that the Congress is on record as being for facilitating the entrance of Cuban political prisoners into this country—the INS, however, still has not been legally directed by the Congress to stop its practice of denying visas to Cuban political prisoners who have braved the odds and successfully made it to other countries. This amendment I am introducing today will be such a decisive step. I hope that it sees quick action, and I urge my colleagues to support it.

CONGRESSMAN RICHARD H. LEHMAN HONORS MARCELLO SALCIDO AS 1987 "LABOR LEADER OF THE YEAR"

HON. RICHARD H. LEHMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 1, 1987

Mr. LEHMAN of California. Mr. Speaker, I am honored to recognize Marcello Salcido, a constituent of mine who has contributed a great deal to the labor community in Fresno and to many of the people who work and know Marc as 1987's "Labor Leader of the Year."

I am pleased to see this award presented to Marc because he has contributed a great deal to the labor unions in the Central Valley, especially in the past 16 years as a recognized leader. In 1964, Marc was first introduced to the unions while working as an apprentice at a supermarket in Reedley, which was a member of the former Amalgamated Meatcutters Union. In 1971, Marc was appointed business representative for the Amalgamated Meatcutters Local and served as the recording secretary on the executive board. Following a merger that brought the Amalgamated Meatcutters and Retail Clerks Locals under the jurisdiction of the United Food and Commercial Workers Union, Marc took on the job of president of the union. Today, the U.F.C.W. is the largest international union in the AFL-CIO and represents a membership of 1.3 million. Marc has brought a great deal of experience to the U.F.C.W. since the days of his apprenticeship in a meatcutters shop in Reedley in 1969. This award is a reflection of the appreciation of Marc's hard work.

Marc Salcido is a leader that the Fresno community is proud of and is certainly someone that we can look to for committed leadership to our local labor groups. He has provided growth and stability to local 126 by creating an atmosphere in the union of cooperation. Marc believes that "proper communication is essential to making the members participants rather than spectators of the collective bargaining process and their union." His commitment extends beyond local 126 to public service on committees such as the State Human Rights Committee, chairman of Butchers and Employers Health and Welfare Trust Fund and executive board member of the Fresno-Madera Counties Central Labor Council.

I join the Central Labor Council of Fresno and Madera Counties in recognizing the achievements of Marc Salcido and presenting him with the 1987 "Labor Leader of the Year" award. Marc exemplifies rare qualities of leadership of which the Fresno community, his family and trade unionist colleagues can be proud.

HOME HEALTH CARE LEGISLATIVE PACKAGE

HON. OLYMPIA J. SNOWE

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 1, 1987

Ms. SNOWE. Mr. Speaker, today I am introducing, along with a number of my colleagues, five bills concerning the Medicare home health benefit. These bills address certain aspects of home health care under Medicare which have lately been weakened by inconsistencies, insufficient communication, increased denials, and insensitivity. I regard these bills as links in a chain to strengthen the home health benefit.

Numerous factors have joined to increase the demand for home health care. As you are well aware, the elderly population is growing rapidly, especially the over-85 population. In addition, the new prospective payment system and the implementation of DRG's means that patients are being released from hospitals "sicker and quicker."

I believe that it was the intent of Congress in voting for the prospective payment system that those discharged from hospitals more quickly would be cared for in their own homes through the provision of less expensive home health care services. However, we are now finding that the Department of Health and Human Services is limiting reimbursement for home care in an arbitrary and capricious fashion.

My first concern is that the elderly are not receiving the medical care they need and to which they are entitled. I am also concerned that home health agencies, as secondary victims of these increased denials, face the dilemma of either refusing services to many ill elderly who are of uncertain eligibility or bearing the costs of care themselves. I am introducing five bills to address the problems faced by both victims.

THE HOME HEALTH INFORMED CONSUMER ACT OF 1987

This bill provides for mandatory publication and distribution of a booklet describing Medicare-reimbursed home care, including services covered, beneficiaries' rights, and the appeals process. Often potential patients have not been provided detailed information on what the Medicare home health benefit does and does not cover. This booklet would be made available at hospitals, home health agencies, physicians' offices, senior centers, nutrition sites, and outpatient clinics.

THE HOME HEALTH AND HOSPICE CARE WAIVER EXTENSION ACT OF 1987

This bill extends the waiver of liability for denials based on services considered not medically necessary and reasonable or custodial to September 30, 1989. This would establish a date consistent with the waiver extension for technical denials. Under the waiver of liability, home health agencies with a denial rate of 2.5 percent or less are paid for the denied services. The waiver is important to home health agenices because it allows a 2.5-percent cushion for error, meaning that home health agencies are not expected to be 100-percent perfect in their determination of Medi-

care eligibility. Home health and hospice agencies have faced loss of this waiver due to an inconsistent application of Federal regulations. Loss of the waiver leads many agencies to deny care when they are not completely confident of reimbursement even if the patient might reasonably deserve care.

THE HOME HEALTH COMMUNICATIONS ACT OF 1987

This bill requires fiscal intermediaries [FI's] to communicate with home health agencies [HHA's] within 7 days of receiving written or verbal communication from HCFA regarding a modification, clarification, or any kind of policy interpretation which is not published in the Federal Register. This bill seeks to address the internal procedures by which HCFA makes modifications and interpretations which are not subject to the Administrative Procedures Act [APA] and other rulemaking procedures. Home health advocates feel that HCFA and the FI's make rules internally while HCFA maintains that it has not changed interpretations of Medicare policy. Nevertheless, denial rates have increased dramatically in Maine and have doubled nationally. This bill establishes a direct line of communication necessary to address the need for better information.

THE HOME HEALTH PROMPT RECONSIDERATION ACT OF 1987

This bill requires that FI's make decisions on appealed denials—reconsiderations—within 90 days. This bill also stipulates payment of interest on the amount of the claim in question when the reconsideration decision takes longer than 90 days. Currently FI's take from 45 days to a year to rule on appeals of denials of home health care reimbursement, leaving the beneficiary uncertain as to whether services are covered by Medicare and leaving the home health agency with a cash flow problem while it waits for a decision on payment.

THE HOME HEALTH MEDICAL NECESSITY STANDARDS ACT OF 1987

Currently many claims are denied on the basis that the services provided were not medically necessary or reasonable although a physician had prescribed them. This bill:

(1) Puts the burden of proof on HCFA to show that the care was not medically reasonable or necessary by using unbiased, expert medical evidence;

(2) Gives physicians more control and involvement in home health care;

(3) Encourages the FI's to look at each case on an individual basis, taking into account particular circumstances for each individual, rather than denying the visits and then having the denial reversed after an appeal;

(4) Addresses discrimination against individuals who have chronic illnesses as opposed to acute. Medicare is supposed to cover acute care; however, if an individual meets the necessary home health criteria of being under a physician's care, needing intermittent, skilled nursing care and being homebound, then the individual should not be denied care. For example, a person with congestive heart failure occasionally falls into a medically unstable condition which requires skilled medical care. This bill would prohibit HCFA from denying Medicare coverage to this person solely because congestive heart failure is considered a chronic condition.

Circumstances in Maine are a good example of the effects of this policy of limiting benefits. Last September I held a hearing there to discover what difficulties Medicare beneficiaries and home health providers were experiencing. I found that agencies with no prior denials were having their claims denied at rates of 20 percent or more. Currently HHA's in Maine have an average denial rate of 30 percent, the highest denial rate in the country.

The initial impact of this rise in denials last fall was to leave agencies "holding the bag" for the cost of services already provided but not reimbursed by Medicare. One agency was denied 96 client claims totaling 1,208 visits in October 1986—as compared with eight client claims denied in August 1986. The October denials for this one agency alone totaled approximately $50,000.

There is concern that if this level of denials continues, it may result in the bankruptcy of a number of home health agencies, which will ultimately mean that fewer clients will be served. Further, the increased denial rate results in reduced service provision to the elderly by home health agencies who are fearful that their Medicare claims will be denied. Statistics from Maine show that agencies are screening their potential clients much more closely; consequently, the Medicare caseload for home health agencies has been reduced by as much as 50 percent, patients receive fewer visits, and are discharged sooner.

The problem, however, is not limited to Maine or even one region of the country. Indeed, the increase in home health care denials has become a crisis of national proportions. Nationally, HCFA statistics indicate that the percentage of home health agency claims denied rose from 1.2 percent in 1983 to over 6 percent in 1986. The National Association for Home Care conducted a nationwide survey and found that 75 percent of all home health care agencies report large increases in the number of elderly in their communities who are going without the home care they need.

To illustrate the problem, I quote from a letter I received from a home health agency in Odessa, TX:

> * * * denial rate has gone from one percent or half of one percent to a 3-4 percent denial rate. Not only do we face severe financial troubles but we face moral and legal problems as well. * * * For example, one case involved a patient requiring a skilled nurse to change a foley catheter, monitor for signs and symptoms of concussion following a fall, remove sutures and monitor episode of urinary tract infection. Agency was denied two skilled nurse visits that the intermediary termed not medically necessary. If agency staff fail to intervene in a patient's crisis, to monitor changes in patient's condition, then we could be put in the position of being charged with negligence by patient and patient's family and attending physician. * * * We have suffered through Gramm-Rudman, delay in claims processing time, change in intermediary, increased paper workload, and now unjustified claims denial by intermediaries. It appears that HCFA can mandate any standard they wish.

I believe that Congress owes the 30 million elderly of this Nation the Medicare benefits to which they are entitled, no more, no less. Indeed, if ultimately we are to address catastrophic care, we must be aware of the important role that an effective home health care policy plays in strengthening the community based provisions. Please join with me in supporting this legislation to address some of the problems facing elderly consumers of home health care.

CONGRATULATIONS TO LAKELAND, FL, STUDENTS

HON. ANDY IRELAND

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 1, 1987

Mr. IRELAND. Mr. Speaker, I would like to draw the attention of my colleagues to a most significant occasion occurring in Florida's 10th Congressional District. The music programs at Lakeland High School and Southwest Junior High School will receive awards from the John Philip Sousa Foundation. It is unprecedented that two schools from the same area receive this recognition simultaneously.

Lakeland High School will receive the Sudler Flag of Honor and Southwest Junior High will be awarded the Sudler Cup Award, both named after Chicago businessman and arts patron Louis Sudler. The awards recognize sustained excellence over a number of years.

One criteria for these awards is that the concert band will have placed itself in situations where there has been an opportunity for evaluation by qualified persons or has been rated "superior" at State, regional, or national levels in concert activities.

The Sudler awards top a long list of achievements for both schools' music programs. Lakeland High's wind ensemble was chosen twice in 4 years to play at the Mid-West International Bank and Orchestra Clinic in Chicago, which showcases top bands from all over the world. No other Florida high school band has been invited twice.

Southwest's symphonic band played at the Mid-West in 1985, too, marking a first for a Florida junior high music group.

Lakeland High also set a State record this year by having 25 students selected for 1987 all-State bands. The school's marching band played at the Tournament of Roses Parade in Pasadena, CA, in 1985, and made a cameo appearance in an HBO film, "Long Gone," which will air this spring.

Mr. Speaker, I would like to offer my congratulations to band directors at both schools, Lakeland High's John Carmichael and Southwest's Frank Howes as well as to the current students and alumni who also should share in these achievements. Both schools are most deserving of this tribute and I know that the students' parents as well as the entire community are extremely proud of this accomplishment.

TRIBUTE TO MRS. ANGELA LaROCCA

HON. JOSEPH J. DioGUARDI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 1, 1987

Mr. DioGUARDI. Mr. Speaker, I rise today to pay tribute to Mrs. Angela LaRocca, a very special person from my hometown of New Rochelle.

Angela LaRocca is retiring after almost a decade of dedicated service as city clerk and registrar of vital statistics in her native city of New Rochelle, NY. She found her career at city hall to be challenging and rewarding, as well as fun. She will be greatly missed at city hall as both a good friend and a conscientious, hard working city clerk and registrar.

As a life-long resident of the city of New Rochelle, Mrs. LaRocca demonstrated her commitment to bettering the city long before she started at city hall. Throughout the years, she has been an active participant in many civic, community and charitable organizations. She has also been a tireless election worker.

Mrs. LaRocca was educated in New Rochelle schools and is a graduate of the Westchester Business School. Having successfully completed the course requirements at the International Institute of Municipal Clerks at Syracuse University, she was certified as a municipal clerk.

Committed to education and innovation, Mrs. LaRocca plans to study computers—the path of the future—during her retirement. Her interest in computers began after she installed two word processors in her city hall office. She appreciates the power of computers in the voting process and intends to keep up with this rapidly advancing technology.

Mrs. LaRocca has one daughter, Phyllis, who is married to Victor Christiano. Her three grandchildren, Victor, Terry, and Lisa—ages 26, 24, and 20—also living in New Rochelle and are all graduates of New Rochelle Public Schools. I know her family is proud of her. We certainly are.

We will miss Mrs. LaRocca when she spends the winter months at her Florida residence, but she promises to always return in the spring to her native New Rochelle which she calls "home."

RISING TIDE OF INSURER INSOLVENCIES THREATENS

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 1, 1987

Mr. FLORIO. Mr. Speaker, the following article by Larry Fish in the Philadelphia Inquirer provides an excellent account of the threat posed by a rising tide of insurance company insolvencies. The subcommittee on Commerce, Consumer Protection and Competitiveness is currently investigating the huge Mission Insurance insolvency, referred to in the article, as part of our broader study of industry solvency. Mr. Fish's article will provide Members of Congress with useful background on this troubling situation.

INSURANCE FAILURES PRESSURE STATES' BAILOUT FUNDS

(By Larry Fish)

When an insurance company fails—and record numbers of them are doing that these days—its policyholders could face financial catastrophe.

Standing between them and that catastrophe are "guaranty funds," intended to pay claims when an insolvent insurance company cannot, by tapping healthy insurers.

But after three years of mounting insolvencies—and with the largest insurance liquidation ever just getting under way—the strains are beginning to tell on the state-by-state network of guaranty funds.

Originally set up to deal with the relatively modest problems created when automobile insurance companies went bust, the state guaranty funds are having to cope with hundreds of millions of dollars in debt on more complex commercial-liabilitiy policies, professional malpractice coverge and other big-ticket items.

"Insolvencies are generating debts so large that now questions are being raised about the adequacy of state guaranty funds," said Patricia A. Borowski, a vice president of the National Association of Professional Insurance Agents (PIA).

The organization counts 57 isolvencies since 1984 a startling change from the recent past in which "five auto carriers going under was considered a crisis," she said.

More serious than the number of companies going bust, however, is the unprecedented size of those that do. Nick A Verreso, president of the PIA, estimated that there was $3 billion in insolvent companies; debt that ultimately will have to be paid by the funds.

The biggest insolvency of them all—apparently the largest insurance insolvency in history—is that of Mission Insurance Co. and various subsidiaries, now entering liquidation.

California-based Mission is involvent by $448.1 million, and, according to Texas Insurance Commission Doyce Lee, "We believe that most claims on these companies will be subject to the guaranty funds of the states."

Each state and the District of Columbia has a guaranty fund to cover policies written by property and casualty insurers. Most, but not all, states have a similar fund to cover policies written by life and health insurers.

The property and casualty funds nearly all follow a model developed around 1970 by the National Association of Insurance Commissioners, in response to a brief wave of insolvencies of automobile insurance companies.

When an insurance company fails, the fund in each state calculates how much is owed to its citizens and then assesses the other companies licensed in that state a proportional share of the amount. The Pennsylvania fund, for instance, would assess companies licensed in Pennsylvania to pay money owed to state residents from the California insolvency.

In 1980, the total assessments for all the state funds were $12.4 million, according to the National Committee on Insurance Guaranty Funds. In 1984, when that number ballooned to $74.1 million, the industry in its innocence considered "that was a real big assessment," said Richard J. Marcus, the committee's executive secretary.

Things rapidly got worse: The 1985 assessment was a staggering $344 million, far more than all previous assessments since 1980 combined.

The results for 1986 aren't in yet. But already there is concern because some of the funds are nearing their maximum assessment.

In most states, the most that healthy insurance companies can be assessed is 1 percent or 2 percent of the premiums they had in that state.

To assess more, insurers and regulators believe, would dangerously weaken the surviving companies—perhaps leading to more insolvencies.

"This industry has always been able to meet its obligations with no problems," said Borowski of the agents' association. "Now we're faced with the possibility of maxxing out [on assessments] and wondering how we can deal with this situation."

Most expects believe the spate of insolvencies has not yet bottomed out, mainly because so many property-casualty companies were so badly wounded during the industry's lengthy price war of the late 1970s and early 1980s.

According to the National Association of Insurance Commissioners, roughly one in 10 property-casualty companies bears watching because of financial problems, so the demand on fund assessments is likely to continue to grow.

In Pennsylvania—where the maximum assessment is 2 percent of direct premium written—there is still some margin left, though it has shrunk as assessments have skyrocketed.

The 1985 Pennsylvania assessment of $41 million was "greater than all prior assessments levied" added together, said Ron Chronister, deputy insurance commissioner. The 1986 assessment was higher still: $62 million.

Chronister said that Pennsylvania actually makes two assessments for the property-casualty fund, one for auto insurance and another for "all other" kinds of coverage.

There is plenty of room left in the auto assessment, he said. But in the other fund, the maximum possible assessment last year was $54.5 million and the actual assessment was $43.5 million.

The Insurance Department hopes that one major insolvency—that of Mutual Fire, Marine & Inland Insurance Co. of Philadelphia—won't affect the guaranty fund at all, because a rehabilitation is being attempted.

Should the Mission insolvency and others ever exceed the fund's assessment limits, Chronister says, claimants might have to divvy up what was available one year and wait for subsequent assessments to get the remainder.

Others wonder if the guaranty funds ought to even try to reimburse the kinds of corporate policyholders most affected by today's insolvencies, as opposed to the individuals with automobile policies who first inspired the safety net.

"I don't really think that the drafters of the guaranty fund system thought the commerical lines would ever be a program," said Marcus of the guaranty fund association.

GRAZING FEES ON PUBLIC LANDS

HON. RON MARLENEE

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 1, 1987

Mr. MARLENEE. Mr. Speaker, today I join with 20 of my colleagues in introducing legislation which would permanently reauthorize the grazing fee formula established in 1978 under the Public Rangelands Improvement Act. This legislation establishes a formula which sets grazing fees on a yearly basis according to livestock market conditions as well as the cost of production. When prices received for livestock are down while prices paid for farm supplies are up, the formula will adjust the fee downward. When these factors are favorable to livestock producers, the formula will increase the fee ranchers pay for grazing livestock on public lands.

Mr. Speaker, the public lands are an important part of our economy in the West. In Montana, the public lands account for one-third of the land area. In other Western States, the public lands account for up to two-thirds of the land. It is easy to understand then, that the people who live and work in the West need these lands to provide recreation, timber, livestock grazing, and other multiple uses.

Livestock grazing on the public lands is a particularly important use because many of the farms and ranches which are adjacent to the intermingled Federal lands would not be viable economic units without the public lands; and without farms and ranches which use these public lands, there would not be a county tax base nor would there be much of an economy to support the small rural towns which exist in the West.

Mr. Speaker, in order to insure that these fragile western economies are not harmed, it is necessary to allow reasonable timber management on the public lands; it is necessary to provide reasonable access for recreation; and it is necessary that a reasonable fee is charged for the grazing of livestock on the public lands. The formula that is established by this legislation provides for a reasonable fee.

LIVESTOCK GRAZING ON PUBLIC RANGELANDS

HON. ROBERT F. (BOB) SMITH

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 1, 1987

Mr. ROBERT F. SMITH. Mr. Speaker, I am joining several of my colleagues in introducing legislation this week which would make permanent the formula used to determine fees for the grazing of livestock on public rangelands.

In 1978 Congress passed the Public Rangeland Improvement Act [PRIA] which authorized the present fee formula. In the policy statement to PRIA, Congress made clear its intention in adopting the grazing fee formula:

To prevent economic disruption and harm to the western livestock industry, it is in the public interest to charge a fee for livestock grazing permits and leases on the public land which is based on a formula reflecting annual changes in the costs of production.

This concept of basing the formula on the ability of livestock producers to pay is as true today as it was then. When livestock prices are up and producers are able to pay more the formula adjusts the fee upward. When the farm economy is depressed, the formula adjusts downward and producers pay less for grazing their livestock on public lands.

It is no surprise then, that for the last several years the fee has adjusted downward to reflect the difficult economic times which farmers and ranchers have experienced. While there continues to be tremendous economic disruption and harm to the livestock industry, the grazing fee charged by the Forest Service and Bureau of Land Management has not contributed to this disruption.

Mr. Speaker, recently there has been much debate about grazing livestock on public lands. Opponents of public lands grazing claim that the public lands provide only 2 percent of the grazing forage in the entire country. Therefore even if we eliminated all of the livestock from these lands, it would have a minimal affect on the livestock industry. However, those same people fail to realize that the public lands account for up to 60 percent of the grazing in the Western States. In my home district of Oregon, the small rural communities are socially and economically dependent on livestock producers who use the public lands.

Finally Mr. Speaker, I would add that ranchers who use these public lands to produce food and fiber also provide a valuable service.

When they develop water for their sheep and cattle, wildlife have a new source of water; when minerals such as salt and other nutrients are provided for livestock, the wildlife share in the additional supplements. In fact, from 1979 to 1983, permittees of the public lands contributed $14 million in rangeland improvements.

Mr. Speaker, the PRIA formula is a good one. I encourage all of my colleagues to join me in supporting this fair and equitable legislation.

TRIBUTE TO LARRY MORRISH

HON. GUY V. MOLINARI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 1, 1987

Mr. MOLINARI. Mr. Speaker, there is, in every community, a select group of individuals who care enough about their neighborhood to labor tirelessly for improvements in the quality of life in the area, particularly those that will offer greater opportunities and assistance to children. Today, I rise to recognize one such individual in the Bay Ridge portion of my district, Larry Morrish.

The list of Mr. Morrish's accomplishments is extensive and exemplary. He is a founding member of the Bay Ridge Volunteer Organization [BRAVO], a highly praised volunteer ambulance service that is the largest and busiest in New York. BRAVO has received numerous citations, including one from the President of the United States, for its effectiveness in responding to those in need of prompt emergency care. Mr. Morrish himself has responded to over 20,000 emergency calls as a qualified emergency medical technician.

A member of several community organizations and a recipient of over a dozen distinguished awards and commendations, Mr. Morrish holds a special affection and concern for children. Indeed, he has dedicated an enormous amount of time and energy to such programs as the Special Olympics, the Ragamuffin Parade and Bridging the Gap for the Children, all of which attempt to involve young people in activities which enrich and entertain. In one particular youth council sports program, he demonstrated his versatility and stamina by serving, over a 15-year period, as president, vice president, secretary, treasurer, chief umpire, football referee and team manager of the group.

It is my privilege to bring the unselfish and meritorious accomplishments of Mr. Morrish to the attention of my colleagues in the House. I know they join me in commending the outstanding service he has given his community and the contributions he has made to the social and cultural development of young people in his area.

JEWISH EXODUS IS ENCOURAGING

HON. DUNCAN HUNTER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 1, 1987

Mr. HUNTER. Mr. Speaker, Illya Vaitsblit is 69 years old. He is the only member of his family who survived the Holocaust. He has never seen his only grandson and chances are that he will never again see his son. He is half blind and suffering from multiple sclerosis. Fortunately, his wife Inna, a retired pediatrician, is able to care for this bedridden man.

In 1973 Illya retired from his job as a radio engineer because of failing health. He and his family applied for an exit visa to Israel but were refused because Illya had previous access to classified material. Although their son was allowed to leave the Soviet Union, Illya and Inna have been denied exit visas repeatedly since 1974.

We have been hearing a lot lately about Mr. Gorbachev and his new policy—glasnost. But, Mr. Speaker, we must remember that there are over 400,000 people seeking to leave the Soviet Union. People like Illya and Inna who only want what we as Americans have every day—their freedom and the right to worship and be with their family.

Today's Jewish exodus is encouraging—I pray it continues. But the fact remains that aside from a few highly publicized releases, only 244 Soviet Jews have been allowed to leave the Soviet Union. Mr. Speaker, I believe that if Mr. Gorbachev is serious about his glasnost policy he must allow more Soviet Jews to emigrate.

For our part we must continue to show our support for the refuseniks and other Soviet citizens who long for freedom. I hope, Mr.

Speaker, that one day Illya and Inna will be free.

WOMEN VETERANS

HON. G.V. (SONNY) MONTGOMERY

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 1, 1987

Mr. MONTGOMERY. Mr. Speaker, I believe that most of my colleagues would agree that when we think or speak of the Nation's veterans and their deeds, we tend to focus almost exclusively on the male population, many times overlooking the significant contributions of our women veterans in the defense of our country.

Women are playing an increasingly integral role in our Armed Forces. Since 1972, the last year of the draft, the number of women on active duty has risen from 45,000 to over 200,000. That is nearly 10 percent of the active forces.

When these women are separated from military service, they are eligible for participation—subject to respective program eligibility criteria for all veterans—in programs administered by the Veterans Administration. However, there are services particular to the needs of women veterans that deserve our special attention, our sensitivity, and our resources. Outreach/awareness and health care services—including gynecologic care, patient privacy, unrestricted domiciliary access, and complete physical exams—are among the most oft-mentioned needs.

There are now almost 1.2 million women veterans who comprise 4.1 percent of the total veteran population. Sixty-eight percent of them have served during wartime. The number of women veterans who are 65 years and older will more than double by the turn of the century. Obviously, we must place a greater emphasis on the needs and concerns of women veterans.

Mr. Speaker, I want to commend one group in particular for monitoring outreach and services for women veterans, for its recommendations developed to address problem areas, for keeping the Veterans' Affairs Committees and the VA well-advised, and for its commitment to progress—the Veterans Administration Advisory Committee on Women Veterans.

Established in 1983 through the initiative of then-VA Administrator Harry Walters and through Public Law 98-160, its members visit VA facilities throughout the year and participate in Outreach and Educational Programs aimed at women veterans. Each member of the advisory committee is either a veteran, a current member of the Armed Forces, or actively involved in veterans activities. Their credentials are impressive:

VETERANS ADMINISTRATION ADVISORY COMMITTEE ON WOMEN VETERANS

Mr. Cosme J. Barcelo, Jr., San Antonio, Texas; Program Director, National Veterans Outreach Program; GI Forum; social worker; Vietnam-era veteran.

Col. Hazel E. Benn, USMC (Ret.), Falls Church, Virginia; former head of Education and Information, HQ Marine Corps; World War II, Korea and Vietnam-era veteran.

Ms. Gloria Crandall, Bay Pines, Florida; disabled Air Force veteran; works with Military Order of the Purple Heart.

Mrs. Shirley Dennis, Washington, D.C.; Director, Women's Bureau, Department of Labor.

BG Diann Hale, USAF (Ret.), San Antonio, Texas; recipient of Air Force Distinguished Service Medal; employed by Joint Hospital and Accreditation Commission.

MG Jeanne M. Holm, USAF (Ret.), Edgewater, Maryland; Chairman of the Advisory Committee; Former Director, Women in the Air Force; former Special Assistant to the President; author.

Mr. Charles R. Jackson, Master Chief Petty Officer, U.S. Navy (Ret.), Alexandria, Virginia; Vice President for Governmental Affairs, Non Commissioned Officers Association; Vietnam veteran.

Ms. Lucille M. James, Bloomington, Minnesota; World War II veteran, Coast Guard; life member of Disabled War Veterans; paralegal.

Mrs. Margaret M. Malone, Trenton, New Jersey; National Vice Commander, The American Legion; World War II veteran.

Mrs. Sarah McClendon, Washington, D.C.; journalist and author; World War II veteran.

Lt. Col. Judith Patterson, USAF (Ret.), Deerfield, Illinois; worked in Air Force recruitment, personnel, administration and public affairs; founder and former president of Chicago chapter of ARCS, Achievement Rewards for College Scientists.

Major Ilona E. Prewitt, Washington, D.C.; Executive Secretary, Defense Advisory Committee on Women in the Services (DACOWITS), The Pentagon.

Admiral Frances T. Shea-Buckley, USN (Ret.), San Diego, California; former Director, Navy Nurse Corps; Vietnam veteran.

Omega Silva, M.D., Washington, D.C.; Chief, Diabetic Clinic, VA Medical Center.

Ms. Mary Stout, Washington, D.C.; National Secretary, Vietnam Veterans of America.

Col. Eloise Strand, USA (Ret.), Rockville, Maryland; M.D., occupational therapy and health care administration; former special assistant to U.S. Army Surgeon General; former military representative on DACOWITS.

Miss Alberta I. Suresch, Sgt. USAF (Ret.), Waco, Texas; National Service Officer, Disabled American Veterans; Vietnam-era veteran.

Capt. Irene N. Wirtschafter, USNR (Ret.), Cocoa Beach, Florida; served on Navy Advisory Committee on Retired Personnel; former Internal Revenue Service agent; licensed commercial pilot.

Mr. Speaker, the Veterans Administration has been very responsive to the recommendations of this important advisory committee, as the committee itself pointed out in its July 1986 report: "We feel that the Veterans Administration is an agency which has shown remarkable alacrity in changing policies, attitudes and behaviors * * * no matter where committee members travel to visit Veterans Administration facilities we see changes for the better from items in canteens, to our posters on walls, to programs honoring women veterans, to the work of our women veteran coordinators, to distribution of brochures on benefits for women and even to glimpsing our bumper stickers on cars. Women veterans are no longer a forgotten group within the Veterans Administration. We look forward to continuing cooperation with the Veterans Administration. Our work goes on." So too does ours on Capitol Hill, Mr. Speaker.

Tomorrow, April 2, the Veterans' Affairs Subcommittee on Oversight and Investigations, chaired by our distinguished colleague, Mr. EVANS of Illinois, will conduct a hearing on the status and concerns of women veterans. I want to commend the gentleman for scheduling this hearing and for inviting Maj. Gen. Jeanne Holm, USAF (ret.), the advisory committee chairman, to testify. General Holm will be accompanied by former chairman Col. Lorraine A. Rossi, USA (ret.).

Mr. Speaker, I know my colleagues will want to join me in saluting these and all other efforts to heighten the Nation's awareness of our women veterans, of their achievements in the cause of freedom, and of our continuing commitment to provide all eligible veterans with fair and responsible readjustment opportunities and health care services.

THE 25TH ANNIVERSARY OF GREENFIELD COMMUNITY COLLEGE

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 1, 1987

Mr. CONTE. Mr. Speaker, I rise today to honor Greenfield Community College, located in Franklin County in western Massachusetts. The college will be celebrating its 25th anniversary during the 1987-88 year, and for a quarter of a century it has enriched the community by paving the roadway for students to move on to higher achievements.

Greenfield Community College, the smallest community college in the State with 1,500 day students and 1,100 evening students, prepares students for their careers, or for a transfer to a 4-year college. Fifty percent of Greenfield graduates continue on to public and private 4-year colleges, and many broaden their knowledge at graduate and professional schools.

Many faculty members are recognized for their work in the research and development of the Archibald MacLeish Collection, for Project TEME, the college's space shuttle simulation program, and for the college's nursing program, which is ranked highest of any colleges in the State of Massachusetts.

In the past 25 years, the college has responded swiftly to the needs of its community. Some of their services have included Project Future, which aided unemployed workers, and the Displaced Homemakers Program which assists women who are widowed or involved in divorce. Also, there are several training programs currently operating which provide services for welfare recipients and single parents, and the English is a Second Language Program, which assists foreign students.

Mr. Speaker, I am proud to be able to represent the students and faculty of Greenfield Community College, a major asset to my district, and I wish them continued success for another 25 years.

IMPERIAL POTENTATE EARL GRAY TO BE HONORED AT TESTIMONIAL BANQUET

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 1, 1987

Mr. STOKES. Mr. Speaker, on April 3 and 4, the Ancient Egyptian Arabic Order Nobles of the Mystic Shrine, North and South America, will honor the imperial potentate, Earl H. Gray, with a testimonial banquet and other tributes in his hometown of Richmond, VA. On this occasion he will be joined with the national officers of the Shriners and members of the organization including Prince Hall Masons from across the country. I have been requested by a special group of his friends to pay tribute to Imperial Potentate Earl H. Gray on the floor of the House of Representatives. Therefore, my remarks on this occasion will reflect the high esteem and special love that this group of men have for Earl Gray. Each of them has in his own way played some special role in life and success. They are: William E. Crockett, imperial captain of the guard; Robert F. Oglesby, imperial deputy of the desert; Foster J. Stringer, imperial deputy of the oasis; Rev. Otis Moss, Jr., deputy imperial chaplain; Ernest Terry, deputy imperial convention, director, Charles E. Richardson, imperial director of public relations; Deroy Gorham, imperial deputy talent and scholarship; James Thompson, deputy of internal security; Anderson K. Marlow, deputy imperial photographer; Judge Charles V. Fleming, deputy imperial legal advisor; Samuel Brogdon, Jr., imperial fraternal relations department; Charles E. Cook, deputy imperial legal advisor; Clarence F. Ellis, imperial credentials department; Wilbert N. Hauser, deputy imperial director of recreation; Monroe R. Bailey, deputy imperial lecturer; Roy Richardson, deputy imperial custodian; Carl V. Hawkins, deputy imperial director of publicity; Willis Johnson, deputy imperial director of foot patrols and Charles W. Hales, imperial convention director.

The position of imperial potentate is the culmination of over 25 years of diligent work on the part of Earl in the Shriners. Starting out with the Mocha Temple No. 7 in Richmond, VA, Earl has held numerous positions with the Shriners and the Masons both in the State of Virginia and nationally.

Some of these positions include past potentate—Mocha Temple No. 7; past master, Capitol City Lodge No. 107, F.&A.M. Prince Hall Affiliation; past high priest, Richmond Chapter No. 7 Royal Arch; passed imminent commander—Olivet Commandry No. 2; Knights Templar, past commander in chief; Richmond Consistory No. 22, most worshipful master; Prince Hall Grand Lodge Jurisdiction of Virginia and past imperial director of Regions, AEAONMS.

Because of his commitment to the Shriners and related fraternal organizations, Early H. Gray was elected to the highest office—imperial potentate—during the Shriners Convention in August in Chicago, IL. Mr. Speaker, I had an opportunity to participate in the week-long convention when Earl assumed the position of imperial potentate. By observing and talking with the members of the Shriners and the women's auxiliary group, the Daughters of Isis, I found that my good friend, Earl Gray, is both admired and revered by the entire membership.

Many view him as the type of individual who will bring new life and vitality to the programs and mission of the Shriners. He is an innovator. More importantly, he is a man of great conviction and vision.

In addition to his many years of tireless efforts with the Shriners, Earl Gray has displayed his keen leadership skills through his professional experiences and community associations in the Richmond, VA, metropolitan area.

A graduate of Virginia State University with a B.S. in accounting and M.Ed. in education administration, Earl Gray was quite active in the late 1960's and early 1970's with various job training programs for the disadvantaged, He was the director of the model cities job development and training agency, chief of plans and programs for the employment and training division—Virginia Employment Commission and the chief of the labor market information unit for the State of Virginia.

Additionally, he has served as a member of the commission for the elderly for the city of Richmond, chairman of the labor and industry committee and board member of the Richmond NAACP, board member of the Military Retirees Club and a board member of the Richmond Gold Bowl Committee. Finally, he is the co-chairman of the national board of directors—Assault on Illiteracy Program.

Lastly, Imperial Potentate Gray is the husband of Jane, to whom he has been married for 33 years and to whom he is devoted and loving. He is also the proud father of a daughter, Adrienne Gray. His daughter distinguished herself here on Capitol Hill as my press aide for 6 years. She is now employed in the public relations office of IBM.

Mr. Speaker, it is a high honor and privilege for me to join with the Nobles of the Ancient Egyptian Arabic Order Nobles of the Mystic Shrine and his friends and family to honor Earl H. Gray on the occasion of his testimonial banquet.

TRIBUTE TO CONNIE HUME DYKSTRA

HON. DENNIS E. ECKART

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 1, 1987

Mr. ECKART. Mr. Speaker, I rise today to pay tribute to Connie Hume Dykstra. It is rare that I rise to pay tribute to congressional employees, but Connie is especially deserving of my accolades. Connie has been a member of my staff since I was first elected to Congress in 1980, far outliving the average for congressional employees. She has served in a number of capacities and has admirably performed every task asked of her.

Connie has provided invaluable assistance to me and my constituents by answering constituent mail, helping with casework, developing legislative initiatives, and dealing with the press. Perhaps Connie's greatest attribute has been her ability to decipher congressional budget data in a timely and succinct manner. As I am sure my colleagues would attest, it is often difficult to translate just what the Federal budget means to our constitutents. Most importantly, relaying this information in an accurate and simplistic fashion best epitomizes Connie's expert ability to provide this crucial information to my constituents.

Similarly, Connie has helped create many of the newsletters which I regularly send to my constituents. As my colleagues know, these newsletters are full of vital information concerning important legislation. I am also sure that my constituents will miss my cable TV show which Connie helped produce. The cable TV show had a large and devout following, all of whom I am sure will miss Connie's creative talents.

Connie's most recent duties have been as my press secretary. As all of my colleagues know so well, this is a very important job in any congressional office. In a fit of candor and accuracy, Connie once told a reporter that legislation I supported had no chance at passing.

Connie's benevolence will also be missed in my district. Connie was active in local and community affairs. She eagerly set up a local fund raising drive to help give food to needy children during the Christmas season. Connie's efforts resulted in thousands of dollars being raised. Indeed, Connie's altruistic nature is a model for us all.

It is with much sorrow that I bid Connie farewell. I wish the best of luck to her and her ever expanding family in all their endeavors. I firmly believe that I, along with the constituents of the 11th District whom she so ably served, will be forever indebted to Connie for the long hours and hard work which she performed on our behalf.

A TRIBUTE TO EDWARD KENNEDY ELLINGTON

HON. WALTER E. FAUNTROY

OF THE DISTRICT OF COLUMBIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 1, 1987

Mr. FAUNTROY. Mr. Speaker, I rise on this first day of April, to mark a month-long celebration in honor of a native-born Washingtonian and world class jazz musician, Mr. Edward Kennedy Ellington. This distinguished American jazz composer, brilliantly original pianist, innovative band conductor, and sophisticated entertainer revolutionized the art and music world.

He brought a new energy and vitality to the entertainment industry which came alive on stage, on screen, in intimate club settings, in giant music festivals, and before thousands of people in major auditoriums around the world. Many of his compositions are now beloved classics including "Mood Indigo," "Sophisticated Lady," "Satin Doll" and "Take the A Train."

Not selfish with his own talent, the "Duke" through the years provided a showcase for new and emerging talent, whom he would feature with his band for several years. He always maintained a large and diverse instru-

mental section and composed complex arrangements for them. The big band sound took on new meaning under his creative direction and jazz was elevated to a new dimension. Most of his band musicians went on to become legends in their own right.

The musical talents of Edward Kennedy Ellington were discovered early in life by his parents who provided him with piano lessons. A close circle of family members and friends nourished and encouraged his musical development and training. While attending Armstrong High School, he formed his first small jazz band playing at parties and school events. In his early twenties, he left this city with his band, "The Washingtonians," for the bright lights of New York City, where in a few years, his band became the featured jazz band at Harlem's Cotton Club.

One of the Duke's favorite recollections among close friends was his memory of playing sandlot baseball, as a boy in the afternoon after school. According to Duke, a frequent visitor at these games, who displayed keen interest, astride his horse, was President Theodore Roosevelt.

Mr. Speaker, I wish to pay tribute to a man who devoted his life to music and enriched countless lives of Kings and Presidents, the rich and the famous, as well as the everyday person.

It is with much esteem, high honor and great pride that I bring to the attention of my colleagues the many contributions that Edward Kennedy Ellington made to the music world in the 20th century. I take this opportunity to insert in the RECORD, the proclamation from the Mayor of the District of Columbia designating April 1987, as "Duke Ellington Month," accompanied by a supporting letter from President Ronald Reagan.

THE WHITE HOUSE,
Washington, DC, March 26, 1987.

I am delighted to send warm greetings to everyone gathered to inaugurate the Duke Ellington International Festival for the entire month of April in our Nation's Capital.

The late Duke Ellington epitomized greatness in American music. His name has come to symbolize a richness in sound and orchestration and high standards of musicianship. His remarkably varied body of work attests to his musical genius, and his lasting contribution to American music has endeared him to music lovers the world over.

I am delighted that Washingtonians will honor Duke Ellington, their native son, with a month-long celebration. Nancy joins me in extending our best wishes for a joyous and memorable "Duke Ellington Month." God bless you.

RONALD REAGAN.

OFFICE OF THE MAYOR,
Washington, DC.

PROCLAMATION—DUKE ELLINGTON MONTH
APRIL 1987

Whereas, the month of April 1987 has been designated as *Duke Ellington Month* in the District of Columbia; and

Whereas, Edward Kennedy "Duke Ellington was born in the District of Columbia and went on to become one of the most talented American composers of this century; and

Whereas, during his long career, he remained committed to the most rigorous standards of artistic excellence, yet always managed to incorporate an unstudied joy in all of his compositions; and

Whereas, this musical genius' creations have taken their rightful place as masterpieces in the American classical idiom, an art from which is universally recognized as *"jazz"*; and

Whereas, Duke Ellington has left us a mighty legacy consisting of numerous songs, anthems, and sophisticated arrangements of other composers' works, as well as longer pieces which embody his sense of racial pride, humility before God, and joy in the multitudinous sounds of life:

Now, therefore, I, the Mayor of the District of Columbia, do hereby proclaim April 1987 as "Duke Ellington Month" in Washington, D.C., and call upon all the residents of this great city to join with me in saluting this truly remarkable and talented man of this capital city and share in the celebration of our Duke Ellington.

MARION S. BARRY, Jr.,
Mayor.

IN SUPPORT OF H.R. 1917, SOCIAL SECURITY "NOTCH" LEGISLATION

HON. JIM LIGHTFOOT

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 1, 1987

Mr. LIGHTFOOT. Mr. Speaker, 10 years ago Congress approved the Social Security Amendments of 1977. These amendments, while they were necessary to shore up the financially troubled Social Security System, contained a little discussed provision revising the method in which Social Security benefits were calculated for people born after 1916. People born during the years 1917–21 bore the brunt of the benefit calculation change. This change created a disparity in benefits between those born before 1917 and those born after 1917.

For several years, this change went unnoticed. It was not until Abigail Van Buren spoke out against the so-called notch effect in September 1983 that a large number of people born during those years became aware of this inequity. Since then, Congress has been besieged by letters from constituents affected by the notch. Grassroots organizations have been formed in many parts of the country, including Iowa, Nebraska, California, Florida, Pennsylvania, New York, and North Carolina.

These groups have grown from a few interested people to thousands of people. Groups, like Iowa's, have traveled to communities across the different States to inform people about the notch and what they should do to get it corrected. These grassroots coalitions have also traveled to Washington, DC, to hold rallies on the steps of our Nation's Capitol.

The members of these grassroots coalitions are serious about seeking corrrection of the notch. They don't plan to let this issue die. Last year they worked hard to increase the number of cosponsors of Congressman ED ROYBALL's notch bill, H.R. 1917. At the end of the 99th Congress, this bill had 174 cosponsors. This was a substantial increase over the number of supporters from the 98th Congress. However, it still wasn't enough to get Congress to address this issue.

Last year, the chairman of the Ways an Means Subcommittee on Social Securit asked the General Accounting Office [GAO to conduct an indepth study of the notch. Thi report has not yet been released by GAO an is not expected for several more months Some Members of Congress feel we shoul wait until this study is completed before w act on notch legislation. However, notch indi viduals have already waited 10 years for thi benefit disparity to be resolved. We canno continue to drag our feet on this issue.

Yesterday, Congressman ED ROYBAL intro duced notch legislation in the 100th Congress This bill has again been assigned the numbe H.R. 1917 in order to highlight the year 191 and to rally notch individuals around a singl piece of legislation to eliminate this problem Once again, I have cosponsored this legisla tion with Congressman ROYBAL.

This legislation has been revised from las year's bill, however. This bill is less costly t the Social Security trust funds, which shoul mute the criticism that Congress cannot cor rect the notch because it would bankrupt the Social Security System.

The new H.R. 1917 would provide for a 10 year transition to the new benefit formula rather than the 5-year transition formula unde current law, and the 30-year formula proposed under last year's legislation. As you may know, when former Presidents Gerald Ford and Jimmy Carter first proposed a 6- to 10 percent reduction in Social Security benefi levels, they recommended a 10-year phase-in In 1977, the House passed a 10-year phase in, but the Senate agreed to a 5-year transition instead. The 5-year provision prevailed and Social Security beneficiaries ended up with greater reductions in their benefits than were actually intended.

Under this new legislation, benefits would be computed under the old (1972) formula and would be reduced by 3 percent. In addition, benefits would be reduced an additional 3 percent for each year of birth after 1916. This legislation would also include retroactive benefits for people affected by the notch.

While some notch individuals might be upset that this bill is not as comprehensive as legislation in the 99th Congress, this new bill is a reasonable proposal to put forward at this time. The estimated cost of the old notch legislation was projected to be $243 billion over 10 years. The cost of the new legislation is approximately $45 billion over 10 years.

I hope my colleagues will take a serious look at this new bill. It provides equity to notch individuals while ensuring the future solvency of the Social Security trust funds. This legislation also signals the willingness of several of us in Congress to work on a compromise piece of legislation, such as this new bill, which would finally make the Social Security System fairer for those people born during the years 1917–21.

Mr. Speaker, I encourage my colleague to join in cosponsoring this legislation and pushing for its passage.

SHALL AMERICA BE DEFENDED?: SDI DEPLOYMENT LEGISLATION

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 1, 1987

Mr. COURTER. Mr. Speaker, I have recently introduced three bills which have as their logical underpinning the need to protect Americans against the threat posed by nuclear ballistic missiles of the Soviet Union. There is no greater vulnerability at this time than the total defenselessness of America in the face of the Soviet ballistic missile force. Accordingly, there is no higher obligation for the Congress than the deployment of systems that at least begin to address this vulnerability.

A little more than 4 years ago, President Reagan announced the Strategic Defense Initiative [SDI] Program. This was not the beginning of United States efforts to defeat ballistic missile attacks, for we had briefly deployed a rudimentary SDI system in the mid-1970's at Grand Forks, ND, only to deactivate the system after a few months of operation. Neither was it the beginning of a defensive arms race or the militarization of space, for that occurred in the late 1940's when the Soviet Union began working on strategic defenses.

After 4 years of research and some spectacular demonstration projects, the promise of stratgic defense remains just that—a promise. The technology and the funding exist to deploy strategic defenses, but the indispensable element of political will is almost completely absent. The councils of excessive caution are dominating national security decision-making at this critical juncture in the Reagan administration's tenure. The boldness and vision required to manage a transition to a defense-dominated national security strategy are nowhere in sight in the executive branch.

The Soviet leadership, so astutely attuned to the sounds of a wounded Presidency, has escalated its propaganda and arms control attacks on the SDI Program. At the same time, they are introducing new strategic defense systems of their own, to the tune of $20 billion per year. Their time-tested negotiating tactic—what's ours is ours and what's yours is negotiable—is very much in evidence and is producing rich rewards.

Mikhail Gorbachev denounces SDI as a "voracious monster" based on a fundamentally inhumane concept, and the congressional majority signal their concurrence by cutting $2 billion from the President's fiscal year 1987 SDI request. The message to the Soviets is that the anti-SDI propaganda campaign is well worth the cost required to conceive and sustain it.

The question remains: shall America be defended? The executive branch has through its inaction on SDI already provided its answer. If, according to the conventional wisdom, the "inside the Beltway" coterie will not be so kind as to grant the administration permission to lead the free world out of its vulnerability to ballistic missiles, then SDI deployment must surely be a lost cause upon which it is sheer folly to expend any further precious political capital.

Imagine if the newly inaugurated Ronald Reagan had, in January 1981, politely requested Tip O'Neill's indulgence in cutting taxes, reducing wasteful nondefense spending and rebuilding America's military capabilities. The thought is absurd on its face.

It is equally absurd for a serious minded President to seek the acquiescence of his adversaries, either foreign or domestic, in providing for the common defense through early deployment of strategic defenses. The American people want to be effectively defended against the Soviet ballistic missile threat, and they cannot understand why their Government appears to have forsaken them.

I have recently introduced two bills which, if enacted, would direct the Secretary of Defense to begin the process of deployment of strategic defenses. A third bill would direct the release of the ABM Treaty negotiating record, so that the American people can for the first time understand the process by which U.S. strategic superiority was first compromised and then irretrievably lost.

The first bill, H.R. 1849, would simply direct the Secretary of Defense during fiscal year 1988 to initiate the development of strategic defense systems that could be deployed beginning in 1993. The legislation would require that these strategic defenses be survivable, capable of protecting wide areas, cost-effective against likely Soviet countermeasures and compatible with future, more advanced strategic defense systems. System details and costs are not specified in the legislation. The Secretary of Defense would be required to supply this detailed information to the Congress, so that intelligent decisions could be made about the future direction of the SDI Program.

The second bill, H.R. 1850, is considerably more detailed. It draws heavily upon the recent report entitled "Missile Defense in the 1990's," which was issued by the George C. Marshall Institute [GCMI]. The GCMI identified a comprehensive, multilayered strategic defense system which could begin deployment in 1993, cost approximately $120 billion upon completion and provide more than 90 percent effective defense against an attack by the entire Soviet ballistic missile arsenal of 10,000 warheads.

The legislation directs the Secretary of Defense in the next fiscal year to begin pursuit of the GCMI deployment objectives for SDI. Work would begin on the terminal, midcourse and space-based missile interceptors, along with the necessary sensors and radars to support the strategic defense architecture. The Secretary of Defense would be required to report annually on the progress of the SDI deployment activities and to request the necessary supplemental funding to support the SDI deployment program.

The third bill, H.R. 1851, directs the President to provide to the Congress the entire negotiating record of the ABM Treaty of 1972, including all relevant transcripts, memoranda of conversation and other documents. Because much of this material is classified for political reasons and not for legitimate national security reasons, the legislation also directs the President to justify any ABM Treaty material that he insists upon providing in classified form. All the ABM Treaty material must be provided within 6 months after enactment of the legislation.

Together, these three bills will begin the necessary process of shifting the strategic defense debate away from such obtuse issues as the broad versus narrow interpretation of the ABM Treaty, to the seminal national security question of our time: Shall America be defended against Soviet ballistic missiles?

It will no longer be possible for Members of the House and the other body to vote "maybe" on strategic defense by endorsing a lower funding level for SDI. My legislation is not tied to any particular funding level for the SDI Program; rather, it is directed toward the fulfillment of a vital national security mission, which is the protection of our homeland.

The present defenselessness of the United States against ballistic missile attack is acute. Accordingly, there is no cause more noble and humane than the reduction and eventual elimination of this vulnerability. If we take our public and constitutional obligations seriously, then we must spare no effort in the service of this cause.

THE 100TH ANNIVERSARY OF THE HEBREW ORPHAN ASYLUM

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 1, 1987

Mr. RANGEL. Mr. Speaker, it has been brought to my attention that Friday, March 13, marked the 100th anniversary of the foundation of the Hebrew Orphan Asylum of the city of New York. In its time the largest and most reknown Jewish orphanage in America, the asylum was dedicated to helping discharged orphans find a home, a job, and a normal life in the community.

In an age where social welfare agencies were nonexistent, the Hebrew Orphan Asylum was a shining example of the power of compassion. During the years of its operation the asylum sheltered nearly 36,000 children, including such well known figures as Art Buckwald, Edwin Franco Goldman, and Harold Touish.

Mr. Speaker, today, as we face a plethora of social ills on an unprecedented scale, it is only fitting that we make note of the humanitarian spirit that fostered the creation of the Hebrew Orphan Asylum. It is for this reason that I am pleased to make note of the 100th anniversary of this institution. We must honor the Hebrew Orphan Asylum, and never forget the valuable lessons that it has to offer us about what we can do for the welfare of our fellow man.

OIL: PROBLEMS AND PROSPECTS

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 1, 1987

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington report for Wednesday,

April 1, 1987, into the CONGRESSIONAL RECORD:

While the sharp decline in world oil prices over the past few years has provided much-needed relief to consumers, it has had the unfortunate consequence of leading to higher U.S. oil consumption and increased reliance on imported oil. That raises important questions about our future energy prospects. Are we again in for long gas lines, as during the 1973 oil embargo? Or, are energy supplies and prices likely to stabilize over the next few decades?

My view is that, despite the plentiful oil supply now, we still face a dangerous situation and are headed toward new oil shortages if we become complacent about America's future energy needs. A closer look at our present energy sources bears this out. Oil, two-thirds of which is used to meet our transportation needs, constitutes 43 percent of total U.S. energy use, coal: 23 percent, gas: 22 percent, nuclear: 6 percent, and hydroelectric: 5 percent. All, except oil, are basically available domestically, and supplies are expected to be stable for years to come. Oil, however, is our real problem. We currently rely heavily on foreign sources for oil, and that dependence is expected only to increase. For the long haul, we clearly need to reduce our consumption of oil and move toward developing a sound energy policy.

Several potentially negative trends have developed as a result of the lower oil prices. U.S. oil consumption is again on the rise, increasing by 5 percent over the last 3 years. Our oil imports last year increased 16 percent from 1985, and the United States now imports about 38 percent of its oil needs, about the same as preembargo levels. At the same time, our domestic production has declined. Because oil prices remain relatively cheap worldwide, about $18 a barrel, and because the cost of getting American oil out of the ground is higher than in any other major producing country, U.S. production has fallen from 9 million barrels a day in 1985 to about 8.3 million barrels a day now. In 1981, some 4,000 drilling rigs were operating in the U.S. By 1986, the total was down to 800. Similarly, the amount invested in new exploration has declined by one-half, from $33 billion in 1985 to only $16 billion in 1986.

Accompanying the increases in consumption and oil imports has been a decline in our conservation efforts. As memories of the energy crises of the 1970's have begun to fade, conservation measures have started to lose their appeal. In addition, the Reagan administration, driven both by stringent budget concerns and by the view that market forces should operate, has reduced substantially the Federal Government's energy conservation programs.

Most experts do not believe that the world glut of oil is likely to continue for very long. Although the Organization of Petroleum Exporting Countries [OPEC] has had difficulty in stabilizing production of some of its member countries as a way to raise prices, increased consumption in the industrialized world may do what OPEC has not been able to accomplish on its own. Some fear that, by the mid-1990's the United States will be dependent upon politically unstable foreign suppliers, mainly the Middle Eastern countries, for 60 percent of its needs. Heavy dependence on Mideast supplies is highly risky. That region contains over half of the known global oil reserves, compared to only 4 percent in the United States. The prospect of higher prices and increased foreign dependence could have grave economic and political consequences for our country.

Although estimates of future petroleum supply and its price vary widely, I believe that it is prudent to develop U.S. energy policy on the basis of the more conservative estimates, especially when the smooth functioning of our economy is dependent upon a steady supply of oil. As a result, we should develop a realistic energy policy which places greater emphasis upon long-term needs—one that is now swayed by the short-term availability of a relatively cheap energy supply.

For our immediate oil problem, several actions are needed. First, the strategic petroleum reserve should continue to be filled as a guard against an energy emergency. For the past few years, the President has recommended against filling this reserve quickly in order to save Federal revenue. In light of the lower oil prices and the looming shortage, the Congress rejected these recommendations. Second, while greater U.S. oil exploration and production should continue to be pursued, they should not be seen as the only answer to our difficulties. Most experts suggest that few, if any, domestic reserves are undiscovered and that the cost of producing from some known reserves is quite high. While major tax incentives have been used in the past to promote exploration, I am not convinced that they will be as effective in the future. Modest tax incentives from the Government, with primary reliance on market forces, seem the better approach. Finally, to the extent that imports must continue, alternate suppliers should be sought. Our aim should be to have a balanced set of foreign suppliers, continuing our past efforts to move away from heavy reliance on Middle Eastern oil producers in favor of more stable suppliers such as Canada and Mexico.

Our long-term efforts must recognize the limited prospects of oil, either domestic or foreign, in meeting overall U.S. energy needs. We must first renew our commitment to conservation. Various conservation measures put into place in recent years will continue to produce savings, but more needs to be done. While individual decisions and market forces can play an important role in shaping our conservation efforts, especially in the use of our autos, the Federal Government can also assist in promoting conservation, such as by continuing to support weatherization projects, industrial efficiency initiatives, and research on alternative vehicle fuels. At the same time, we should continue to seek alternate sources of energy. Solar energy needs to be given a greater degree of support. In recent years, research funding in this area has decreased, and it must be restored. We must also continue our efforts at improving clear coal technology. Greater attention to this alternate energy source is especially important, since our Nation possesses more than one-fourth of the world's coal reserves.

THANKS TO OUR NEW YORK FRIENDS

HON. HOWARD COBLE

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 1, 1987

Mr. COBLE. Mr. Speaker, all of the snow and rain we received this winter has made some of us forget about the drought we experienced last summer. But the people in the Sixth District of North Carolina have not forgotten. We suffered through one of the worst combinations of drought and high temperatures this century.

We were able to survive the drought—in some cases—through the kindness and generosity of others. One group of people from upstate New York will come to my district this summer to be honored. I would like to take this opportunity to thank these gentlemen for their efforts.

Mr. Bruce Norris of Marcellus, NY, saw the problems his fellow farmers in the South were facing last summer. A mild, wet spring in New York had left him and other upstate farmers with excess hay. In July 1986, Mr. Norris contacted Mr. Glenn Crutchfield of Oak Ridge, NC, which is in my district. Mr. Crutchfield acted as the liaison between the North Carolina farmers who needed relief and the New York people who were so anxious to lend a helping hand. Thanks to the efforts of Messrs. Norris and Crutchfield, much-needed hay found its way to farms in Guilford, Alamance, and Rockingham Counties. The story did not end there, however.

Mr. Kenneth Lincoln of Interlaken, NY, and Pastor David Ashby of Tully, NY, saw what Mr. Norris was doing and decided to get involved, also. These gentlemen helped in getting the truckers lined up who would transport the hay from New York to North Carolina. Mr. Lincoln set up a jug in a local store to collect donations from other concerned residents. And Pastor Ashby convinced Church World Services to help pay for the costs of the trucks.

In all, it was a coordinated effort that successfully helped alleviate a serious situation thanks to these fine gentlemen. Many of those from New York who were involved in this undertaking will be coming to the Sixth District of North Carolina in early July. The people they so graciously helped last summer want to personally show their thanks.

We look forward to welcoming our New York friends this summer. In the meantime, thanks to everyone who helped us overcome a natural disaster. In these troubling times, it is good to know that we Americans can pull together to help each other out. I know the people of the Sixth District wish to offer their thanks to a group of people in New York who went to a lot of trouble and expense to help us last summer. We will not forget their efforts.

And to my colleagues, Congressmen GEORGE WORTLEY and FRANK HORTON, I would like to take this opportunity to let them know that they represent some truly generous and thoughtful people. Congressmen WORTLEY and HORTON can be justifiably proud of

their constituents. The people who helped us last summer have gained our respect and gratitude the old fashioned way—they earned it.

PERSONAL EXPLANATION

HON. WILLIAM E. DANNEMEYER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 1, 1987

Mr. DANNEMEYER. Mr. Speaker, I regret to announce that I was unable to attend the session yesterday, March 31, due to a longstanding commitment away from the District of Columbia. I subsequently missed four votes. Had I been present, I would have voted:

Nay on approving the Journal of Monday, March 30;

Nay on the vote to override the President's veto of H.R. 2, the surface transportation authorization;

Yea on suspending the rules and passing House Concurrent Resolution 34, concerning the continued violations by the Soviet Union of its international human rights obligations, especially the right to emigrate; and

Nay on suspending the rules and passing House Concurrent Resolution 121, to commend the member states of the European Community for the role which the Community has played in the development of the close relationship between the United States and Europe, on the occasion of the 30th anniversary of the signing of the Treaty of Rome which established the European Community.

PRIVATE RELIEF ACT

HON. STEWART B. McKINNEY

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 1, 1987

Mr. McKINNEY. Mr. Speaker, for the fourth consecutive Congress, I am introducing a private relief bill on behalf of the Teichgraeber family of Greenwich CT. This legislation seeks to remedy a gross inequity entirely unanticipated by Congress and resulting from an inflexible application of the subchapter K partnership rules of the Internal Revenue Code.

The Teichgraeber case involves partners in a stock brokerage firm. In 1967, certain partners, the Teichgraebers, left the firm and their share of the capital was computed, based upon what the partnership then believed to be its profits and losses for 1967. The Teichgraebers were not members of the partnership in 1968.

Close to 6 years after the Teichgraeber left the partnership, the partnership and the Internal Revenue Service (IRS) agreed to "roll over" from 1967 to 1968 a substantial amount of deductions originally claimed by the partnership in 1967. These deductions were taken into account in computing the Teichgraeber capital in 1967. The partnership benefited from this agreement with the IRS because its income in 1968 that was higher than in 1967. There also was a surtax imposed in 1968 that was higher than in 1967. There also was a surtax imposed in 1968, while there was none in 1967.

The effect of the agreement between the partnership and the IRS was to retroactively create phantom "income" taxable to the Teichgraebers in 1967. In addition, because the Teichgraebers were not partners in 1968 they could not reap the benefits of the "rolled over" deductions in that year. Although the Teichgraebers were taxed on this phantom "income" for 1967, they never had the right to receive it from the partnership. Thus, they suffered an economic loss as well as taxation on nonexistent (in their case) income.

The tax court characterized this result as a "harsh and mechanistic" application of the subchapter K partnership rules, but felt constrained to find for the Commissioner. The counsel for the Commissioner also admitted that the result for which he was arguing was "harsh," but required by the mechanical application of the partnership tax rules. It is important to note that the tax court has no equity jurisdiction and could not hold for the Teichgraebers based on the unfairness of the situation.

On June 24, 1981, the Teichgraeber family paid $171,133 to the IRS. Subsequently, the Second Circuit Court of Appeals affirmed the determination of the tax court, and the U.S. Supreme Court denied certiorari in this matter. Since the Teichgraebers have exhausted all legal recourse, private legislation is their only available means of redress.

Mr. Speaker, I do not take lightly the many responsibiities and time constraints of this House. Yet, in this instance, I must add to the work of this body by requesting a remedy for a family that has been wronged. Given the draconian application of the subchapter K partnership rules, and the exorbitant amount of money which the Teichgraebers paid to the IRS, I urge prompt consideration of this private relief act.

GRANT PATENT TO JOSEPH W. NEWMAN FOR HIS ENERGY MACHINE

HON. BOB LIVINGSTON

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 1, 1987

Mr. LIVINGSTON. Mr. Speaker, today I have introduced legislation instructing the Secretary of Commerce to grant a patent to Joseph W. Newman for his energy machine. Far too few of my colleagues know the true story behind this American's struggle to obtain the legal rights to his own invention. It is a story of bureaucratic bungling, thousands of wasted taxpayer dollars, and an appalling disregard by the U.S. Patent Office of normal patent procedures.

I am deeply disturbed by this situation, and I urge my colleagues to look beneath the surface at the legal issues involved in this case. This man may have an invention which could change the world and dramatically improve the quality of our lives. If he does, it is we—the American people—who are the victims of the Patent Office's stubborn and foolish behavior.

Please, examine the facts and give Newman a chance. I am certain that you will become convinced, as I am, that he has a right to take his invention to the American marketplace.

BUDGET RESOLUTION RULE

HON. WILLIAM H. GRAY III

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 1, 1987

Mr. GRAY of Pennsylvania. Mr. Speaker, pursuant to Democratic Caucus Rule 35, I would like to advise the Members that I may request, on the behalf of the Committee on the Budget, a modified closed rule for the consideration of the concurrent resolution on the budget for fiscal year 1988.

UNIVERSITY RESEARCH FACILITIES ARE OBSOLETE

HON. ROBERT A. ROE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 1, 1987

Mr. ROE. Mr. Speaker, today I am introducing, along with 13 of my colleagues, a bill to help revitalize the Nation's academic research facilities. The bill, entitled, "The University Research Facilities Revitalization Act of 1987" authorizes a program in the National Science Foundation [NSF] for the repair, renovation, or replacement of laboratories and other research facilities at universities and colleges.

In 1985, Dr. William B. Baker, vice president for Budget and University Relations of the University of California, in testimony before the Science and Technology Committee stated:

> If this Nation is to educate its citizens and create the knowledge that is the technological foundation of our economy, our security, and our way of life, we must replace higher education's backlog of obsolete scientific equipment and related facilities. Just as the Federal Government finds it in the national interest to repair the country's deteriorating public roads, bridges, and harbors, the Federal Government must assist higher education to replace its own worn and wearing out infrastructure.

We are placing ever greater demands upon our research universities to use new technological abilities to produce breakthroughs in areas such as microelectronics, manufacturing research, and biotechnology to enhance our economic competitiveness. Yet, we cannot be sure of the ability of our colleges and universities to deliver on our demands. Universities are finding themselves with aging facilities, obsolete equipment and shortages of both faculty and students. A 1986 study by NSF of 165 doctorate-granting institutions showed that more than half of the research facilities at these universities were built or renovated before 1970. Lack of modern facilities and instrumentation not only reduces the effectiveness of current research efforts, but also discourages many of our recent graduates from pursuing careers in university teaching and re-

search, when the latest research instrumentation is available to them in the private sector.

We are not alone in recognizing that science and technology are critical to our future. Other nations recognize this and are investing in science. Japan has led other nations in the investment of research and scientific and technical manpower for the past 15 years. The emergence of Japan as a major economic power in world commerce is a direct result of their strong investment in research. The European Community is also banding together with programs like EUREKA and ESPRIT to reverse the trend of lagging technical capability.

In February 1986, the White House Science Council Panel on the Health of U.S. Colleges and Universities released their report entitled "A Renewed Partnership." The Council stressed the deteriorating health and capability of our universities and stated that the reverse of this trend was critical to the retention of our international leadership in science and technology. The report recognized that the Nation found itself in this dilemma when it imposed budgetary restrictions on universities. Forced to set priorities, universities chose to protect their human resources at the expense of facilities. But, it is now clear that this is equally destructive to the synergism that must exist if science is to be successful.

Embodied in H.R. 1905 are four principles I feel are essential in addressing the university infrastructure problem. First, funds allocated for the conduct of research are not diverted to modernize facilities. Rather, the bill creates a facilities fund within the National Science Foundation. By setting aside specific dollars for facilities and laboratories, the fund is devoted solely and entirely to upgrading, renovating, and replacing university research facilities.

Second, the solution proposed is a long-term investment in our future. By authorizing funds for a 10-year period, the facilities revitalization act ensures stable and continued support that will allow for more efficient planning and use of the new resources. The long-term security of our Nation's research enterprise requires a program which assures that university research facilities are current and modern at all times.

Third, the proposal provides for merit review to maintain, encourage, and exploit the long-established excellence of our research and educational institutions. Dr. Frank Press, president of the National Academy of Sciences, in testimony before our committee stated, "What peer review can do is to assure that any facility finally selected merits its support in terms of the overall health of scientific research." In addition, to ensure that all colleges and universities have an equal ability to compete for this pool of money, the bill requires that 15 percent of the authorization in any fiscal year be made available for awards to universities and colleges receiving less than $10 million in total Federal R&D, including the laboratory modernization program, in each of the two preceding fiscal years.

Finally, the bill ensures that any funds to be awarded for facilities revitalization may not exceed 50 percent of the cost of replacement or modernization. The remainder of the funds are to come from non-Federal public or private sources. Working together in this manner will ensure that Federal dollars are matched by all those who stand to gain from improvement in our facilities for performing research and training future scientists.

Future advances in science and technology will depend on the best available facilities and instrumentation. The University Facilities Revitalization Act is designed to reverse the trend toward obsolete university research facilities and assure that the university environment is conducive to high-quality research and education. H.R. 1905 is a modest beginning but far from the total solution. Therefore, I hope introduction of this bill will encourage the Congress to consider additional solutions to be administered by other agencies such as the National Institutes of Health, Department of Agriculture, National Aeronautics and Space Administration, Department of Defense, and Department of Energy, who share the responsibility to maintain a strong university science base essential to our national future.

Today's concerns over the costs of facilities and equipment stem from a reluctance in the past to recognize these costs as an integral and essential part of research. Buildings and instruments do not figure in press conferences heralding the newest scientific breakthroughs. But, without them, there would be no breakthroughs to improve the quality of life for all of us. I believe that this legislation represents an appropriate Federal response to a truly national problem. I invite my colleagues to join me in cosponsoring H.R. 1905.

WHAT DID WE KNOW AND WHEN DID WE KNOW IT?

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 1, 1987

Mr. CONYERS. Mr. Speaker, both the CIA and the NSC were armed with very questionable Presidential "findings" authorizing clandestine action against the Sandinistas. The creation of the Contras was based on a distorted CIA assessment that was suspect in Congress but only drew an expression of concern. In the year's to follow, the Contra operation took on a life of its own. Marci McDonald's very excellent article capsulizes the history of Contra-United States relations as the Contra tail wagging the administration dog and brings fresh insight to a historical perspective on the CIA's role in foreign policy under the Reagan administration.

The article follows:

[From the Washington Monthly, March 1987]

WOULD YOU BELIEVE . . . IRANIAN MODERATES?

(By Marci McDonald)

At first, John Horton had passed it off as just another cocktail party anecdote. In the summer of 1983, over drinks at a fellow spook's dinner party in Washington, a visiting Republican fundraiser from California buttonholed him with horror stories about doing business in Mexico. The bagman knew Horton was a respected CIA veteran, a former Mexican station chief who had been called back from an eight-year retirement to take over the controversial post of National Intelligence Officer (NIO) for Latin America on the elite inter-agency panel that turned out the intelligence community's top-secret surveys known as Estimates. He also knew that Horton was working on an analysis of Mexico and the bagman wanted to make one thing clear: Mexico was on the brink of collapse. To illustrate his point, he somberly recounted the example of his Mexico City business partner who was so worried about the situation that he kept his private plane constantly warmed up at the airport in case he had to get out in a hurry.

The notion of a Lear jet purring on the tarmac, racking up boggling fuel bills, tickled Horton's instinct for the absurd, but he didn't give the story a second thought. Less than a year later, however, he recalled it as neither humorous nor harmless. For him, it had become omniously symptomatic of what he saw happening at the CIA. Furious and disillusioned, he had quit after CIA Director William Casey ordered a report on Mexico rewritten to depict that country as on the verge of toppling, a conclusion Horton believed there was no intelligence evidence to support. There were only allegations as flimsy as the Republican bagman's. Once, when Horton protested there was no data to back up the doomsday scenario, a senior intelligence official cited a story he had heard from his Mexican maid. As Horton recently wrote in the *International Journal of Intelligence and Counterintelligence:* "In the case of Mexico, a half-baked theory had taken on the authority of gospel."

Within the CIA it was no secret that a hidden agenda lay at the heart of the bitter debate over the Mexican Estimate. According to other intelligence officials, Casey was trying to win the official imprimatur of the intelligence community on plans to put the screws to a country that had become a meddlesome foreign policy opponent. At the time, the government of President Miguel de la Madrid was the most vociferous critic among the United States' Latin allies of the administration's Central American policy. It vehemently disapproved of aid to the contras and was a prime mover behind the Contadora process, the proposal for a negotiated peace with Nicaragua that was once again showing signs of life. With official proof that Mexico was a menace—another Iran on America's doorstep threatening even U.S. security with its instability—Casey reportedly hoped to win approval for economic and covert actions to destablize its recalcitrant government. "There was a great deal of resentment of Mexico for standing in our way on Central American policy," says Horton. "There was almost a desire to see Mexico punished."

Horton has been one of the few CIA officials to quit in protest over the corruption of the intelligence process by what he terms the administration's "zealotry." Having already earned retirement, it was a luxury he could afford. In the two years since his exit, other top officials have left the agency in discreet disgruntlement over the direction Casey has moved the CIA. Still more continue to chafe angrily inside, bound by the prospect of pensions, or clinging to the belief that they can have more effect trying to change the system from within. But the disaffection among analysts is widespread.

"Central America is just one example," says Scott Armstrong of the National Security Archive. "The problem is pervasive—systematic and across the board."

Horton's experience was not simply a case of sloppy professionalism or facts running

afoul of the preconceived notions of the Reagan administration and its businessmen friends. It is the most public example of what agency critics charge is an increasing and dangerous politicization of intelligence under Ronald Reagan.

Politicization of intelligence makes for far less riveting headlines than exposes on CIA guerrilla training manuals that advocate assassination or the agency's mining of Third World harbors. But the consequences are fundamental and far-reaching, and threaten to pervert the very mission of the CIA.

As the agency finds itself increasingly implicated in the Iranian arms scandal, the spotlight's glare is focusing on Casey's pell-mell plunge into clandestine operations—frequently against the advice of intelligence reports and his own deputies. But, as many observers of the tight-knit espionage club point out, one of the by-products of his billion-dollar investment in covert actions has been pressure on the intelligence community to come up with the evidence to justify the expense. In cases like the agency's secret war against Nicaragua, critics charge that intelligence has been tailored to fit the Reagan administration's obsessions. During an interview with The New York Times last year, Senator David Durenberger, then chairman of the Senate Intelligence Committee, took calculated aim at the CIA's Central American assessments. Said Durenberger: "Some of that stuff is cooked."

Some see in the current charges a sinister replay of the Vietnam era, when CIA analysts found Great Society policymakers openly hostile to facts about Vietcong strength that might have called U.S. military involvement into question—and, not incidentally, saved thousands of American lives. By refusing to see the world in terms that don't dovetail with its policies, the Reagan administration risks finding itself embroiled in another tragic foreign misadventure with potentially disastrous results. Says Jeffrey Richelson, an intelligence scholar at Washington's American University and author of The Sword and the Shield: "It can be very serious if you wind up invading Nicaragua because you're convinced they're going to invade 12 other countries."

GOLDEN YEARS

In the bowels of the CIA's fortress-style headquarters, planted on 219 barbed-wire-shrouded acres in suburban Langley, Virginia, a special passkey-activated elevator whisks the director of Central Intelligence directly from the parking garage to his seventh-floor penthouse suite. Using it, he avoids the agency's impressive marble entrance lobby, where a verse from the Gospel according to St. John is chiseled into one wall: "And ye shall know the truth and the truth shall make you free." That lofty resolve was the CIA's conerstone when it was built on the ashes of World War II. It was founded as an intelligence, not an operation agency, in reaction to the worst intelligence failure in American history—the Japanese attack on Pearl Harbor. Without a centralized inteligence organization, the Fortress America over which Franklin Delano Roosevelt presided had not put together the hints that scattered U.S. military agents had been picking up about Japan's intentions. As soon as the war was over, Harry Truman moved quickly to fill that vacuum.

The CIA's mission was sketched out in only a few paragraphs of the 1947 National Security Act. It was so vague that certain factions of the intelligence community periodically have demanded a detailed charter, either to protect the agency or rein it in. But its fortunes have been left to fluctuate with the whims of succeeding administrations and the Directors of Central Intelligence (DCIs) charged with running it.

When William Casey took over in January 1981 as the most overtly political DCI in history—fresh from orchestrating Ronald Reagan's landslide presidential victory—the agency's fortunes were at an all-time low. During most of the previous decade, the image of the CIA as an ominiscent, intrepid force of clandestine Hardy Boys has been exploded in a succession of humiliating headlines and public congressional hearings. The list of its failures and misdeeds had exposed the agency's invincibility as a myth. Even one of the CIA's most affectionate critics, Roy Godson, a professor of intelligence studies at Georgetown University, points out: "There never was a great CIA golden age when everything was brilliant and then it all fell apart." As William Colby, the DCI who found himself at the helm when the agency braved its most ferocious public storms, now admits, "We made mistakes in the fifties too. You just didn't hear anything about it."

But when the world finally did hear, during Senator Frank Church's 1975 committee hearings, the most shocking revelations demonstrated that the agency had swiftly expanded its original intelligence function to embrace a paramilitary zeal and had taken to toppling unfriendly governments around the globe. Yet in virtually every case where a covert action had ended in defeat or disarray, it seemed that CIA had chosen to ignore or skew its own intelligence.

From the beginning, the glamorous cloak-and-dagger veterans who thrived under General "Wild Bill" Donovan's wartime Office of Strategic Services (OSS) made no secret of their scorn for the caution of their deskbound counterparts. The CIA was barely a year old when it launched Operation Valuable: an attempt to overthrow Enver Hoxha's regime in Albania by parachuting Albanian refugees behind that country's mountainous Iron Curtain to stir up a local revolt. Frank Wisner, the agency's clandestine services whiz, spurned CIA analysts' reports that "a purely Albanian uprising at this time is not indicated, and, if undertaken, would have little chance of success." He leapt at the Albanian plot as a "clinical experiment to see whether larger rollback operations would be feasible elsewhere." That clinical experiment ended in defeat—and death for at least a dozen of the air-dropped Albanians—in part beacause the operation was compromised by the double-agentry of British defector Kim Philby. But in larger part, it was done in by the very conditions of which the CIA's own intelligence had warned.

Still, Wisner was not deterred. Within months, the CIA was plotting Operation Ajax, the overthrow of the legally constituted government of Iranian Premier Mohammed Mossadegh, who had just nationalized the Anglo-Iranian Oil Company. That brisk 1953 covert operation, which reinstalled the young, uncertain Reza Shah Pahlavi on the Peacock Throne, marked the CIA's first paramilitary victory. So emboldened was Director Allen Dulles by the triumph that before it was complete he had optimistically christened his next plot Operation Success: the ouster of Guatemala's democratically-elected president, Jacobo Arbenz, who had expropriated 400,000 acres of largely fallow banana plantations belonging to the United Fruit Company.

Those twin victories energized the operations branch for decades. But their success masked the fact that such operations exacted a price. To many inside Iran and Guatemala, the United States—and specifically the CIA—became synonymous with the vicious repression and torture practiced by the right-wing regimes it had installed.

The bloom did not begin to wear off the CIA's secret wars until the failure of Operation Pluto, better known as the Bay of Pigs invasion. Above all, that 1961 debacle underlined the risk of running covert operations out of the same executive suite as intelligence gathering. When President John F. Kennedy hesitated over whether to give the green light to the invasion, Allen Dulles showed Kennedy a reassuring cable from a U.S. Marine colonel with the Cuban exile brigade training at Puerto Cabezas, Nicaragua, who claimed that as soon as the rebels landed, their compatriots would rise to join them and "melt away" from Castro. There is reason to doubt the authenticity of that cable, and the CIA's Office of National Estimates had reported no such possibilities of Cuban support. In his embittered memoirs, Dulles later admitted that the CIA had purposely kept Kennedy in the dark about the possibility that Operation Pluto might fail. As in many later cases, the agency hadn't wanted to risk undermining a covert action in which it had invested so heavily.

The CIA's top brass was not alone in taking a cavalier attitude towards information that failed to suit policy. As intelligence analyst Greg Treverton of Harvard's Kennedy School of Government has shown, when the administration made up its mind that Salvador Allende constituted a socialist menace in Chile, the Nixon White House appeared determined not to let facts cloud that perception. After a study of the intelligence at the time, Treverton concluded that "It's pretty clear the estimates didn't conjure up a picture of Allende as the kind of threat that was used as a justification for the covert action."

CAUGHT NAPPING

In the tumultuous social landscape of the seventies, the public at home and abroad came to distrust the CIA as a sinister force. After revelations about its role in the Vietnam war—including its illicit domestic mail opening and dirty tricks against the war's opponents—spilled onto the front pages, national anger built to such a pitch that Congress responded with the Church and Pike committees to scrutinize the rogue elephant of Langley. But the public wanted more: strict limits on the agency's covert action capability.

William Colby chose to appease that demand with secrets. In a trade-off some agency veterans have never forgiven him for, he cooperated with the committees, serving up documentation of the CIA's sins, including its plots to hasten the demise of Fidel Castro with Mafia hitmen and exploding cigars. "I took a conscious decision that if I tried to stonewall, the agency would be shattered," he says. "Congress was going to pass a law saying, 'Thou Shalt Never Do Any Covert Action Again.'" In the end, after what Colby calls "50 pages of sanctimony," the committee concluded that—if used only when "absolutely essential to national security" and when the operations "in no case" contradicted official U.S. policy—meddling in the internal affairs of other nations should not be outlawed. Colby, an old covert operations hand, draws himself up to full stature in his chair as he

recalls it. "I consider that a full victory," he says.

The CIA that Admiral Stansfield Turner inherited after Jimmy Carter's election in 1976 was an organization that had been sorely discredited. But the furor over covert actions had in some ways provided a distraction from the more fundamental intelligence failure that the months of damaging testimony had laid bare.

In a 1975 *Harper's* article, former CIA analyst Sam Adams detailed how the Pentagon and the Johnson administration had purposely underestimated Vietcong strength during the war. They had both ignored and suppressed Adams's figures that, if revealed, would have forced Lyndon Johnson into a politically suicidal choice—either vastly increase the draft or pull out of Vietnam altogether. When Adams tried to correct the misguided figures, he met hostility, first within the CIA, where he received threats of dismissal, then later from the White House itself.

On top of Adams's revelations came leaks of secret testimony from the 1975 House Select Committee hearings on intelligence. They chronicled six other glaring intelligence flops—key moments when the CIA and its sister agencies were caught napping. With its vast resources the U.S. hadn't foreseen Ho Chi Minh's bloody Tet Offensive, a turning point in the war; the 1968 Russian Invasion of Czechoslovakia; the 1973 Middle East war; the 1974 military coup in Portugal; the overthrow of Archbishop Makarios in Cyprus; or India's 1974 nuclear test, the first proof that a Third World country had an atomic bomb. In the case of the Indian atomic blast, a Defense Intelligence analysis had reported only months earlier that the prospect of that nation pursuing a nuclear weapons program soon was "not likely." As for the surprise of the Yom Kippur invasion of Israel, the report concluded: "The Mid-East war gave the intelligence community a real test of how it can perform when all its best technology and human skills are focused on a known world 'hot spot.' It failed."

When Turner took over in the wake of that indictment, he concentrated on getting the CIA out of the covert operations business, firing several hundred agency employees in a purge known as the Halloween Massacre. The axe fell squarely on the secret warriors who had earned the agency its unsavory reputation. Within the corridors at Langley, the CIA's stripped-down budget and mission were blamed on Turner's noticeable lack of clout with Carter. But they were also a reflection of the times, when America was looking for reassurance that it was a moral nation, and when the CIA was a reminder of skeletons in the national closet. Jimmy Carter appeared uninterested in intelligence—that is, until fist-waving Iranian militants brought his presidency to its knees with their hostage-taking at the U.S. embassy in Teheran. Suddenly the U.S. was faced with the worst intelligence failure of its postwar history.

In part, the failure was the price of a long-ago covert action. After 25 years of propping up the increasingly imperious and overly sensitive Shah, the CIA had so much at stake in Iran that after the first energy crisis in 1974 it decided the agency couldn't risk offending him. As a result, the CIA avoided all contact with the Shah's opponents, the Shi'ite dissidents seething in the bazaar, for the two crucial twilight years of his regime from 1975 to 1977. The agency never saw what any casual tourist in Teheran could have predicted—the looming shadow of an ayatollah on the horizon.

That lapse was not just a case of failing to know that was happening beneath the gilded surface of Iran; it was also a case of not wanting to know. For under Carter, in a different way than would occur under Casey, intelligence had been politicized. According to the 1979 House Intelligence Committee report, there was "conscious suppression of unfavorable news, but indirectly . . . From an analysts' perspective, until recently you couldn't give away intelligence on Iran. Policymakers were not asking whether the Shah's autocracy would survive indefinitely; policy was premised on that assumption."

That humiliating blind spot produced one swift result. With its national; pride held ransom in Teheran, the American public wanted action. With that swing of the pendulum, Carter launched a volley of operations—all covert, including the botched Delta mission to rescue the embassy hostages that ended in technical breakdown and death in the desert. In the bitter Central American debate, few critics are aware that the initial covert action against Nicaragua's Sandinista regime was launched in the fading days of the Carter administration.

NO SISSIES

It was into this abruptly changed climate that William Casey loped in 1981. With a mandate from the 1980 Republican platform as well as from Reagan himself, Casey set out to inject new muscle and life into the ailing CIA. For years the millionaire tax lawyer had been considered an "intelligence groupie," avidly frequenting the fringes of the espionage world, and under Gerald Ford, sitting on the President's Foreign Intelligence Advisory Board. But he drew his main inspiration for the job from the undercover derring-do he had savored as one of "Wild Bill" Donovan's trusted OSS lieutenants in wartime London, dropping agents behind enemy lines and basking in Donovan's credo: "In an age of bullies, we can't afford to be sissies."

Casey personally supervised the revamping of both the CIA's intelligence and operations directorates, leaving other tasks to his deputy, Admiral Bobby Ray Inman, a respected intelligence professional who parted ways with him within a year and a half. Presiding over the biggest build-up of the intelligence community since the agency's inception, Casey more than doubled the total intelligence budget, pushing it toward an estimated $24 billion in 1986. With annual increases of up to 20 percent a year, the growth of the CIA's spending power outstripped the Pentagon's. Casey went on a hiring spree, boosting manpower by one-third, returning it to the highs of the Vietnam era. Many of those lured back were the familiar faces from the agency's paramilitary past excised by Turner; in fact, some of them are now resurfacing in the Iranian arms scandal.

To observers, the most obvious mark of Casey's tenure was the dizzying expansion of the Directorate of Operations—the DO or, as it is euphemistically known in Langley, the "international affairs division." Under him, covert actions, which the Reagan administration preferred to dub "special activities," again boomed; six years later, an estimated 50 are now in full swing. By rebuilding the agency's status and morale, Casey won a loyalty that has made even those who are horrified at some of his later directives reluctant to criticize him. "When Casey came in, he returned everybody to the good old days," says a former CIA employee. "He generated a lot of nostalgia and everybody loved it. The trouble is that nostalgia was probably not the best thing for the agency, because, of course, the times had changed."

In a speech to New York's metropolitan Club in May 1985, William Casey aired his global perspective. Privy to the most sophisticated data and analysis in the Western world, he nonetheless blamed "Marxist-Leninist policies and tactics" and the Soviet Union's "subversive war" for "famine in Africa, pestilence through chemical and biological agents in Afghanistan and Indo-China, war on three continents, and death everywhere." In a blanket indictment he charged that "in the occupied countries—Afghanistan, Cambodia, Ethiopia, Angola, Nicaragua—in which Marxist regimes have been either imposed or maintained by external force . . . has occurred a holocaust comparable to that which Nazi Germany inflicted in Europe some 40 years ago."

That world view, unsullied by fact or nuance and firmly rooted in Wold War II—merely substituting the Soviets for the Nazis as the villians—had won Ronald Reagan's ear. Casey saw his task as not simply supplying the president the information and analyses necessary to forge foreign policy; as a trusted conservative strategist and the first DCI ever awarded a seat in the Cabinet, he became a player in formulating policy. Some observers saw in that distinction an inherent conflict of interest. Was Casey representing the CIA's case to the president, or was he imposing the president's policy on the agency? Stansfield Turner had believed that "the ethic of intelligence is independence from policy," but Casey and his White House allies spurned that "traditionalist" view as out of date. They made no secret of their determination to make intelligence better serve decision makers. That radical shift occurred as Casey led the CIA into a key role at the cutting edge of secret diplomacy. Covert actions were becoming not just hand-maidens to foreign policy, but in some cases like Central America, the foreign policy itself. As one congressional source with close ties to the agency notes, "The operations side has been driven by and large by Mr. Casey's view of the world."

That same world view also guided an overhaul of the analysis side of the CIA. From the age of 23, information had been Casey's game. In his first job, writing for a Washington newsletter that alerted businessmen to upcoming legislation, he learned how to couch the most complex legalese in simple terms. Later, he made his fortune by founding the Institute for Business Planning, publishing under his own signature dozens of handbooks on real estate strategies and the merits of mutual funds for corporate readers. At the time he took over the CIA, the handbooks were still netting him $300,000 a year in royalties.

His canny appreciation of how to package knowledge to meet the needs of an audience was particularly useful when he became director of Central Intelligence. The intelligence community—through the interagency National Intelligence Council that reported directly to Casey—turns out top secret National Intelligence Estimates (NIEs) aimed at a select clientele: a handful of top officials, Cabinet members, the Joint Chief of Staff and—the most important customer of all—the president.

But when Casey arrived in Langley in 1981, the estimate process was in disrepute.

It was widely regarded as a cautious unwieldy bureaucracy filled with Ivory Tower idealists and bogged down by its own lengthy review systems. Its reports were frequently plodding and book-length, riddled with countless footnotes that recorded dissenting views of the various intelligence agencies. As secretary of state, Henry Kissinger had dismissed them as "talmudic documents" and made no secret of the fact that he filed them in the wastebasket.

Even Casey's most bitter critics credit him with whipping the estimate process into better shape. He reorganized analysts into regional groups for easier consultation, and extended their mandate to study a vast range of subjects the CIA had never bothered with, including terrorism and drugs, the Reagan administration's pet peeves. Haunted by the spectre of the CIA's intelligence failure in Iran, he elevated dissenting opinions from the footnotes to the main body of the texts. Most important, the NIEs became more frequent, increasing from a mere dozen under Stansfield Turner to a hundred a year. For a president who had no patience for complexity or ponderous briefing books, Casey served up intelligence in palatable mini-memo form with a summary of the estimate's conclusions at the top. Reagan, the consummate fan of a well-told yarn, also found his daily CIA briefings lively and anecdotal; Casey loved to cite Donovan's dispatches to Roosevelt, which were peppered with hyperbole and hype.

The director made no secret of the fact that he had a hand in revamping the estimates. When he took exception to one, it wasn't unusual for him to cancel his entire day's agenda and bark out a volley of stinging, even insulting, commands to his aides demanding fixes and rewrites. "We used to be in his office fighting things out," says Herbert Meyer, a onetime Fortune editor Casey brought in to manage the estimates. "Fighting over a particular paragaph."

One of Casey's most bitter battles occurred soon after his arrival. Then-Secretary of State Alexander Haig had just publicly denounced the Soviet Union as the fountainhead of global terrorism, an opinion Casey shared. Inspired by Haig's rhetoric, the DCI's office commissioned the agency's first terrorism estimate. The result failed to back up Haig's or Casey's thesis. Casey, who had the final veto on the National Intelligence Council, promptly ordered a series of redefinitions and rewrites. He took the estimate out of the hands of his national intelligence officer for terrorism and gave it to an influential newcomer, Lincoln Gordon, the very conservative former ambassador to Brazil. In case anyone missed his point, Casey issued a memo advising the analysts to read journalist Claire Sterling's just-published book, The Terror Network, which he thought had gotten the Soviet connection right.

Gordon's revised terrorism estimate still failed to prove the DCI's case. Casey didn't hide his fury. Admits Meyer: "We were dissatisfied with the final product." Still, Casey finally signed off on the estimate—some speculate because it was leaked to The New York Times—and analysts congratulated themselves that the integrity of the intelligence system had withstood political pressure. But four years later, Casey remained unconvinced by his own experts' assessment. "A Soviet connection may seem very shadowy to some," he declared, "but it seems very close to me."

Casey's penchant for seeing the sinister hand of the Kremlin behind most global events troubled his analysts. Jealous of their professional independence, many veterans have come to worry about the insidious effect of that mindset. "You hear a lot of people inside complaining that there's an anti-Soviet twist being put on everything," says Jay Peterzell of the American Civil Liberties Union. "What they fear is that it's becoming an institutionalized bias. People see that if they put that twist on things, it's a way of getting ahead."

Indeed, there have been visible rewards for those Casey found like-minded. After hiring Meyer—whose hard-line views had been on display as Fortune's Soviet editor—he promoted him over much older and more seasoned intelligence professionals to manage the prestigious National Intelligence Council. Casey also brought in Fritz Ermath, a controversial hawk who had won a reputation on the Carter National Security Council for his implacable suspicions of Moscow as the council's national intelligence officer for the Soviet Union.

Some observers charge that Casey also imposed the administration's policy biases by subtler means. Analysts complain that they have been asked to count all Soviet trucks as military vehicles. Others have been ordered to pursue arcane statistics that would later appear in one of the president's red-scare speeches. "They're being manipulated by internal tasking," says Scott Armstrong. "If I'm told every week I have to do an update on weapons shipments to El Salvador, I don't have time to write about the strength of the contras. It puts me out of action for other things; it neutralizes me."

When Casey took over the CIA, conservatives scorned the agency as a dangerously liberal force in the volatile East-West strategic debate. Among Republican right-wingers, its long record of cautionary readings on Soviet military strength and intentions—consistently lower than the Pentagon's—had earned it a reputation as a tool of the arms control crowd.

Under Casey, the CIA's Soviet estimates have become more hawkish, although still not hawkish enough for some conservatives like Senator Jesse Helms. But they have been instrumental in justifying the biggest peacetime military build-up in American history. In the summer of 1985, with the Pentagon's budget under assault in Congress, the White House found it convenient to order the declassification of the final summary of the top-secret estimate on Soviet strategic forces, which it promptly published.

But experts agree that intelligence is being cut most disturbingly to fit the administration's passions about Nicaragua. Soon after Casey's arrival at the CIA, he dispatched his first chief of the National Intelligence Council's Latin American division to teach at Georgetown University, pronouncing him, according to one of his former staff members, not "activist enough." In his stead, the director appointed Constantine Menges, known for his rabid anti-Soviet articles. Menges proved so activist that one Senate Intelligence Committee staff member recalls him as "more of a propagandist than anything else." Agency professionals, who try to carefully insulate themselves from partisan policy interests, were horrified at being dragged up to Capitol Hill to back up Menges's extravagant claims of Soviet subversion. "They'd come back close to tears," remembers one of their colleagues. "There was a near mutiny in the Latin American division."

As early as two months after his inauguration, Reagan had signed a presidential "finding"—the declaration that since 1980 has required that Congress be notified of each covert action—authorizing a clandestine operation against the Sandinistas. By November of that same year, another "finding" expanded on the first to create the contras, a force of 1,500 Nicaraguan refugees, recruited and trained by the CIA with help from the Argentine military—for an initial price tag of $19 million. Those "findings" justified the contras' existence as a force to halt the massive flow of arms from Nicaragua to the leftist guerrillas in El Salvador.

But three years later, former CIA analyst David MacMichael attacked that claim, charging that at the moment the contras were creating intelligence showed there was no massive arms flow to the Salvadoran rebels from Nicaragua. A one-time counter-insurgency specialist in Thailand who was brought into the National Intelligence Council in 1981, MacMichael protested to his superiors that he had called up all the files on arms traffic between the two countries and found it had virtually halted. He was assured that the agency had technical evidence—too highly classified for him to see. Besides, as one official told him, "Everybody knows that there are arms coming into El Salvador from Nicaragua." "Bob," MacMichael says he replied, "what everybody knows isn't intelligence work."

Although the administration has failed to produce evidence to back up its claim, and despite the fact that it has since changed its official rationale for the contras' existence, some intelligence experts still question MacMichael's assertions. His vociferous opposition to U.S. policy in Central America has made him a controversial figure. His claims have also been undercut because he didn't speak out until 1984, a year after he had left the agency when his contract wasn't renewed because, he says he was told, his standards were "possibly too high."

But a full two years before MacMichael burst into the headlines, loud alarms over the CIA's Central American assessments had prompted Rep. Edward Boland's intelligence subcommittee to commission a study. Its report, while couched in cautious and balanced bureaucratese, was highly critical. Among other flaws, it found "colorful but imprecise language was substituted for necessary analysis" and decried "a few products whose primary purpose appears less to inform policy choices than to help mobilize support for policy." The Boland committee asserted that its purpose had been merely to "sound an early note of concern" over such politicization of intelligence. But from all reports, that early warning failed to deter Casey, who regarded congressional oversight as an uppity annoyance.

MEXICAN STANDOFF

When John Horton was called back to the agency in the spring of 1983 to take over the post of Constantine Menges, who had been promoted to the NSC, he was a known supporter of the administration's policies in Central America. But early on he began to feel pressure. Summoned to an emergency meeting of the intelligence community to survey data on the Sunday after 7,000 U.S. troops invaded Grenada, he and his colleagues concluded that the administration's preinvasion estimates on the number of Cuban soldiers stationed there had been widely exaggerated. But when they submitted their final scaled-down figure, one that has since been officially accepted, Herbert Meyer told Horton, "I think it stinks." Casey himself called the statistic "unimagi-

native." As Horton put it, " I can only suppose that the assessment was 'unimaginative' because of what it did not say"—that Cuban construction workers on the island didn't count as combat troops. An additional sin may have been that the figure happened to agree with one Fidel Castro had quoted. As an official pointed out to Horton, it couldn't be right: "Castro lies, you know."

Still, that incident hadn't prepared Horton for his experience on the Mexican estimate. At first the pressure was low-key. He found that Meyer had circumvented him by consulting directly with a junior analyst sifting Mexican intelligence. Meyer's office also repeatedly asked Horton's for rewrites. "They don't come right out and tell you what they want," says another former analyst. "Otherwise there'd be a rebellion. They say, 'Don't you think you should reexamine this part, put a little more emphasis on that?" Casey reportedly felt the agency's view was "too narrow." Each request of Horton cited a story from the business and political cronies Casey regularly consulted. "That was the troubling part—these allegations and anecdotes that there wasn't sufficient evidence to support," says Horton. Each anecdote also meant another request to field officers to check it out, a costly process. When they didn't find the necessary evidence, Casey's office pronounced them out of touch. At one point Meyer commissioned an independent task force to study the question. The task force also failed to satisfy the director's expectations. Finally, Meyer took the offending estimate out of Horton's control and rewrote its conclusions himself. Horton protested, "Over my dead body," and gave his notice.

Meyer argues that he merely restored an original draft of the estimate—the one from an underling on Horton's staff whom he had personally supervised. He claims he wasn't politicizing intelligence; he was "depoliticizing" it, a charge Horton and the other onlookers scoff at. As chairman of a team, Horton forged an estimate from many sources, ultimately taking responsibility for its conclusions. As he later pointed out, Meyer's rewritten conclusions contradicted much of the estimate's main text. Of his final product, Meyer concedes: "We pushed it till we got it where we wanted it."

Meyer charges that Horton was a sore loser; he notes Casey had a right to change the estimates published under his signature. William Colby has also come to Casey's defense, admitting that as DCI he too had rewritten estimates that displeased him. But scholars point out that Colby was a veteran intelligence professional with a commitment to the agency's independence, not a former presidential campaign manager helping draft the government's foreign policy agenda.

At issue in the Horton case is not the right of the DCI to interfere with his staff, but the danger of that interference when he has become a partisan figure. That threat prompted Horton to make his concerns public. Like many agency veterans, he fears that turning the CIA into what Senator Durenberger has termed the White House's "political action committee" will eventually rebound on the agency itself, leading it into another round of congressional inquisitions and demands for legal restraint. "If any cans get hung around anyone's neck for Central America," he says, "it won't be Reagan's or Casey's, it's going to be the CIA's."

As Meyer points out, an NIE comes down to a question of judgment. Still, the judgments published in an NIE are no ordinary ivory tower theories; they form the guidelines for foreign policy and an administration's attitudes.

In the two years since Casey's pessimistic conclusions about Mexico, that country, needless to say, has not collapsed. But in addition to its longstanding problems with corruption, its troubled oil economy and staggering foreign debt, it has found itself facing a new problem: vituperative rhetoric from senior officials in the Reagan administration. Last year, during a congressional subcommittee hearing on Mexico under Senator Jesse Helms, Assistant Secretary of State Elliot Abrams, the administration's Central American point man, led an attack on Mexico that suggested things in the country could get out of hand. As the CIA's supposedly top secret assessment of Mexico's perils found its way into the press and the economic pressures on the country increased, a beleaguered President Miguel de la Madrid appeared to heed the warning, quietly but pointedly bowing out of his role as a leading Central American power broker. In fact, his retreat lasted until last December, when the Iranian arms scandal had so weakened the Reagan administration that he took advantage of the opportunity to revive the Contadora process.

Wagging the Dog

"How can any man say what he should do himself," Jomini, a French strategist once asked, "if he is ignorant what his adversary is about?" For any government, good intelligence is fundamental. But intelligence boils down to what questions are asked of it. "If you change the nature of the business so the answers become a way to get the Pentagon its budget or funding for the contras," says Scott Armstrong, "then you've distorted the whole process of intelligence. The desire to condemn your enemy for public relations purposes becomes so much greater than understanding what's really going on."

When a country starts to see all terrorists as Soviet agents, it risks missing the festering hate of nationalists or religious fanatics. When all revolutions are dismissed as Kremlin plots, there is little hope of comprehending indigenous discontent well enough to capitalize on it. And when an administration has acquired such a stake in a covert operation like the contras that it faces what Allen Dulles once termed a "disposal problem"—what to do with 15,000 armed Nicaraguan exiles let loose on the Central American isthmus—it may no longer be able to afford finding out what Daniel Ortega is really thinking; is he building his massive army to export a revolution or because he is bracing for an American invasion?

Covert actions create their own momentum. "I was an operations officer in my past," says Horton. "If you're involved in a covert action, you get bound up in it and you want to see it succeed. You can lose your objectivity." Agrees MacMichael: "Once you get into operations, the operations tail begins to wag the intelligence dog. People want the operation to continue and they begin to look at anybody that might stand in the way as somebody to be kept misinformed."

Casey's preoccupation with the Reagan administration's policy themes may also have left the country blind in other key regions. Despite the massive build-up of intelligence resources, the CIA had not succeeded in penetrating Hezbollah, the Shi'ite Party of God in Lebanon; and, despite indications of a threat to the U.S. embassy in Beirut, it failed to predict the tragic October 1983 truck-bombing that killed 230 marines.

Robert McFarlane recently admitted to the Senate Foreign Relations Committee that U.S. intelligence on what was happening inside post-revolutionary Iran was so "woefully poor" the CIA had to rely solely on Israeli reports that claimed there were moderates in that country lobbying for renewed ties to the United States.

Two wildly conflicting CIA assessments on Iran within a year indicate another danger of using intelligence as a tool to justify a foreign policy. In May 1985, apparently anticipating the administration's secret arms sales, Casey commissioned a formal intelligence estimate from NIO Graham Fuller. It provided a rationale for overtures to Teheran by warning of increasing Soviet efforts to gain a foothold in the country. A year later, when the arms sales had failed to win the release of most U.S. hostages, a revised Special National Intelligence Estimate proclaimed the Soviet threat minimal. For a policymaker, such results produce confusion at best. Playing fast and loose with selected intelligence also tends to backfire on its architects. The Senate Intelligence Committee, instead of becoming convinced by the CIA's assessments on Central America, has learned to be wary of all intelligence on the area. The media in turn has learned to be increasingly suspicious of intelligence leaks that might end up transforming it into a pawn in the CIA's global disinformation campaigns.

As Robert Gates, Casey's deputy since early last year, takes over as director, he falls heir to a charged legacy. On its 40th anniversary, the CIA once more stands at a crossroads—discredited for the very covert actions that Casey chose to make the agency's chief focus, most of them, ironically, not very covert at all. Many at Langley are elated that Reagan chose to return the embattled agency to the hands of a career insider. But Gates owes his recent meteoric rise to the fact that he had become Casey's man and, in announcing the appointment, the White House made no secret of its assumption that he would keep the CIA on Casey's course. The question now is whether he has the strength and courage—when intelligence fails to bolster the president's well-known prejudices—to bring his boss bad news.

Still, there is hope in Gates' appointment that he will move the CIA out of the controversial covert actions business and back to its original purpose—gathering and analyzing intelligence. As a veteran of the analysis side of the CIA, who from 1982 to 1986 served as deputy director for intelligence, Gates has a natural commitment to that mission—and, according to most CIA officials, a built-up skepticism about clandestine operations. But he may have difficulty reversing the course of the CIA's runaway covert plots, most of which have become publicly acknowledged administration policy. If the government's capacity for covert actions does survive, the best way of assuring that officials aren't tempted to manipulate intelligence to justify them or cover up their failure would be to transfer the responsibility for paramilitary operations to another agency, preferably the Pentagon, which is already accountable to Congress.

In the CIA's stormy history, it has too frequently found itself the victim of knee-jerk emotions—automatically lauded by the right, automatically berated by the left. If a legitimate and broad-based political con-

stituency is to be built with the aim of assuring a strong independent intelligence agency, free of the failures and mishaps that have plagued the CIA over the past 40 years, the first responsibility lies with the agency itself in restoring its own shattered credibility. No nation, after all, can afford to chart its policy course on fiction knowingly served up as fact; by telling decision-makers only what they want to hear, the CIA risks paying a price in which truth may only be the first—and the least serious—casualty.

[From the Washington Monthly, March 1987]

THE PERSONNEL PROBLEM

(By Charles Peters)

Edward Lee Howard was hired by the CIA in 1981, and in 1982 was selected by the directorate of operations for assignment to the most sensitive post of all, Moscow. During his training he was told the identities of CIA personnel in Moscow and of at least one important Soviet official who was spying for the United States. But in 1983, after being confronted with disturbing results from a polygraph test, Howard admitted having used drugs and committing some petty thefts, such as stealing money from vending machines and from a woman's purse on an airplane.

He was fired. He became a heavy drinker (he may have been one previously), committed an assault with a deadly weapon, and told two CIA employees he was thinking of defecting. The employee reported this threat to higher-ups at the agency. Yet Howard went unwatched until a year later, when he was identified through information supplied by the Russian defector, Vitaly Yurchenko. Even so, Howard was allowed to escape to Moscow, the Soviet official who had been our spy was executed, and several CIA agents were expelled from Russia.

Edwin P. Wilson was hired by the CIA in 1955. He worked for the agency for the next 16 years and then was hired by the Navy for one of its secret spy operations. He then became involved in the weapons business, in which he was associated with two old friends who rose to high positions in the CIA: Thomas Clines and Theodore Shackley. Shackley became the number-two man in the directorate of operations, and also was rumored to be in line to be director of the entire agency.

Yet Wilson was a terrible man. He became wealthy, and bought a large estate in the fanciest part of the Virginia hunt country even though his government employment paid him a maximum of $32,000 a year. He sold guns and bombs to Kadaffi that were used in terrorist operations. He twice tried to arrange the murder of the U.S. attorney who was investigating him.

Yet, not only was he close to senior CIA officials during much of this time, even after he left the Navy job and was running his own arms business, another CIA employee, William Weisenberger supplied him ten miniature detonators of the most advanced design. Another CIA agent, Patry E. Loomis, moonlighted as a part-time Wilson employee. Wilson also worked with Frank Terpil, the former CIA agent who sold Kadaffi the guns that killed the young policewoman in front of the Libyan embassy in London.

How did people like Howard, Wilson, and Terpil get hired? How were Howard and Wilson selected for important assignments? Why was Howard so quickly given access to life-and-death information about our Russian connections? What kind of men were Shackley and Clines and Weisenberger and Loomis—all CIA employees, remember—if they were friends and associates with a man like Wilson? What are we to think of the fact that Clines, in a major way, and Shackley, to a lesser extent, turned up as participants in the abortive 1985-86 arms for hostages deal with Iran? What does all this say about the CIA and the kind of people who work for it?

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Any changes in committee scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meetings scheduled for Thursday, April 2, 1987, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

APRIL 3

9:30 a.m.
Agriculture, Nutrition, and Forestry
Business meeting, to mark up S. 728 and S. 812, bills to improve the nutrition of the homeless.
SR-332

Appropriations
Treasury, Postal Service, and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the United States Postal Service.
SD-116

Armed Services
To hold hearings on U.S. national security strategy, focusing on the President's recent report, National Security Strategy of the United States.
SR-222

Finance
Taxation and Debt Management Subcommittee
To hold hearings on S. 58, to make permanent and increase the income tax credit for increasing research activities, and proposals regarding the allocation of domestic research expenses.
SD-215

Joint Economic
To hold hearings to review the employment/unemployment statistics for March.
SD-628

10:00 a.m.
Labor and Human Resources
Education, Arts, and Humanities Subcommittee
To hold hearings on S.J. Res. 26, to authorize the President to call a White House Conference on Library and Information Services to develop recommendations for improvement of such services and their public use.
SD-430

APRIL 6

9:30 a.m.
Finance
International Debt Subcommittee
To hold hearings on Third World debt management issues.
SD-215

10:00 a.m.
Appropriations
Military Construction Subcommittee
To resume hearings, in open and closed session, on proposed budget estimates for fiscal year 1988 for military construction programs, focusing on Caribbean Basin Construction Program.
SD-192

Governmental Affairs
Permanent Subcommittee on Investigations
To hold hearings on the exploitation of young adults in door-to-door sales.
SD-342

3:00 p.m.
Appropriations
Agriculture, Rural Development and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Department of Agriculture, rural development, and related agencies.
SD-138

APRIL 7

9:00 a.m.
Agriculture, Nutrition, and Forestry
To hold oversight hearings on economic problems in rural communities.
SR-332

Appropriations
Agriculture, Rural Development and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Department of Agriculture, rural development, and related agencies.
SD-138

9:30 a.m.
Armed Services
Conventional Forces and Alliance Defense Subcommittee
To hold hearings on armaments cooperation within the NATO alliance.
SR-232A

Commerce, Science, and Transportation
Aviation Subcommittee
To hold hearings to review the implementation of the airport improvement program.
SR-253

Environment and Public Works
Environmental Protection Subcommittee
To hold hearings on S. 675, authorizing funds for fiscal years 1988-1992 for programs of the Endangered Species Act.
SD-406

Governmental Affairs
To resume hearings on the government's role in economic competitiveness.
SD-342

Judiciary
Constitution Subcommittee
To resume hearings on S. 558, to revise the procedures for the enforcement of fair housing under title VII of the Civil Rights Act of 1968.
SD-226

Small Business
Urban and Minority-Owned Business Development Subcommittee
To hold hearings to review the procedures used in an agency award of a project to a federally funded research and development center, and the adverse impact felt by a small business technical service firm which had been competing for a contract for the same project.
SR-428A

10:00 a.m.
Banking, Housing, and Urban Affairs
International Finance and Monetary Policy Subcommittee
To resume oversight hearings on the Third World debt.
SD-538

Finance
To resume hearings on certain trade issues, including provisions of H.R. 3, Trade and International Economic Policy Reform Act, S. 490, Omnibus Trade Act, and Title II of S. 636, International Economic Environment Improvement Act.
SD-215

2:00 p.m.
Appropriations
Agriculture, Rural Development and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Department of Agriculture, rural development, and related agencies.
SD-138

Armed Services
Conventional Forces and Alliance Defense Subcommittee
Projection Forces and Regional Defense Subcommittee
To hold joint hearings on S. 864, authorizing funds for fiscal years 1988 and 1989 for the Department of Defense, focusing on the cost of the aircraft carrier replacement program.
SR-222

Energy and Natural Resources
Research and Development Subcommittee
To hold hearings on the President's budget request for fiscal year 1988 for the Department of Energy's Office of Energy Research for the Superconducting Super Collider (SSC).
SD-366

2:30 p.m.
Finance
Health Subcommittee
To hold hearings to examine hospital payment rates under Medicare's prospective payment system (PPS).
SD-215

Judiciary
To hold hearings on pending nominations.
SD-226

APRIL 8

9:00 a.m.
Appropriations
Agriculture, Rural Development and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Department of Agriculture, rural development, and related agencies.
SD-138

Energy and Natural Resources
Business meeting, to mark up S. 748, to establish a comprehensive, equitable, reliable, and efficient mechanism for full compensation of the public in the event of an accident resulting from activities undertaken under contract with the Department of Energy, and S. 643, to permit States to set aside in a special trust fund up to 10 percent of the annual State allocation from the abandoned mine land reclamation fund for expenditure in the future for purposes of abandoned mine reclamation.
SD-366

9:30 a.m.
Banking, Housing, and Urban Affairs
To resume oversight hearings on corporate takeovers.
SD-538

Commerce, Science, and Transportation
Aviation Subcommittee
To hold hearings to review the national airspace system plan.
SR-253

10:00 a.m.
Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for energy and water development programs, focusing on nuclear fission, uranium enrichment, and the nuclear waste management.
SD-192

Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Securities and Exchange Commission and the Civil Rights Commission.
S-146, Capitol

Finance
To continue hearings on certain trade issues, including provisions of H.R. 3, Trade and International Economic Policy Reform Act, S. 490, Omnibus Trade Act, and Title II of S. 636, International Economic Environment Improvement Act.
SD-215

Foreign Relations
Business meeting, to mark up proposed legislation authorizing funds for development and security assistance programs.
SD-419

Judiciary
Patents, Copyrights and Trademarks Subcommittee
To hold hearings on S. 568 and S. 573, bills to protect patent owners from importation into the United States of goods made overseas by use of a United States patented process.
SD-226

Labor and Human Resources
To hold hearings on catastrophic health insurance issues.
SD-430

1:00 p.m.
Appropriations
Agriculture, Rural Development and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Department of Agriculture, rural development, and related agencies.
SD-138

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the U.S. Fish and Wildlife Service, Department of the Interior.
SD-192

2:30 p.m.
Labor and Human Resources
Handicapped Subcommittee
To hold hearings on proposed legislation authorizing funds for developmental disability programs.
SD-430

APRIL 9

9:00 a.m.
Governmental Affairs
To hold hearings to review the need for an Inspector General at the Nuclear Regulatory Commission.
SD-342

9:30 a.m.
Energy and Natural Resources
Research and Development Subcommittee
To resume oversight hearings on clean coal technology program.
SD-366

Environment and Public Works
Environmental Protection Subcommittee
To hold hearings on potential additional controls on mobile sources under the Clean Air Act.
SD-406

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the National Aeronautics and Space Administration.
SD-124

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Interstate Commerce Commission, and the Research and Special Programs Administration of the Department of Transportation.
SD-138

Labor and Human Resources
Labor Subcommittee
Business meeting, to mark up S. 79, to notify workers who are at risk of occupational disease in order to establish a system for identifying and preventing illness and death of such workers.
SD-430

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To hold a closed meeting.
S-407, Capitol

1:45 p.m.
Select on Indian Affairs
Business meeting, to mark up S. 727, to clarify Indian treaties and executive orders with respect to fishing rights, and S. 795, to provide for the settlement of water rights claims of the La Jolla, Rincon, San Pasqual, Pauma, and Pala Bands of Mission Indians in San Diego County, California.
SD-628

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the National Capital Planning Commission, Energy Conservation, Energy Information Administration, and the Economic Regulatory Administration.
SD-192

Select on Indian Affairs
To hold oversight hearings on Indian economic development issues.
SD-628

Joint Printing
To hold an organizational business meeting.
H-328, Capitol

APRIL 10

9:30 a.m.,
Appropriations
Treasury, Postal Services, and General Government Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for Department of the Treasury, U.S. Postal Service, and general government.
SD-192

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the National Aeronautics and Space Administration.
SD-124

Finance
Private Retirement Plans and Oversight of the Internal Revenue Service Subcommittee
To hold hearings on proposed legislation providing a taxpayer's bill of rights.
SD-215

APRIL 21

10:00 a.m.
Environment and Public Works
Environmental Protection Subcommittee
Hazardous Wastes and Toxic Substances Subcommittee
To hold joint hearings on substitutes for stratospheric ozone depleting chemicals.
SD-406

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Bureau of Indian Affairs, Department of the Interior.
SD-192

2:30 p.m.
Commerce, Science, and Transportation
Communications Subcommittee
To hold hearings on proposed legislation authorizing funds for fiscal years 1988 and 1989 for the Federal Communications Commission.
SR-253

APRIL 22

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Department of Education, focusing on the Office of the Secretary, and salaries and expenses.
SD-192

Energy and Natural Resources
To hold hearings on the recent Department of Energy report to the President entitled Energy Security.
SD-366

Environment and Public Works
Environmental Protection Subcommittee
To hold hearings on the Environmental Protection Agency views on acid rain controls and post-1987 attainment strategies.
SD-406

Judiciary
Patents, Copyrights and Trademarks Subcommittee
To resume hearings on certain provisions relating to patent and trade issues of S. 635, Omnibus Intellectual Property Rights Improvement Act.
SD-226

10:00 a.m.
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimate for fiscal year 1988 for the Small Business Administration, and the Federal Trade Commission.
S-146, Capitol

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Geological Survey, Department of the Interior.
SD-192

Appropriations
Energy and Water Development Subcommittee
To hold closed hearings on proposed budget estimates for fiscal year 1988 for energy and water development programs, focusing on the Department of Energy national laboratories.
SD-116

Select on Indian Affairs
To hold oversight hearings on the implementation of the Indian Self-Determination and Education Assistance Act (P.L. 93-638).
SD-485

APRIL 23

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Department of Education, focusing on compensatory education for the disadvantaged, special programs, impact aid, bilingual education, immigrant and refugee education, education for the handicapped, rehabilitation services and handicapped research, special institutions (includes American Printing House for the Blind, National Technical Institute for the Deaf, and Gallaudet College), and vocational and adult education.
SD-192

Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To hold hearings on proposed legislation authorizing funds for programs of the Earthquake Hazards Reduction Act (P.L. 95-124).
SR-253

10:00 a.m.
Appropriations
Military Construction Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1988 for military construction programs, focusing on Army and Army Reserve Components.
SD-124

Appropriations
Energy and Water Development Subcommittee
To hold closed hearings on proposed budget estimates for fiscal year 1988 for energy and water development programs, focusing on Atomic Energy Defense activities.
SD-116

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the U.S. Coast Guard, Department of Transportation.
SD-138

Energy and Natural Resources
Public Lands, National Parks and Forests Subcommittee
To hold hearings on S. 247, to designate the Kern River in California as a National Wild and Scenic River, and S. 275, to designate the Merced River in California as a National Wild and Scenic River.
SD-366

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Department of the Interior, focusing on the Office of the Secretary and the Office of the Solicitor.
SD-192

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To hold a closed meeting.
S-407, Capitol

2:30 p.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Department of Education, focusing on student financial assistance, guaranteed student loans, higher education, higher education facilities loans and insurance, college housing loans, Howard University, education research and statistics, and libraries.
SD-138

Labor and Human Resources
Aging Subcommittee
To resume hearings on S. 887, authorizing funds for fiscal years 1988-1992 for

programs of the Older Americans Act, and to review the changing needs of the elderly.

SD-430

APRIL 24

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Federal Home Loan Bank Board, Neighborhood Reinvestment Corporation, and the National Institute of Building Sciences.

SD-124

Judiciary
Courts and Administrative Practice Subcommittee
To resume hearings on S. 548, Retiree Benefits Security Act.

SD-106

APRIL 27

10:00 a.m.
Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for energy and water development, focusing on certain activities of the Department of Energy.

SD-192

APRIL 28

9:30 a.m.
Energy and Natural Resources
To hold hearings on S. 839, to authorize the Secretary of Energy to enter into incentive agreements with certain States and affected Indian tribes concerning the storage and disposal of high-level radioactive waste and spent nuclear fuel.

SD-366

10:00 a.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for security assistance programs.

S-126, Capitol

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Department of the Interior, focusing on the Bureau of Mines, and the Office of Surface Mining, Reclamation and Enforcement.

SD-192

APRIL 29

9:30 a.m.
Energy and Natural Resources
To continue hearings on S. 839, to authorize the Secretary of Energy to enter into incentive agreements with certain States and affected Indian tribes concerning the storage and disposal of high-level radioactive waste and spent nuclear fuel.

SD-366

2:00 p.m.
Select on Indian Affairs
To hold oversight hearings on the Indian Financing Act and the Buy Indian Act.

SR-485

APRIL 30

9:30 a.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Department of the Interior, focusing on territorial governments.

SD-124

Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Department of Justice, focusing on the Office of Justice Programs, Immigration and Naturalization Service, and the Federal Prison System.

S-146, Capitol

10:00 a.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for defense security assistance programs.

S-126, Capitol

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Urban Mass Transit Administration of the Department of Transportation, and the Washington Metropolitan Transit Authority.

SD-138

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Department of the Interior, focusing on territorial affairs.

SD-192

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To hold a closed meeting.

S-407, Capitol

2:30 p.m.
Labor and Human Resources
Aging Subcommittee
To resume hearings on S. 887, authorizing funds for fiscal years 1988-1992 for programs of the Older Americans Act, and to review the changing needs of the elderly.

SD-430

MAY 1

9:00 a.m.
Select on Indian Affairs
To hold hearings on S. 721, to provide for and promote the economic development of Indian tribes.

SR-485

MAY 4

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Departments of Labor, Health and Human Services, Education, and related agencies.

SD-192

2:00 p.m.
Energy and Natural Resources
Research and Development Subcommittee
To hold hearings on proposals to restructure the Department of Energy's uranium enrichment program.

SD-366

MAY 5

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Departments of Labor, Health and Human Services, Education, and related agencies.

SD-138

2:00 p.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Smithsonian Institution, Woodrow Wilson International Center for Scholars, and the Holocaust Memorial Council.

SD-138

MAY 6

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Departments of Labor, Health and Human Services, Education, and related agencies.

SD-116

Energy and Natural Resources
Business meeting, to consider pending calendar business.

SD-366

10:00 a.m.
Appropriations
Military Construction Subcommittee
To resume hearings on proposed budget estimates for fiscal year 1988 for military construction programs, focusing on defense agencies.

SD-192

Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the U.S. Supreme Court, and for the Department of Justice, focusing on the Federal Bureau of Investigation, Drug Enforcement Administration, and the U.S. Marshals Service.

S-146, Capitol

2:30 p.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Departments of Labor, Health and Human Services, Education, and related agencies.

SD-116

MAY 7

9:00 a.m.
Appropriations
Interior and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for fossil energy, and clean coal technology programs.
SD-192

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Departments of Labor, Health and Human Services, Education, and related agencies.
SD-116

10:00 a.m.
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Federal Aviation Administration, and the General Accounting Office (FAA operations).
SD-138

2:00 p.m.
Energy and Natural Resources
Research and Development Subcommittee
To hold closed hearings to review the status of the Department of Energy's defense materials production facilities.
S-407, Capitol

2:30 p.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Departments of Labor, Health and Human Services, Education, and related agencies.
SD-116

MAY 8

9:30 a.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Departments of Labor, Health and Human Services, Education, and related agencies.
SD-192

Energy and Natural Resources
Research and Development Subcommittee
To resume hearings on proposals to restructure the Department of Energy's uranium enrichment program.
SD-366

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Department of Housing and Urban Development, and independent agencies.
SD-124

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Federal Aviation Administration of the Department of Transportation, and the General Accounting Office (R, E&D, F&E, Airports Grants).
SD-138

2:30 p.m.
Appropriations
Labor, Health and Human Services, Education, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Departments of Labor, Health and Human Services, Education, and related agencies.
SD-192

MAY 12

10:00 a.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for certain export financing programs.
S-126, Capitol

Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Legal Services Corporation, and the Equal Employment Opportunity Commission.
S-146, Capitol

MAY 13

9:30 a.m.
Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

10:00 a.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for foreign assistance programs.
S-126, Capitol

Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988, to receive public testimony on certain programs of the Departments of Commerce, Justice, State, the Judiciary, and related agencies.
S-146, Capitol

Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Department of Transportation and related agencies.
SD-138

MAY 14

10:00 a.m.
Appropriations
Transportation and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Department of Transportation and related agencies.
SD-138

MAY 15

10:00 a.m.
Appropriations
HUD-Independent Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Department of Housing and Urban Development, and independent agencies.
SD-124

MAY 18

2:00 p.m.
Energy and Natural Resources
To hold hearings on proposed legislation to expand the clean coal technology program.
SD-366

MAY 20

10:00 a.m.
Appropriations
Commerce, Justice, State, the Judiciary, and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Judicial Conference, Commission on the Bicentennial of the Constitution, U.S. Sentencing Commission, and the State Justice Institute.
S-146, Capitol

JUNE 23

10:00 a.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings to review proposed budget estimates for fiscal year 1988 for the Department of State.
SD-192

CANCELLATIONS

APRIL 2

2:00 p.m.
Appropriations
Energy and Water Development Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for energy and water development programs.
SD-192

APRIL 9

1:00 p.m.
Appropriations
Agriculture, Rural Development and Related Agencies Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for the Department of Agriculture, rural development, and related agencies.
SD-138

APRIL 23

2:00 p.m.
Select on Indian Affairs
To hold hearings on proposed legislation to revise certain provisions of the Indian Self-Determination and Education Assistance Act (Public Law 93-638).
SR-485