HOUSE OF REPRESENTATIVES—*Friday, September 23, 1988*

The House met at 10 a.m.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

We are ever appreciative, gracious God, of the many ways You show Your presence to us and to all people. May we not wait until crisis or the evening of life to be aware of the glory of life, and may we not have to know misfortune or pain to learn of the beauty and joy of Your creative handiwork. While we pray for all those things that are necessary for our welfare, we pray above all else for the quality of thankfulness and gratitude to You, our God, and to those we love. In Your 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 without amendment a bill of the House of the following title:

H.R. 2884. An act to assure uniformity in the exercise of regulatory jurisdiction pertaining to the transportation of natural gas and to clarify that the local transportation of natural gas by a distribution company is a matter within State jurisdiction and subject to regulation by State commissions, and for other purposes.

The message also announced that the Senate agrees to the amendment of the House to the amendment of the Senate to the bill (S. 496) entitled "An act to amend title 5 of the United States Code, to ensure privacy, integrity, and verification of data disclosed for computer matching, to establish Data Integrity Boards within Federal agencies, and for other purposes," with an amendment.

The message also announced that pursuant to Public Law 90-206, the Chair on behalf of the Vice President appoints Charles Mathias, of Maryland, from private life, to the Commission on Executive, Legislative, and Judicial Salaries.

The message also announced that the Senate had passed bills and a concurrent resolution of the following titles, in which the concurrence of the House is requested:

S. 1863. An act to amend the bankruptcy law to provide for special revenue bonds, and for other purposes;

S. 1919. An act for the relief of Michael Wilding;

S. 2162. An act to provide for the establishment of the Zuni-Cibola National Historical Park in the State of New Mexico, and for other purposes;

S. 2800. An act to amend the Nuclear Waste Policy Act of 1982 with respect to the Office of the Nuclear Waste Negotiator and the Monitored Retrievable Storage Commission; and

S. Con. Res. 143. Concurrent resolution correcting the enrollment of H.J. Res. 602.

PLEDGE OF ALLEGIANCE

The SPEAKER. The gentleman from Utah [Mr. OWENS] will kindly come forward and lead our colleagues in the Pledge of Allegiance to our flag.

Mr. OWENS of Utah. Thank you, Mr. Speaker.

All rise and join me in the pledge.

Mr. OWENS of Utah led the Members in the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation, under God, indivisible, with liberty and justice for all.

RESIGNATION AS MEMBER OF COMMITTEE ON INTERIOR AND INSULAR AFFAIRS

The SPEAKER laid before the House the following resignation as a member of the Committee on Interior and Insular Affairs:

HOUSE OF REPRESENTATIVES,
Washington, DC, September 23, 1988.

Hon. JIM WRIGHT,
Speaker, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: I herewith resign my position as a member of the House Committee on Interior and Insular Affairs.

Sincerely,

BILL EMERSON,
Member of Congress.

The SPEAKER. Without objection, the resignation is accepted.

There was no objection.

ELECTION AS MEMBER OF COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION

Mr. MICHEL. Mr. Speaker, I offer a privileged resolution (H. Res. 543) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 543

Resolved, That Representative Emerson of Missouri be and is hereby elected to the Committee on Public Works and Transportation.

The resolution was agreed to.

A motion to reconsider was laid on the table.

REPORT ON RESOLUTION PROVIDING AMOUNTS FROM CONTINGENT FUND FOR INVESTIGATIONS AND STUDIES BY THE COMMITTEE ON STANDARDS OF OFFICIAL CONDUCT DURING 2D SESSION OF 100TH CONGRESS

Mr. GAYDOS, from the Committee on House Administration, submitted a privileged report (Rept. No. 100-958) on the resolution (H. Res. 531) Providing amounts from the contingent fund of the House for further expenses of investigations and studies by the Committee on Standards of Official Conduct in the 2d session of the 100th Congress, which was referred to the House Calendar and ordered to be printed.

THE FAMILY AND MEDICAL LEAVE ACT

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

Mr. MINETA. Mr. Speaker, the work force in this country is changing. One staggering example is that 60 percent of mothers with children under 5 years old are in the labor force.

The Republican Vice-Presidential candidate has failed to say word one about these changes, to so much as acknowledge the basic needs of the American family.

He opposes the Family and Medical Leave Act, legislation supported by most major religious, family, and women's groups.

His inspired alternative? A form of pregnancy-related disability which was nothing more than a shallow attempt to hide his weak record on women's issues by mandating an already accepted business practice.

The Family and Medical Leave Act is a vital measure which addresses the concerns of small businesses, children and working parents all across our Nation.

Mr. Speaker, we need this initiative now more than ever. What we do not need is a would-be Vice President who quails in the darkness of myopia.

AUTHENTICATED U.S. GOVERNMENT INFORMATION GPO

ANOTHER EPISODE IN THE CHRONICLES OF MIKE DUKAKIS, CRIME-BUSTER

(Mr. SOLOMON asked and was given permission to address the House for 1 minute.)

Mr. SOLOMON. Mr. Speaker, it is time again for another episode in the chronicles of Mike Dukakis, crime-buster.

By now the whole country knows the story of Willie Horton, the furloughed murderer. But listen now to the tale of Raymond White, who was doing time in a Massachusetts prison after being convicted of committing two murders. At least, that is, he was doing time until he escaped. And where did convicted murderer Raymond White finally turn up? Working for Mike Dukakis, in a State office building in Boston, that's where. That leads to an interesting question: Does the Dukakis promise of a job for every American even extend to escaped convicts?

It's no wonder that the President of the Boston Police Patrolman's Association and his entire union have turned down a chance to endorse the home town candidate for President. Because Mike Dukakis, in the words of the police union president, presides over a "revolving-door criminal justice system."

But maybe candidate Dukakis can solve this problem the same way he demonstrated his concern for national defense. You remember the photo opportunity riding around in a tank? This time he can ride around in a squad car. He probably hasn't seen one of those before either.

BUSH HAS EMBRACED REAGAN'S ECONOMIC POLICIES

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

Mr. TRAFICANT. Mr. Speaker, GEORGE BUSH says he wants to continue the economic supply-side policies of Ronald Reagan. He talks about jobs and growth. But what he does not talk about is the tripling of our national debt, huge budget deficits and massive trade deficits.

My colleagues, GEORGE BUSH has caved in. GEORGE BUSH, who termed Reagan's policies "voodoo economics," has now embraced them, and that is bad news for communities like mine because in 8 years all the Reagan and Bush administration has given areas like Youngstown and Warren, OH, has been rust-proof paint and promises with no delivery.

My colleagues, Ronald Reagan and GEORGE BUSH both embrace an economic policy and theory that a rising tide will raise all ships, but the bottom line and the truth of the matter is that under their economic policies very few Americans can afford to own a boat. Very few can afford to own the boat.

CONGRESS FAILURE TO RENEW CLEAN AIR ACT

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

Mr. SCHAEFER. Mr. Speaker, this body is only 2 weeks away from its target adjournment date. The 100th Congress is rapidly drawing to a close. And with it is any remaining chance of reauthorizing the Clean Air Act.

As some Members return to their districts, air quality may be the farthest thing from their minds. Unfortunately that is a luxury not afforded to those of us who represent areas which exceed the health-based air quality standards. For us, our districts are a constant reminder of the need for a strong Federal role in improving the environment. They are also a reminder of how negligent this Congress has been.

Two Clean Air Act deadlines came and went during the 100th Congress virtually unnoticed. In fact, since passage of the Conte amendment last December to extend the act, the House subcommittee with jurisdiction over clean air legislation has held exactly one markup session on ozone and carbon monoxide nonattainment. It lasted about 15 minutes.

Mr. Speaker, I realize that there are few legislative days remaining and that we have some important issues yet to consider. But it is difficult for me to imagine any more vital than improving this Nation's air quality. I would therefore ask my colleagues, particularly those from the 127 nonattainment areas nationwide, to join me in urging the leadership to move forward on amendments to the Clean Air Act. We simply can't afford to wait any longer.

RELEASE TERRY ANDERSON

(Ms. SLAUGHTER of New York asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. SLAUGHTER of New York. Mr. Speaker, I rise today to remind my colleagues of the plight of Terry Anderson. He was abducted on March 16, 1985, by pro-Iranian elements in Lebanon. Over 3½ years have passed since he was taken hostage making his detention the longest of any foreign hostage held in Lebanon.

The group that holds Terry, Islamic Jihad or Islamic Holy War, is doing nothing holy by holding him. Reports by French hostages released earlier this year indicate that Terry and the 8 other American hostages still held in Lebanon are confined to extremely small quarters and if given a book or magazine to read consider themselves lucky. "* * * these men are suffering, and what is to be done has to be done very quickly. It is urgent." said Jean-Paul Kauffman, a former French hostage shortly after his release.

The humanitarian imperative to release Terry and all the other hostages in Lebanon is tremendous. Whatever political agendas the groups in Lebanon have and whatever gain they believe can be derived from the holding of hostages must give way to the paramount humanitarian concerns involved. Terry has a little girl that he has never seen. He has been completely isolated from family and friends and the mental anguish caused by his imprisonment must be traumatic. Islamic Jihad should unconditionally release Terry Anderson and the other hostages it holds. Hezbollah, Islamic Jihad's parent organization and the Iranian Government, Islamic Jihad's financial backer should use the full force of their influence to bring about this end. It is a simple matter of humanitarian concern. It is the right thing to do.

REPEAL THE HEALTH CARE BILL

(Mr. DAVIS of Illinois asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DAVIS of Illinois. Mr. Speaker, the senior citizens in the Fourth Congressional District of Illinois through my efforts and through those now of the penitent American Association of Retired Persons in Illinois has become outraged and indignant at the recent catastrophic health care bill that was passed by the Congress and, I think, mistakenly, signed by the President. In my travels throughout the district and talking to the senior citizen groups, when I outlined to them the provisions of that bill that include an income tax increase on those senior citizens to pay for AIDS patients to assess the drug provision of that bill, and when I explained to them the part B Medicare increase premiums from $25 to $42 a month, and when I explained to them that they absolutely have to now take those part B premiums; it is not any longer optional, but it is mandatory, they say, "How did this happen?"

Mr. Speaker, I say, "Because I think maybe not enough of us were listening to those of you who oppose that bill."

So, Mr. Speaker, I have come to the conclusion that there is no alternative but repeal, and I ask all my colleagues to join me in that effort when I introduce the repeal next week.

BUSH'S CRIME—DEPRIVING OUR SENIORS AND DISABLED

(Ms. OAKAR asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. OAKAR. Mr. Speaker, I could not help but overhearing my friends' comments about crime in this campaign.

Mr. Speaker, I think it was a crime that GEORGE BUSH broke the tie in the Senate and deprived 36 million seniors and disabled persons of their cost-of-living adjustment in social security several years ago. My colleagues know that the poorest person in this country is a woman over 65. I think it is a crime that GEORGE BUSH opposes fairness in pay, students and how women and minorities are treated in civil service, and they are in the lowest rungs in the classification system.

Mr. Speaker, I think it is a crime to have the Republican candidate oppose family issues such as health care for all. These are the real issues which are survival issues for the American people.

I believe that Michael Dukakis is sensitive to these issues and will provide dramatic, compassionate leadership in these areas.

□ 1015

THE AMERICAN FAMILY ACT

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

Mr. COATS. Mr. Speaker, today I am introducing the first part of the American Family Act. The American Family Act is comprised of 21 pieces of legislation, 4 of which have already been introduced, the other 17 which I am introducing today.

In my capacity as the Repubican leader on the Select Committee on Children, Youth, and Families I have witnessed first hand the problems faced by today's families. The education section of this act includes proposals for promoting school based management, open enrollment, bootstrap schools, and character education. It is modeled after innovative programs in places such as Dade County, FL, and Harlem, NY, where innovative changes have been happening at the local level.

The Family Act will promote family strengths by requiring a family impact statement on appropriate Federal legislation, by aiding the development of family support centers, and by promoting family preservation efforts as an alternative to foster care.

These bills illustrate what Vice President GEORGE BUSH has called a gentler, kinder nation by clearly emphasing key Republican principles such as responsibility, character, promoting family strengths and providing choices for parents. I hope my colleagues will join with me in supporting this initiative.

PICK UP THE PHONE, GEORGE

(Mrs. SCHROEDER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SCHROEDER. Mr. Speaker, the Republicans in the other body are blocking a minimum wage hike for 16 million American workers.

Vice President BUSH is telling voters he favors a minimum wage increase—but he will not pick up the phone and tell Repubican Senators to let the bill come up for a vote. Sixteen million Americans are watching, GEORGE. Pick up the phone.

BUSH has also expressed support for a training wage—I assume that is what he is paying DAN QUAYLE. But from what I am reading in the newspapers, even at $2.85 at hour, QUAYLE is overpaid.

Obviously, QUAYLE does not deserve an apprentice wage, he needs training wheels—Stu Spencer on one side and Ken Khachigian on the other. Let us face it, would any American business executive make DAN QUAYLE Vice President of anything?

A GOOD TRADE POLICY FOR CHINA AND THE UNITED STATES

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

Mr. BUECHNER. Mr. Speaker, I am very pleased to report that the Republic of China has recently entered into a $500 million contract to purchase four MD-11's from the McDonnell Douglas Corp. which is headquartered in my district of suburban St. Louis. These MD-11's are part of a modernization effort for China Airlines long range international fleet.

We all should congratulate the Republic of China on this very important sale which will help reduce the balance of trade between our two nations. This sale clearly illustrates that rather than turning to tariffs and quotas, the United States can reduce its trade deficit through increased exports. In fact, it was reported early last week that the U.S. trade deficit during the second quarter fell by almost 10 percent at the same time when overseas sales of American merchandise surged to a record high.

This sale also reflects the tremendous importance of our domestic aerospace industry. Not only McDonnell Douglas, but other companies such as Boeing, Rockwell, and Lockheed—to name only a few—have been the leaders in aviation and space. It is these companies which are leading the way in reducing our trade deficit through the sale of their products abroad. It should also be mentioned that unlike many nations, our aerospace industry is not government subsidized and competes on its own merits.

Again, I want to thank the Republic of China for pursuing a trade policy that clearly benefits both our nations. I hope that other countries will follow their lead.

THE AMERICAN FAMILY ACT

(Mr. MILLER of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MILLER of California. Mr. Speaker, the Republican's American Family Act should really be called American Family Swindle. It is nothing more than an 11th hour maneuver by Republicans to demonstrate they care about American families

Today, the Republican Party will and claim to be concerned about poor children. Is this the same Republican Party that supported efforts leading to nearly 3 million more children falling into poverty and taking the elderly off Social Security disability.

Today, the Republican Party will try and claim to be concerned about children's health. Is this the same Republican Party that took away basic health care coverage from a half million poor women and children since 1981?

Today the Republican Party says it is concerned about child nutrition. Is this the same Republican Party that cut the food stamp program by more than a third and further slashed school feeding programs resulting in more than 2 million disadvantaged children being dropped from the National School Lunch Program?

Today, the Republican Party says it cares about families. Is this the same Republican Party that led the battle to gut public housing, creating a new type of family in America—the homeless family.

The Reagan-Bush team, with Vice Presidential candidate QUAYLE's support in the Senate, stripped funds from maternal and child health programs, child immunizations, Community and Migrant Health Centers and Health Care for the Homeless.

The proposals in the American Family Act are too little, too late. Families who are struggling to work and raise their children deserve genuine support, not demonstrative grants. Democrats in Congress, and Mike Dukakis in Massachusetts, have mounted major campaigns to exend plant closings, parental leave, anjd child care, provide health care to the uninsured, and ease the high costs of college.

These proposals—and not expedient Republican gimmicks—are the types

of comprehensive initiatives that will truly support American children and their families.

COMPARABLE WORTH BILL BASED ON FICTION, NOT FACT

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

Mr. BLILEY. Mr. Speaker, the House will soon consider one of the greatest misnomers in the history of legislation, the so-called comparable worth bill, H.R. 387. Its supporters have consistently portrayed this as merely an extension of equal pay for equal work. Nothing could be further from the truth.

This legislation is based upon fiction, not fact. It ignores the incredible success of the free enterprise system in setting wages. It stretches the bounds of reason by finding that any differences in pay between jobs held by men and women amount to discrimination. It undermines the value of equal opportunity which our country holds so dear. Comparable worth supplants prevailing market forces with bureaucratically determined wage scales.

Supporters of H.R. 387 tell us that it is only a study, and that appears true. However, they do not tell us how many States have already rejected the concept of comparable worth. They do not tell us how it would undermine equal opportunity. They do not tell us of the immense economic cost we would all have to bear for their experiment in bureaucratic control of the economy.

Mr. Speaker, this idea is based on the flimsiest of assumptions: That differences in pay scales amount to sexual and racial discrimination. If the House needs more information as to how discredited an idea comparable worth is, we need only look to Arizona, Arkansas, Colorado, Delaware, Illinois, Indiana, New Mexico, North Carolina, North Dakota, South Dakota, and Texas which have come to this conclusion already. The House has more pressing issues to work on.

ECONOMIC BILL OF RIGHTS

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

Mr. MARTINEZ. Mr. Speaker, on behalf of people everywhere who want economic justice and believe in equal opportunity for all, I recommend an idea and a concept whose time has come—an economic bill of rights. In keeping with the concept of our Constitution of promoting the general welfare, we must move boldly forward to protect and improve the quality of life and provide for the economic security of all our citizens.

As chairman of the Employment Opportunities Subcommittee, I have held hearings in enough parts of the country to understand through evidence provided at these hearings that there is a growing number of poor and underemployed people in this country, people who have gone from reasonable wages to poverty level wages. Do not be fooled by the fact that the unemployment rate is down to 6 percent. Yes, more people are working, but at a lower wage because that is all they can get.

When the question is asked "are we better off today than we were 8 years ago?" Think of others not only yourself. Sure, some of us are better off, but our Nation and its people as a whole are not. The job creation that has taken place in the last 7 years are jobs in the service sector at minimum wages, or at the other end of the spectrum, jobs where training, education, and a high level of skills are required, and we have not trained or adequately educated people from those dying industries for the high-technology industries.

Mr. Speaker, instead of creating a higher standard of living, this administration has said, "Lower your expectations unless you're born with a silver spoon in your mouth."

FEDERAL EQUITABLE PAY PRACTICES BILL IS JUST EUROPEAN SOCIALIZATION

(Mr. DONALD E. "BUZ" LUKENS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DONALD E. "BUZ" LUKENS. Mr. Speaker, we are here today to consider H.R. 387, the Federal equitable pay practices bill. This bill would be comparing wages of a truck driver and a waitress. No one person or government in the world can do that fairly.

Existing law now guarantees equal pay for equal work. We are leading the world in job creation of well-paying jobs, and now we want to throw it out the window.

This bill is just European socialization, which Europe has already experienced, and is now throwing out quickly and totally.

This study would disregard our market economy's stunning successes and the rules of supply and demand that have built the American economy and revitalized the world. The market best determines the pay scale for a particular job, depending upon competition, consumer preferences, experience, technology, or other market forces.

This legislation is bad legislation that runs the risk of throwing the United States into a bureaucratic morass with artificial government solutions, and we all know how well government works in any country if you do not allow people the freedom to conduct their own businesses.

This body should carefully consider its actions today and defeat this Socialist legislation which will destroy America's jobs.

HONORING GOLD MEDALIST JANET EVANS

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

Mr. DANNEMEYER. Mr. Speaker, every 4 years Americans are treated to exciting races and heart-stopping competition. Of course, I am not speaking of a Presidential election year. I am speaking of the Olympics.

Standing before this body today to honor one of our own from the 39th District is a distinct reward for this member. On Monday, September 19, a true "golden girl," swimmer Janet Evans, from El Dorado High School in Placentia, CA, won the gold medal in the 400-meter individual medley at the 24th Olympiad in Seoul, Korea.

And I am pleased to announce that early this morning Janet also won the gold medal in the 400-meter freestyle. Why do I have the feeling that Janet will again add to her collection if we just wait a little while longer?

Janet Evans is the holder of three world records in swimming, one U.S. record, two national high school records, and eleven national titles. Janet is 17 years old. Here is what her friends, teachers, and coaches say about Janet:

> An honor student in college prep course work, Janet works hard at being a normal high school senior. * * * Janet has an unparalleled determination when it comes to hard work of any kind. She actually looks forward to long hard hours in the training pool and is equally challenged by her rigorous academic schedule. * * *
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> Both her father and mother are the greatest influences in her life. She credits her success to her mother's constant companionship and steadying influence, and her father's encouragement. They have served as her inspiration and have provided a well rounded perspective on her success.
>
> In talking to Janet you would soon realize that she sees herself as an ordinary kid with an extraordinary gift. Clearly, swimming is an avenue that God has given her to enjoy life, express herself, and inspire others.

Mr. Speaker, Janet Evans is indeed an inspiration to others and an excellent role model for her peers. It is a pleasure to honor her this day.

AMERICA SHOULD TAKE LEAD IN STOPPING SENSELESS AND MINDLESS USE OF CHEMICAL WEAPONS

(Mr. BROOMFIELD asked and was given permission to address the House

for 1 minute and to revise and extend his remarks.)

Mr. BROOMFIELD. Mr. Speaker, yesterday, the House Foreign Affairs Committee approved legislation condemning Iraq for the use of chemical weapons. I believe this was a measured approach to a very serious problem, and the bill won strong bipartisan support.

The State Department apparently doesn't agree. And that disappoints me. There are many things that are appropriate to quiet diplomacy, to leisurely negotiations. This isn't one of them.

The State Department has called this bill "premature." There is nothing premature about it. We must act expeditiously to put a halt to the use of chemical weapons.

The more America dawdles on this issue, the more it seems to acquiesce in its use. Let's don't send the wrong signal.

America should take the lead in putting a stop to the senseless and mindless use of chemical weapons.

There are not many people alive today who fought in World War I. There are not many people alive today who remember young American men returning home from the war, their bodies scarred with mustard gas.

Over the past few years, Iraq has benefited from growing support in this country. I can assure them that any goodwill the Iraqis have gained in the past few years will be lost quickly if they continue to use these horrible weapons.

Iraq must allow U.N. observer teams to enter into the areas in question. Until Iraq is forthcoming, I believe this bill is the most appropriate way to register our outrage.

PROJECT HOPE FOR CHILDREN OF EL SALVADOR

(Mr. WOLF asked and was given permission to address the House for 1 minute and to revise and extend his remarks.

Mr. WOLF. Mr. Speaker, In the midst of the debate on Central American policy, in the midst of the persecution, the death and the insurgencies, a program has quietly progressed that has drastically changed the lives of many young people and their families.

In EL Salvador the Communist guerrillas have a policy of indiscriminate use of landmines in civilian populated areas. El Salvador along with Angola rate at the top of amputees per capita. Civilians and especially the youth have been adversely affected. Many times the ability to deal with serious amputation problems and artificial limb production cannot be met in El Salvador. Steps have been taken to develop a capacity to deal with these problems in El Salvador, but presently many problems and many children go without vital and available treatment.

In this spirit Project Hope in concert with my office began a program to bring to the United States the most serious amputation problems faced by the children of El Salvador. My office brought Jaime Hernandez and Jose Mejano to my northern Virginia district last summer. Jaime and Jose have been successfully treated and are now in school in El Salvador.

Likewise many other congressional offices have sponsored young children and the Shriners hospitals in Boston and Tampa have also been working with Project Hope. At this point the program has treated 27 children in the United States and has referred numerous cases to hospitals and clinics in El Salvador.

This project has been and continues to be a success. I would like to commend the work of several colleagues, the gentleman from Illinois, Mr. FAWELL, has taken three young children from El Salvador, the last one with no legs and just one arm; the gentleman from North Carolina, Mr. NEAL, who has taken two children from El Salvador; Senator JOHN MCCAIN, who has taken one child from El Salvador; the gentleman from Missouri, Mr. COLEMAN, who has taken eight children from El Salvador, flown them to his district, given them arms, limbs and legs whereby they can lead a productive life; the gentleman from Utah, Mr. OWENS, who has taken one child, the gentleman from Ohio, Mr. REGULA, who has taken three children, their offices and their districts for the work they have done for these children.

The many hospitals, doctors, nurses, and volunteers gave of their time and energy to treat these children and I want to applaud their efforts. TACA and Easten Air Lines have also played a stellar role. Each airline offered free airfare for the children and their guardians.

Lastly I would like to commend the work of Project Hope. They truly possess the heart of servants for the people of El Salvador. John Walsh, Mary Huehn, Dr. Wilhelm, and Dr. Hurtado have all worked very hard to help amputees. Without their diligence, facilitation and administration this program would never have been able to treat so many children.

The future of these 27 children have been drastically changed by their participation in this successful program. Until the war in El Salvador stops taking the arms and legs away from children, Project Hope, my office and many of my House and Senate colleagues will continue to work on behalf of the people and the youth of El Salvador.

□ 1030

This is an important program for Members who are interested. There are many more young children in El Salvador and also in Nicaragua who need this help and cannot be treated down there. If Members would like to participate, call my office, and I will put them in touch.

LEGISLATION TO TAKE SOCIAL SECURITY OFF THE FEDERAL BUDGET

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

Mr. McCANDLESS. Mr. Speaker, I have introduced legislation to take Social Security off the Federal budget.

President Johnson made Social Security a part of the Federal budget in 1967 to hide the increasing costs of the Great Society programs and the Vietnam war. In 1986, Gramm-Rudman officially took Social Security off-budget, but left it on budget for purposes of calculating the deficit. Consequently, where it counts, Social Security is still a part of the budget, and we still are hiding the deficit behind the Social Security surplus.

This accounting trick is deceptive and it is wrong. Social Security is funded by its own tax, and should never be used for anything other than to pay retirement benefits. And decisions about Social Security benefits should be made on the basis of the trust fund, and not the Federal budget as a whole. For that reason, I have introduced H.R. 5341.

However, if we simply take Social Security off-budget without adjusting the Gramm-Rudman deficit targets, we can't possibly meet the targets and Gramm-Rudman would have to be repealed. Consequently, H.R. 5341 also adjusts the Gramm-Rudman targets to account for the lost revenue. We will balance the budget in fiscal year 1996, and when we do, it will be an honest balanced budget. Under current law, the budget is supposed to be balanced in fiscal year 1993. However, in fiscal year 1993, the real deficit will be $99 billion, because that is how much we will borrow from Social Security that year.

It is time that we completed what Gramm-Rudman began—to take Social Security off-budget all the way. We can do that, and still work toward a balanced Federal budget. I invite you to cosponsor H.R. 5341, the Honest and Balanced Budget Act.

SUPPORT THE TEXTILE BILL

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

Mr. BRENNAN. Mr. Speaker, I rise today in support of the textile bill. I say that it is time to say enough is enough to countries that send their shoes and textiles to us without giving us a real chance to compete in their own countries.

Today, many American producers face a one-way street—their foreign competition can sell here. But it is made very difficult for them to sell there.

Countries such as Japan, Brazil, Korea, Italy, and Taiwan export their shoes to us while raising barriers for American products in their markets.

Does it make sense for these other countries to be able to sell to us, but we in the United States can't sell to them?

I honestly believe that Americans are sick and tired of this policy.

In my State of Maine, we have lost more than 7,000 jobs in these industries during the past 8 years.

We all remember President Reagan visiting a Harley Davidson plant last year and supporting trade relief to help the motorcycle industry.

Mr. Speaker, I believe that textiles and shoes are as important as motorcycles.

If we do not help the shoe and clothing industries now, we may lose them forever.

Yes, enough is enough. Vote yes on the textile bill when it comes back before us later today.

MICHAEL DUKAKIS IS MANANA MAN

(Mr. DORNAN of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DORNAN of California. Mr. Speaker, whenever we use the term "cradle of liberty" we are referring to that beautiful and historic area around Boston, Boston itself and the ride of Paul Revere along the battle road out to Lexington and Concord.

Situated right between those two historical cities where our great war of independence began with the shot heard round the world, right at the city limits of Lexington and Concord is one of the most important Air Force bases to the free world, Hanscom Air Force Base. It is the home of the U.S. Air Force Electronic Systems Command, and it is the most important military installation in the State of Massachusetts.

Of our 11 Members from the Massachusetts delegation to this House, I know that at least 8 have visited that installation. Several of them have gone more than once. Both of the Senators have visited that important installation, but the Governor of the Commonwealth of Massachusetts for 10 years has turned down every single invitation to visit that base hardly 40 minutes from his office door in the Governor's mansion.

Mr. James Schlesinger, former Secretary of Defense and Secretary of Energy, who served under both Democratic and Republican administrations, says that Dukakis' continued avoidance of Hanscom, is the strongest piece of evidence that Gov. Michael Dukakis is viscerally antimilitary.

When I left I could look down at Concord River and the North Bridge where that shot was heard round the world occurred. I saw the statue of the Minuteman. Mr. Speaker, it hit me that Michael Dukakis is Manana Man, a man who knows nothing about the military and who wants to put everything off to tomorrow; a little research, but nothing more than that.

Mr. Speaker, we cannot have as Commander in Chief, a man who hates the military forces that lead the free world.

TRIBUTE TO GENERAL CURTIS, GENERAL HANSEN, AND WORK FORCE AT KELLY AIR FORCE BASE

(Mr. GONZALEZ asked and was given permission to address the House for 1 minute.)

Mr. GONZALEZ. Mr. Speaker, I rise to recognize the great foresight and actual heroism of the commanding general at Kelly Air Force Base, Lewis Curtis, and also the commander of the Air Force Logistics Command, based at Wright-Patterson, for their great foresight in preventing what would have been a ghastly story in the number killed or maimed if otherwise General Curtis had not suspended the operations and dismissed the work force in anticipation of what nobody had anticipated, and that was the whiplash of the Gilbert Hurricane that ended up in the form of a tornado in San Antonio, and as luck would have it, it hit Kelly Air Force Base at its most delicate point of operation.

Kelly Air Force Base is probably one of the most important logistic activities in the Air Force in our whole defense system, and it happened to have hit all the warehousing buildings and structures that occupy 90 percent of the activity. It paralyzed activities for 2 to 3 days.

I want to compliment General Curtis, because he dismissed the work force in anticipation of something happening. Nobody would have guessed it would have happened, but had that work force been there, we would have had a terrible catastrophe on our hands. I want to compliment the work force itself, because they volunteered on the Sunday following the Saturday disaster and cleaned up voluntarily, and I want to compliment the work force, the AFGE, the American Federation of Government Employees, but above all, General Hansen, who left his command at Wright-Patterson and went down immediately on Sunday and took immediate action and contacted us the following Monday.

MOTION TO DISCHARGE COMMITTEE ON ARMED SERVICES FROM FURTHER CONSIDERATION OF H.R. 4264, NATIONAL DEFENSE AUTHORIZATION ACT, FISCAL YEAR 1989

Mr. ROWLAND of Connecticut. Mr. Speaker, I offer a privileged motion.

The SPEAKER. The Clerk will report the motion.

The Clerk read as follows:

Mr. ROWLAND of Connecticut moves to discharge the Committee on Armed Services from further consideration of H.R. 4264.

Mr. DERRICK. Mr. Speaker, I move to lay the motion to discharge on the table.

The SPEAKER. The question is on the motion offered by the gentleman from South Carolina [Mr. DERRICK] to lay on the table the motion offered by the gentleman from Connecticut [Mr. ROWLAND].

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

Mr. ROWLAND of Connecticut. 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. 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 233, nays 158, not voting 40, as follows:

[Roll No. 340]

YEAS—233

Ackerman	Carper	English
Akaka	Carr	Erdreich
Alexander	Chapman	Espy
Anderson	Chappell	Evans
Andrews	Clarke	Fascell
Annunzio	Clay	Fazio
Anthony	Clement	Feighan
Applegate	Coelho	Flake
Aspin	Coleman (TX)	Flippo
Atkins	Collins	Florio
AuCoin	Conyers	Foglietta
Bates	Cooper	Foley
Beilenson	Costello	Ford (MI)
Bennett	Coyne	Ford (TN)
Berman	Crockett	Frank
Bevill	Darden	Frost
Bilbray	de la Garza	Garcia
Boggs	DeFazio	Gaydos
Boland	Dellums	Gejdenson
Bonior	Derrick	Gibbons
Borski	Dicks	Glickman
Bosco	Dingell	Gonzalez
Boucher	Dixon	Gordon
Boxer	Donnelly	Grant
Brennan	Dorgan (ND)	Guarini
Brooks	Downey	Hall (TX)
Bruce	Durbin	Hamilton
Bryant	Dwyer	Harris
Bustamante	Dymally	Hatcher
Byron	Early	Hayes (IL)
Campbell	Eckart	Hayes (LA)
Cardin	Edwards (CA)	Hefner

Hertel
Hochbrueckner
Hoyer
Hubbard
Huckaby
Hughes
Hutto
Jacobs
Jenkins
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Kolter
Kostmayer
LaFalce
Lancaster
Lantos
Lehman (CA)
Lehman (FL)
Leland
Levin (MI)
Levine (CA)
Lewis (GA)
Lipinski
Lloyd
Lowry (WA)
Luken, Thomas
Manton
Markey
Martinez
Mavroules
Mazzoli
McCloskey
McCurdy
McMillen (MD)
Mfume
Mica
Miller (CA)
Mineta
Moakley
Mollohan
Montgomery
Moody
Morrison (CT)
Mrazek
Murphy
Murtha
Nagle
Natcher
Neal
Nelson
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (NY)
Owens (UT)
Panetta
Patterson
Payne
Pease
Pelosi
Penny
Perkins
Pickett
Pickle
Price
Rahall
Ray
Richardson
Robinson
Rodino
Roe
Rose
Rostenkowski
Rowland (GA)
Roybal
Sabo
Savage
Sawyer
Schroeder
Schumer
Sharp
Sikorski
Sisisky
Skaggs
Skelton
Slattery
Slaughter (NY)
Smith (FL)
Smith (IA)
Solarz
Spratt
St Germain
Staggers
Stallings
Stark
Stenholm
Stokes
Stratton
Studds
Swift
Synar
Tallon
Tauzin
Thomas (GA)
Torricelli
Towns
Traficant
Traxler
Udall
Valentine
Vento
Visclosky
Volkmer
Walgren
Watkins
Waxman
Weiss
Wheat
Whitten
Williams
Wise
Wolpe
Wyden
Yates
Yatron

NAYS—158

Archer
Armey
Baker
Ballenger
Bartlett
Barton
Bateman
Bentley
Bereuter
Bilirakis
Bliley
Boehlert
Broomfield
Brown (CO)
Buechner
Bunning
Burton
Callahan
Chandler
Cheney
Clinger
Coats
Coble
Coleman (MO)
Combest
Conte
Coughlin
Craig
Crane
Dannemeyer
Davis (IL)
Davis (MI)
DeLay
DeWine
Dickinson
DioGuardi
Dornan (CA)
Emerson
Fawell
Fields
Fish
Frenzel
Gallegly
Gallo
Gekas
Gilman
Gingrich
Goodling
Gradison
Grandy
Green
Gunderson
Hammerschmidt
Hansen
Hastert
Hefley
Henry
Herger
Hiler
Holloway
Hopkins
Horton
Houghton
Hunter
Hyde
Inhofe
Ireland
Jeffords
Kasich
Kolbe
Kyl
Lagomarsino
Latta
Leach (IA)
Lent
Lewis (CA)
Lewis (FL)
Lightfoot
Livingston
Lowery (CA)
Lujan
Lukens, Donald
Lungren
Marlenee
Martin (IL)
Martin (NY)
McCandless
McCollum
McCrery
McDade
McEwen
McGrath
McMillan (NC)
Meyers
Michel
Miller (OH)
Miller (WA)
Molinari
Moorhead
Morella
Morrison (WA)
Myers
Nielson
Oxley
Packard
Parris
Pashayan
Petri
Porter
Pursell
Quillen
Ravenel
Regula
Rhodes
Ridge
Rinaldo
Ritter
Roberts
Rogers
Roth
Rowland (CT)
Saiki
Saxton
Schaefer
Schuette
Schulze
Sensenbrenner
Shaw
Shays
Shumway
Shuster
Skeen
Slaughter (VA)
Smith (NE)
Smith (NJ)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Snowe
Solomon
Spence
Stangeland
Stump
Sundquist
Sweeney
Swindall
Tauke
Thomas (CA)
Upton
Vucanovich
Walker
Weber
Whittaker
Wolf
Wylie
Young (AK)
Young (FL)

NOT VOTING—40

Badham
Barnard
Bonker
Boulter
Brown (CA)
Courter
Daub
Dowdy
Dreier
Dyson
Edwards (OK)
Gephardt
Gray (IL)
Gray (PA)
Gregg
Hall (OH)
Hawkins
Johnson (CT)
Kemp
Konnyu
Leath (TX)
Lott
Mack
MacKay
Madigan
Matsui
McHugh
Nichols
Pepper
Rangel
Roukema
Russo
Scheuer
Schneider
Taylor
Torres
Vander Jagt
Weldon
Wilson
Wortley

□ 1100

The Clerk announced the following pairs:

On this vote:

Mr. Gray of Illinois for, with Mr. Dreier of California against.

Mr. Rangel for, with Mr. Boulter against.

Mr. Hawkins for, with Mr. Daub against.

Mrs. VUCANOVICH changed her vote from "yea" to "nay."

Mr. SOLARZ and Mr. CARDIN changed their vote from "nay" to "yea."

So the motion to lay the motion on the table was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. BRYANT). The Chair wishes to announce that it has been importuned to allow two more 1-minute speeches. The Chair will permit one on each side.

NEW YORK METS CLAIM NATIONAL LEAGUE EASTERN DIVISION CHAMPIONSHIP

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

Mr. ACKERMAN. Mr. Speaker, a grand and glorious event occurred last night in my home town of Flushing, Queens County, NY.

For the second time in 3 years, the New York Mets have claimed the National League Eastern Division championship.

Led yesterday by the gutty pitching of Ron Darling, the Mets put an end to the hopes and dreams of their valiant but overmatched pursuers from Pittsburgh, and reached their first goal on the way to the World Series Trophy the Mets will surely win in October.

The next job for the Mets will be to vanquish the Los Angeles Dodgers, a team we've already walloped 10 out of 11 times this year. All New Yorkers eagerly look forward to once more punishing the Dodgers for deserting Brooklyn.

In the meantime, I ask all my colleagues to join me and the millions of other native and adopted New Yorkers in sending deeply deserved congratulations to manager Davey Johnson, general manager Frank Cashen, owner Nelson Doubleday, and all the talented players and coaches.

PROVIDING FOR AGREEING TO SENATE AMENDMENT TO H.R. 1154, TEXTILE AND APPAREL TRADE ACT OF 1987

Mr. DERRICK. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 540 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 540

Resolved, That upon the adoption of this resolution the House shall be considered to have taken from the Speaker's table to bill (H.R. 1154) to remedy injury to the United States textile and apparel industries caused by increased imports, with the Senate amendment thereto, and to have concurred in the Senate amendment.

The SPEAKER pro tempore. The gentleman from South Carolina [Mr. DERRICK] is recognized for 1 hour.

Mr. DERRICK. Mr. Speaker, in order to ensure that the proponents and opponents of this resolution have an equal opportunity to be heard in the debate on this rule, I ask unanimous consent that the debate time on the resolution be divided as follows: 15 minutes under my control, and for the purposes of debate only: 15 minutes to be controlled by the gentleman from Tennessee [Mr. QUILLEN]; 15 minutes to be controlled by the gentleman from Florida [Mr. GIBBONS]; and 15 minutes to be controlled by the gentleman from Illinois [Mr. CRANE].

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

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

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

Mr. DERRICK. Mr. Speaker, House Resolution 540 is a self-executing rule which provides that upon adoption of the rule the House is considered to have taken H.R. 1154, the Textile, Apparel and Footwear Trade Act of 1988 from the Speaker's table, along with the Senate amendment to that bill, and to have concurred in the Senate amendment. Adoption of the rule will, therefore, clear the bill for the President's signature. No further vote will be required in the House or in the Senate.

Mr. Speaker, H.R. 1154 passed this House September 16, 1987 by a vote of 273 to 156. It passed the Senate with an amendment on September 15, 1988 by a 59-to-36 vote. The Senate did not alter the basic provisions of the legislation, which would set aggregate textile and apparel import quotas for all countries limiting imports to the 1987 level plus a 1-percent increase each year, and would freeze total imports of nonrubber footwear at the 1987 level.

The Senate did, however add three provisions to the bill: A provision which gives a preference in allocating textile quotas to countries which increase levels of imports of U.S. agricultural products; a provision which mandates a 1-year program of auctioning at least 20 percent of textile and apparel import licenses; and a provision which adds a specific quota for silk neckties.

Because the House has not had an opportunity to fully consider these provisions, ordinarily the chairman of the committee of jurisdiction, Mr. ROSTENKOWKSI, would move that the House request a conference with the Senate. However, the situation we face is not an ordinary one. If this bill were to go to conference the procedures of the Senate would make it possible for opponents there to prevent any conference report from being considered prior to the adjournment of this Congress, thus frustrating the will of this House. Chairman ROSTENKOWSKI has, therefore, agreed to forego a conference in order that the House be allowed to work its will. This rule will allow us to avoid a conference by simply agreeing to the Senate amendment. I want here publicly to offer my sincere appreciation to Chairman ROSTENKOWSKI. He opposes this legislation and has strong reservations about the Senate amendments, but because of his commitment to this institution and to his fellow Members he has put aside his own personal preferences in order to allow the House to work its will.

Mr. Speaker, because time for debate is so short, I will limit my remarks here. This is an important bill. Despite what you may read in the editorial pages, the textile industry is in trouble. This bill is a modest effort to help preserve the industry and the millions of jobs in this country that depend on it.

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

The SPEAKER pro tempore. The gentleman from South Carolina [Mr. DERRICK] has consumed 3 minutes.

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

Mr. Speaker, I support this rule and I support the textile bill wholeheartedly. I think the time has come that we must look to the benefit of the American workers, first and foremost. We need to keep the textile plants open, and the apparel plants and our footwear plants open throughout this country rather than forcing them to close as a result of imports.

The fact remains, Mr. Speaker, that 1,000 textile and apparel plants have been closed despite an $18.9 billion plant modernization effort. Think of that, 1,000 textile and apparel plants have been closed despite the fact that they have increased their expenditures to modernize in order to compete.

Four hundred domestic footwear plants have been closed. Three hundred fifty thousand textile and apparel jobs and 70,000 footwear jobs have been lost according to the U.S. Bureau of Labor Statistics.

Seven hundred fifty thousand job opportunities have been lost.

Imports now control 55 percent of the U.S. apparel and apparel/fabric market and 82 percent of the U.S. footwear market. Textile capacity utilization plummeted to 83.4 percent in July compared with 94 percent in July 1987.

Textile profits were down 12 percent during the first quarter of 1988 compared to the same period of 1987.

The textile and apparel trade deficit reached an unprecedented $25 billion last year and is now 17 percent of the Nation's total trade deficit.

Mr. Speaker, in my district alone two major textile plants have been closed, one this year and one 3 years ago. One of the largest textile manufacturers in the United States had to close a new plant that had been constructed and this resulted in a loss of over 1,000 jobs in my district all because of imports.

It is time that we look for fair trade rather than letting the imports run away with our markets.

Mr. Speaker, opponents of the textile and apparel trade act claim that the textile and apparel industry is profitable and healthy. That simply is not true.

Employment in the U.S. apparel industry has fallen to 1,089,000 workers, the lowest level since January 1946.

Twenty-seven thousand apparel jobs have been lost during the past 12 months. I repeat, 27,000 apparel industry jobs have been lost during the past 12 months. During the 12 months ending May 1988 textile and apparel imports entering the U.S. market from Communist countries—from Communist countries, Mr. Speaker—amounted to 1.77 billion square yards, the equivalent of 170,000 lost job opportunities for American workers.

Mr. Speaker, I could go on and on with facts to show the Members of this body and the American people that we are not getting a fair deal. All we are asking for is fair trade. We must keep American jobs and American plants operating, and we should have this uppermost in our minds always.

This is a self-executing rule. It should be adopted.

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

The SPEAKER pro tempore. The gentleman from Tennessee [Mr. QUILLEN] has consumed 5 minutes.

Mr. GIBBONS. Mr. Speaker, I yield myself 3 minutes.

Mr. Speaker, I oppose this rule and I oppose this bill for a number of reasons. I do all of them respectfully.

Although the chairman of the Committee, Mr. ROSTENKOWSKI, and myself oppose this legislation, we have not delayed it 1 second in its trip through the Congress. The reason why it is here this late in this session is because the proponents have chosen the time each time at which they want to bring it up.

Now having said that, I respectfully say that we disagree, I disagree with their statistics.

My statistics do not make the case that the proponents' statistics do.

If I can say one thing for the textile and apparel industry, they are great at manufacturing statistics.

There is an old saying about "figures don't lie," and I will let you remember what the rest of it is. But these figures that I am using are Government figures brought forth by the Department of Commerce and by the Census Bureau.

The highest the penetration has been in the garment industry is 35 percent. Actually, if we counted them the same way we have traditionally, the highest the garment penetration would have gotten would have been 33 percent. The highest the textile penetration has gotten has been up to 14½ percent. The yarn penetration is around 5 or 6 percent. The jobs in this industry have been relatively stable despite the fact that the industry has been modernizing and you would expect an industry undergoing modernization to lose jobs as they mechanize and industrialize.

□ 1115

So we respectfully say to them, "You haven't made a case."

Despite that, the textile and garment tariffs are 4½ times as high as the average manufacturing tariffs are in the United States. There are 1,500 different individual pieces of garments and textiles that are controlled. We have controls on them with 42 nations, something we have with no one else, and the subsidy in this issue, the subsidy for the textile and garment industry, is between $20 billion a year and $40 billion a year, probably only exceeded by the agricultural subsidies which have now been locked together in one piece of legislation.

Mr. Speaker, this is bad for the United States. It is bad for the individual consumers. It is bad for jobs in all industries of the United States. The price that we are paying to protect the jobs in textiles and apparels is appalling.

Mr. Speaker, we should retire them all to Florida in nice condominiums and still have money left over if we defeat this legislation.

Mr. CRANE. Mr. Speaker, I yield 2 minutes to the gentleman from Illinois [Mr. MICHEL], our distinguished ranking Republican leader.

Mr. MICHEL. Mr. Speaker, I am going to make my argument very briefly on procedural grounds.

This is the 23d time in this Congress we have been hit with a self-executing rule. That is nearly 16 percent of all rules, which has got to be an alltime record.

Self-executing rules are a sham. They represent a continuing abuse of procedures which, if allowed to continue, means that we will have fewer and fewer opportunities to consider and amend legislation on the floor.

Mr. Speaker, most polls out there are showing that respect for the Congress as an institution has been dropping rapidly in the past 2 years. Is there any wonder?

What would the framers of our Constitution say about the way this House is being run?

Here we are celebrating the bicentennial of our Constitution, the embodiment of democratic principles, and we have a Congress running more in the direction of the old English monarchy. The first seven specific complaints made against George III in the Declaration of Independence concern his disregard or abuse or neglect of legislative procedure. Boy, he would feel right at home in this House.

Mr. Speaker, the textile bill which this rule seeks to ram through is a considerably different version from that which originally passed the House. When the House and Senate bills differ, the normal procedure is to send them to conference and iron out those differences, and that is the only proper way to go on a controversial bill such as this.

Mr. Speaker and my colleagues, this is just another step. The Congress, coming to an early conclusion, a number of things pending over in the other body; what is going to happen on minimum wage? What is going to happen on parental leave? Are we going to have the same treatment when we have an opportunity in this body to work our will as we did on the drug bill and made a real substantial contribution to helping shape that legislation?

Mr. Speaker, that is what our role ought to be in this House. Those of my colleagues, even those who on substantive grounds supported textile legislation in the past, ought to vote against it for no other reason, than what is being done to us with respect to the rules. This applies particularly to those on my side of the aisle.

Mr. Speaker, I urge my colleagues to vote against this self-executing rule.

Mr. DERRICK. Mr. Speaker, I yield 1 minute to the gentleman from North Carolina [Mr. HEFNER], for the purposes of debate only.

Mr. HEFNER. Mr. Speaker, I rise once again in support of a bill which has been fought long and hard in this body. This Congress and the administration has acknowledged that a level playing field is absolutely necessary if we are to compete successfully in international markets by enacting the general trade bill. It is now time to make sure that the same level field is afforded to the textile industry. H.R. 1154 must be passed and signed by the President.

There are those that say this is a protectionist measure. Nothing could be further from the truth. This bill does not roll back imports of textile and apparel: It does establish global quotas and provides for annual growth rates.

This is what this administration had said it would consider as a method for dealing with the flood of imports into this country. In a letter to former Congressman Carroll Campbell in January of 1980, then candidate Reagan stated that import growth might be tied to domestic market growth and that global quotas might also be used.

Since 1980, the trend in imports has grown many times faster than the domestic market. And I say to our friend who talks about declining imports from July of 1987 that new domestic orders for textiles has declined by 9 percent in real terms. The decline in imports is clearly market related and not to any quota restrictions.

With the growth rate allowed by this bill 1989 imports would be increased by 700-million-square-yard equivalents over this year's pace of imports. This is compared with a U.S. market that grows less than 400,000 square yard equivalents a year.

One further point, Mr. Speaker. We ought to pass and the President ought to sign this textile trade bill on national security grounds alone. The textile industry ranks second only to the steel industry in importance to our national security. A strong viable textile industry is exceedingly important to the industrial base of our country and to our national security.

Mr. QUILLEN. Mr. Speaker, I yield 3 minutes to the gentlewoman from Maine [Ms. SNOWE].

Ms. SNOWE. Mr. Speaker, I rise in strong support of this rule which is vital trade relief legislation for our textile, apparel, and footwear industries.

For years, foreign footwear and textile products have been the Hurricane Gilbert of imports, laying waste to hundreds of companies and destroying thousands of jobs. Unfortunately, this import storm has yet to be downgraded. The textile, apparel, and footwear industries have been the consistent victims of uncontrolled and unfair import surges.

This legislation, by allowing 1-percent annual growth for textile imports, and maintaining footwear imports at the 1987 volume level, is virtually their last hope for survival.

This initiative signifies a new, clear-eyed approach to trade, and a new awakening to the realities of the international economy. The U.S. Government can and should take substantive actions to counter the targeted imports from countries running their industries full-tilt and paying subminimum wages to cut into the American market.

Just look at what the cold neglect of the Federal Government has meant to the footwear industry.

In 1981, when orderly marketing agreements expired, footwear import levels hit 50 percent of the U.S. market. By 1985, when the administration denied relief after a formal section 201 injury determination, imports had climbed to over 75 percent. By 1987, imports went over 81 percent.

Our trade laws should be able to confront problems like this, but that apparently is the case only in theory. In reality, this import surge cost us over 7,000 jobs in Maine alone, and forced 19 plants to close their doors.

Textile and apparel imports continue to soar as well, and are gleefully dropped by the ton on the everenticing American market through lack of enforcement and big loopholes in the Multi-Fiber Arrangement.

In recent years, while the Government has sat idle, the job loss toll has mounted. Only recently in Maine, over 100 employees at the Carlton mill in Winthrop were laid off. The Emple Knitting Mill in Brewer closed down this spring and 150 more workers lost their jobs. Dozens of other examples abound.

Mr. Speaker, this bill cannot change the past but it will help this Nation face the future. We simply cannot afford to wait, though. A recent Office of Technology Assessment report reaches a chilling conclusion: In the absence of a response to these surges in imports, the United States stands to lose all of its apparel market and two-thirds of its textile market by the year 2000. That's no way to celebrate the dawn of a new millennium.

In closing, Mr. Speaker, I strongly support enactment of this legislation. Let us start today to respond to trade conditions as they actually affect in practice our companies in the United

States. We already know what happens when we do nothing. We lost everything.

Mr. GIBBONS. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from New York [Mr. DOWNEY].

Mr. DOWNEY of New York. Mr. Speaker, I did not think it was possible to take a bill as bad as the Textile and Apparel Act and make it worse, but the Senate has managed a way to do just that.

This bill sets up new quotas for an industry which already is the most heavily protected in the United States. Eighty percent of this industry is already regulated. As we debate this bill there are already 1,400 quotas, 1,400 quotas in place.

Mr. Speaker, do we really need more? I do not think so.

Let us take a look at the industry. Profitability is up; capacity utilization is up. We have a Multi-Fiber Agreement. We have many textile agreements with our most important textile trading partners.

Mr. Speaker, if we pass this bill today, we will not only impose new textile quotas, but we will hopelessly complicate our agricultural trading policy.

The other body has added this cynical equation and provided this cynical equation between textiles and agricultural commodities, and we are coming very close, dangerously close, to using agriculture policy as a bludgeon. In effect we are saying to our trading partners, "It's all right to produce textiles or to produce food, but you should decide to pay a price if you decide to do one or the other," or, "We will get you if we don't like what you do."

Mr. Speaker, the consequences of this approach are painfully obvious. We celebrate, celebrate, agricultural exports, which are tremendously important above all other exports. We will be saying to the world, "Our high technology doesn't matter as much as agriculture. Our other industrial capacity, our other ability to export commodities, is not as important as agriculture," and then try and knit it all together with textiles.

Reject this rule and reject this bill.

Mr. CRANE. Mr. Speaker, I yield 2 minutes to the gentleman from Texas [Mr. ARCHER], the distinguished ranking member on the Committee on Ways and Means.

Mr. ARCHER. Mr. Speaker, I rise in vigorous opposition to this rule for H.R. 1154, the Textile and Apparel Trade Act of 1987. Through this truncated procedure, the Senate amendments are blessed without review and the committees of jurisdiction are denied the right to go to conference and carefully consider the important issues involved. This rule mocks the legislative process.

I cannot think of a bill that cries out for further attention in a conference more than this one. H.R. 1154 provides significant new protections for the most protected industry in America today—the textile and apparel industry. It violates numerous trade agreements and dismisses the serious adverse consequences, not only to consumers, but also to other more productive sectors of our economy.

The health of the textile and apparel industry is equal to most other industries in America, yet we are asked to approve a costly package of additional quotas in order to shield this one sector from market forces.

The facts do not reveal a distressed industry in need of further protection. It is healthy in both employment and profits. In fact, since clothing costs rose by 7.6 percent during the first 6 months of 1988, one might question the need for the existing 1,500 quotas in effect with 42 countries and the average 18 percent tariffs now enjoyed by this industry.

H.R. 1154, together with the Senate amendments, constitutes serious violations of the General Agreement on Tariffs and Trade [GATT] and the Multi-Fiber Arrangement [MFA] and would have significant negative consequences for the U.S. economy. It is opposed by major farm groups along with retailers and other business groups that would suffer from the adverse effects of market disruption and retaliations.

H.R. 1154 also is strongly opposed by Secretaries Shultz, Lyng, Verity, Yeutter, McLaughlin, and by the Director of the Office of Management and Budget [OMB]. They and other advisers all plan to recommend that the President veto this bill. I expect that he will.

I urge my colleagues to recognize that this rule does a disservice to the legislative process by needlessly eliminating a conference. It robs the committees of jurisdiction of the ability to carefully consider the implications of the Senate amendments.

I would like to bring to the attention of my colleagues some statistical indications of the health of the textile industry. I believe they show that this industry has the least persuasive argument for further import protection of any major industry in this country.

Unemployment for textiles fell to 5.7 percent as 21,000 new jobs were created; for apparel, employment remained steady at 1.1 million. The national average unemployment is 5.5 percent.

Capacity utilization reached almost 90 percent as production increased by 6 percent in 1987 and continues upward.

Imports fell 8.2 percent for textiles and 10.5 percent for apparel during the first 5 months of 1988, while exports increased 14.4 and 25 percent, respectively.

In addition to a significantly more restrictive overall quota, this bill has several problems. The first problem—one likely to create serious economic hardship, if not mass confusion—is the retroactive nature of this legislation. It would establish textile and apparel quotas beginning in calendar year 1988, based on 1-percent growth over 1987; for footwear, the quota would be effective for calendar year 1987 with no growth over the base year of 1986.

This means that orders already placed in 1988 under existing bilateral agreements for textiles and apparel would either have to be stopped for the remainder of 1988 or be deducted from future quotas. For footwear, 1986 levels of imports become the permanent ceiling, and those excess shoe imports that have already entered in 1987 and most of 1988 will also have to be stopped or deducted next year. It is clear that the disruptions, especially for footwear, will be severe because of the bill's retroactivity.

The other problem areas are posed by the two Senate amendments that should be, but will not be, carefully considered by a House-Senate conference. Both have important economic consequences and represent a shift of U.S. trade policy that will further erode our credibility with respect to international negotiations.

The first amendment would mandate increased shares of textile imports to those countries that purchase additional U.S. agricultural exports. It is the false premise of this amendment that increased agricultural purchases will permit expanded textile imports. The global quota provisions of H.R. 1154 establish an absolute ceiling on overall textile imports. Rewards given to countries that take more U.S. agricultural products must be taken away from other countries—often the poorest countries that are unable to increase their agricultural purchases.

Major farm groups strongly oppose tying agricultural exports to the very complicated and bureaucratic textile programs. They recognize that the European Community, Canada, and other important markets for United States agricultural products are likely to hit United States exports in reaction to this overzealous textile bill. While the textile industry would be fully protected from import competition, American agriculture is left vulnerable to disrupted markets and retaliation.

The second Senate amendment would require that at least 20 percent of all textile quotas be sold at auction. Given the number of quotas and countries involved, and the need to preserve historical shares and prevent monopolistic activity, a nightmare is the likely result.

The costs to the Government and to retailers and consumers will far outweigh the revenues collected from quota sales. As is the case with the agriculture amendment, the quota auction amendment will provide protection to one sector of our economy at the expense of another.

With all the serious defects of this bill in mind, I urge my colleagues to vote "no" on the rule for H.R. 1154.

Mr. DERRICK. Mr. Speaker, I yield 1 minute to the gentlewoman from Tennessee [Mrs. LLOYD].

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

Mrs. LLOYD. Mr. Speaker, I rise in strong support of final House passage of the Textile and Apparel Trade Act. I believe this legislation is vitally important and its ultimate enactment one of the top legislative priorities for the remainder of the 100th Congress.

The Congressional Textile Caucus recently released an alarming statistic. Textile mill employment dropped 1.1 percent in August, its steepest monthly drop since February 1985. This cannot continue. The thousands of textile and apparel factory workers who are being thrown out of work due to cheap imports should not have to bear this burden alone. We in the Congress must stand with them and enact this critical legislation to limit future surges in imports.

The importance of the textile industry to our industrial base cannot be overstated. It contributes $46 billion annually to the U.S. gross national product and is ranked by the Department of Defense second only to steel production in its importance to our national security. Our textile industry has spent millions of hours manufacturing items that are essential to our military forces, but today there are only four domestic manufacturers of protective clothing needed by the military. It is only fair that we hold the growth in imports to the growth in the domestic market. The jobs of 2 million American textile and apparel workers are at stake.

I urge my colleagues to join with me in enacting this vital legislation and should President Reagan use his veto power—as he has promised—join with me in voting for a successful veto override. The quality of products that our textile and apparel workers produce cannot be surpassed anywhere in the world. I am proud to know them, to represent them, and to speak for them today.

Mr. QUILLEN. Mr. Speaker, I yield 2 minutes to the gentleman from North Carolina [Mr. COBLE].

Mr. COBLE. Mr. Speaker, we have a trade bill. The Canadian Trade Agreement appears on track. Why not a textile and apparel bill?

I will admit up front that I am not objective about this. I am very substantively involved because the textile, hosiery, and apparel industries are very significant to the economy in my district, but these industries are also significant to the economy and well-being of America.

□ 1130

Many here today appear to be more concerned about the well-being of workers who live in foreign countries than we are about the well-being of American workers. This is, after all, the people's House and we should be proud to speak up for American workers.

This bill is tightly drawn and I believe will impose no burden upon any of our trading partners.

Finally, defense. Can any of you at all image what our defense posture would be if we were plagued with an emasculated textile and apparel industry? It would be virtually nonexistent, and that is what so many people are overlooking, the defense posture.

"Oh, there is no war occurring right now. We have no conflict within thousands of miles of our boundaries," they say; but it could happen, and I think we are going to be remiss if we overlook the importance that the textile and apparel industry has directly to the national security of this country.

Mr. Speaker, the bottom line is American jobs. We are talking about American jobs.

Vote for this proposal today.

Mr. GIBBONS. Mr. Speaker, I yield 5 minutes to the chairman of our committee, the gentleman from Illinois [Mr. ROSTENKOWSKI].

Mr. ROSTENKOWSKI. Mr. Speaker, I rise in opposition to this procedure of agreeing to the Senate amendment without a conference.

Almost 3 years ago, the House began a major effort to come to grips with our evergrowing trade tensions and to change the focus of our trade policy. After much debate, we finally succeeded this year in enacting a major trade policy reform bill that will be remembered as one of the landmark achievements of the 100th Congress.

Many Members worked long and hard on that bill. We had several forces working against us—including the high-financed lobbies of foreign governments and corporations—but we prevailed.

Unfortunately, we now find ourselves voting to repudiate the very principles underlying the omnibus trade bill just 1 month after it was signed into law.

The omnibus trade bill is based upon the premise that the United States must take a firm stand against the artificial trade barriers of other nations. We want the governments of the world to break down their protective walls and stimulate the world economy by expanding—not restricting—markets.

This textile bill, however, does just the opposite. It encourages all countries to maintain their trade barriers, and invokes the very kind of trade policy that we find so offensive in other nations. Why should we expect other nations to play by rules that we won't even play by ourselves? This bill makes the United States, and the U.S. Congress in particular, look like hypocrites who are not really serious about fair and open trade.

The Senate amendment to this bill does nothing to improve it. The so-called Daschle amendment merely attempts to buy off the opposition of farm groups. It is nonsensical trade policy. It says that farm exports are more important than other exports like steel or autos. Not only are we going to make it harder for developing countries to sell textiles and thereby earn dollars to buy U.S. exports, but we are going to penalize them if they use those dollars to buy Boeing airplanes or Caterpillar tractors or Motorola pagers—anything other than agricultural goods. Does that make sense?

Sure, agricultural exports are an important part of my State's economy, but so are a great number of manufacturing industries who are officially relegated to the status of second-class citizens under the Senate amendment. How can we look a steelworker or a machine-tool worker in the eye and tell him his job is less important, as a matter of trade policy, that the farmer's?

After years of spiralling trade deficits, the United States is finally in the midst of an export surge. We should be marshaling all of our energies toward the goal of opening export markets and encouraging increased exports of all U.S. products. Erecting permanent barriers to the U.S. market just gives other countries the perfect excuse not to open their markets to our goods and services.

I believe in the policies and goals set forth by this Congress in the Omnibus Trade and Competitiveness Act. And I believe that the prosperity of American workers and firms depends on the consistent and vigorous enforcement of the principles set forth in that act. This vote today is the first test of whether we are willing to stick to those principles.

I share my colleagues' concern about the problems faced by American textile workers. But I believe those problems must be solved through rational policies that are fair to all Americans, and I cannot, in good conscience, support a measure which is so clearly contrary to the principles of open and fair trade.

Mr. CRANE. Mr. SPEAKER, I yield 2 minutes to our colleague on the

Ways and Means Committee, the gentleman from Washington [Mr. CHANDLER].

Mr. CHANDLER. Mr. Speaker, if the objective of Congress is to harm American consumers, passage of H.R. 1154 will sure do the trick. This bill would drive up consumer apparel prices an estimated $25 to $37 billion in its first 5 years, forcing working Americans to assume most of the cost increases.

The bill would provoke retaliation against U.S. exports, violate our international obligations and undermine our efforts to obtain a more open trading system for U.S. exports.

Current studies of the textile and apparel industry indicate that further protection of this industry is not even necessary. Clayton Yeutter, U.S. Trade Representative, has noted that domestic textile and apparel production, employment, profits, and exports all posted sharp gains in 1986 and 1987, and this trend is continuing into 1988.

The quantity of total imports decreased 9 percent between January and May, the longest period that imports have declined during this decade. In terms of value, textile imports were flat and apparel imports increased moderately. Employment in the industry increased 0.8 percent through June and total man-hours worked rose at the same pace. The unemployment rate declined significantly, from 10.6 to 8 percent.

The U.S. textile and apparel industries already benefit from tariffs averaging nearly 18 percent and from more than 1,500 quotas, which raise the wall of protection even higher. This bill would establish in the United States precisely the sort of trade restrictions we are trying to tear down in other countries.

In June of this year, the Trade and International Economic Policy Reform Act of 1988 became law. This measure provided a number of positive changes in trade policy, including provisions to strengthen our protection against unfair trade practices. Enactment of the textitle bill clearly would undermine the effectiveness of the new trade law.

During the next few months, domestic industries and our trading partners abroad will be working to adjust to the new trade policies. It is important that we give them time to acquaint themselves with these changes and implement them accordingly.

Let's not do this to working Americans. Let's defeat the rule, and give our new trade law a chance to work.

Mr. DERRICK. Mr. Speaker, for purposes of debate only, I yield 2 minutes to the gentleman from Georgia [Mr. JENKINS]

Mr. JENKINS. Mr. Speaker, I know that this is a constant battle and I understand the sincerity on both sides of the aisle, but if we are to stop the total destruction of basic industries in this country, at some point this House and the Senate and the President are going to have to act.

Eight years ago I was told, "Don't worry too much about basic industries in America, because with our great financial interests, our insurance interests, we are going to dominate the world."

At that time we had 6 banks in the top 10. Today we do not have a single one.

We had insurance companies in the top 10. We now have one.

No, our service industries are not going to bail us out, and if you believe that there is something wrong with the figures that come from the Commerce Department about penetration into this particular market, I ask you to take your spouse and go shopping for a change and try to buy clothing and shoes and see how difficult it is to find an American-made product. You do not have to be a genius to know that our figures are correct.

The American people are much smarter and much ahead of this House and this body. Eighty percent of the people in Oklahoma and similar States say that we ought to have a textile bill. They do not have textile interests.

Seventy-four percent of the people in Florida say the same thing.

The American people understand that ultimately, if we do not act, the standard of living of all Americans will be reduced, and if we do not stand firm on textiles, if we do not do it on shoes, someday your children are going to have to pay the price.

No, our first responsibility, in my view, is to the American people. We ought to vote for this measure.

Mr. QUILLEN. Mr. Speaker, I yield 2 minutes to the gentleman from Pennsylvania [Mr. GOODLING].

Mr. GOODLING. Mr. Speaker, I would like to list three reasons why I think we should support this legislation. First of all, national defense. In this decade we spent a lot of money to build up our defense; however, one crucial element has been ignored. According to an internal Army report, the total shortfall for that service is 67 percent of footwear and textile needs. The Department of Defense ranks these needs second only to steel.

So if we find ourselves in battle, what do we say? "Hold up, we want a 2-year truce so that somehow or other we can put our manufacturing back into place and then we will come to battle."

Second, the American textile industry is the best customer for U.S. cotton and the only customer for U.S. steel. These industries employ 300,000 individuals in their home States.

Finally, consider that in 1983 American footwear manufacturers controlled 45 percent of the domestic market. Today they have 17 percent. Eighty-three percent comes from other countries.

Again, if in battle, who are those other countries?

Not only that, but the shoe industry sought relief from ITC in 1985, and they got it, 5 to nothing; at least ITC recommended 5 to nothing. They also recommended 4 to 1 what that relief should be, and the administration said "no." In fact, the administration denied any relief of any sort, not for speciality steel, not for motorcycles, but for shoes.

So I tell my wonderful leader, the gentleman from Illinois, that my vote is not for the procedure, but as a matter of fact it is the only chance I have to invoke for an important piece of legislation that will benefit all Americans, and particularly our defense.

Mr. GIBBONS. Mr. Speaker, I yield 1 minute to the gentleman from New York [Mr. LAFALCE], a member of the Committee on Banking, Finance and Urban Affairs.

Mr. LAFALCE. Mr. Speaker, the issue today is not protectionism. The textile industry from the beginning of the Republic to the present has been and remains the most protected industry in America.

The issue is whether this Congress will give them even more protectionism than they already have.

Additionally, we have entered into agreements with respect to textiles. We have entered into bilateral agreements. We have entered into a multilateral agreement.

And so the second and most important issue is whether this Congress should unilaterally abrogate its word, break its word that we have entered into with other countries bilaterally and multilaterally. I think we should not.

I urge the President to veto this bill when it hits his desk. A great many good Democrats will be ready to support and sustain his veto. A great many good friends of labor will stand with the President on this issue because it is bad public policy, bad for the United States, bad for the world.

Mr. CRANE. Mr. Speaker, I yield such time as he may consume to the gentleman from California [Mr. LAGOMARSINO].

Mr. LAGOMARSINO. Mr. Speaker, I rise in strong opposition to this self-executing rule and the Textile, Apparel and Footwear Trade Act of 1987 (H.R. 1154). This bill is opposed by the Wall Street Journal, the Washington Post, and the Los Angeles Herald, six members of the President's Cabinet, the Chairman of the Federal Reserve Board, and the American Farm Bureau among others.

This bill will raise the price of clothing and shoes by up to $37 billion at the retail level over the next 5 years. Consumers, especially

low income families would be the ones most hurt by the unavailability of low priced imports.

This legislation would violate GATT and the fundamental principles of the Multifiber Arrangement [MFA] and would put the Uruguay round of congressionally supported multilateral trade negotiations in jeopardy. In addition, it will invite certain retaliation by many of our free world allies threatening thousands of jobs in agriculture, aerospace and semiconductor parts. The United States is still the world's largest exporter and consequently we have the most to lose in a trade war.

Mr. Speaker, many of these countries are important to the United States as foreign policy, military and economic allies. The House should remember that Asia is our largest and fastest growing export market. However, the United States will be unable to sell our products overseas if other nations are denied export earnings. Also, some of these nations are deep in debt to U.S. banks and need to have a sound base for foreign exchange earnings or else increased U.S. foreign aid assistance may become necessary.

Supporters of this legislation say that this is a way to save American jobs and prevent irreversible damage to the textile industry. Textile/apparel industry statistics tend to point in a different direction. Productivity in the industry has increased by 3.4 percent per year since 1980. Factory utilization in textiles is at 92 percent in 1987. It is also interesting to note that stock prices of seven of the largest textile companies were up 70 percent in 1 year.

The textile/apparel industry is already the most highly protected and healthy industry in the Nation. Production, capacity utilization, exports and employment all have increased in 1987. The industry has and will continue to benefit from the decline in the dollar and an improved export market.

Mr. Speaker, I would remind those who think that retaliation is not likely, to just ask our wheat farmers about the retaliation they suffered the last time we restricted Chinese textile exports or the computer products industry when we placed a stiff tariff on imported Canadian cedar shingles. I strongly recommend that my colleagues vote against this H.R. 1154.

Mr. CRANE. Mr. Speaker, I yield 1 minute to our distinguished colleague, the gentleman from Ohio [Mr. OXLEY].

□ 1145

Mr. OXLEY. Mr. Speaker, this was, is, and continues to be the most anticonsumer piece of legislation that this Congress or any other Congress has faced. I wonder: Where were the self-appointed consumer groups who many times on the Hill come up and testify against so-called anticonsumer legislation? Where were those people this time? I will tell you where they were. They went in the tank, and we now face the most protectionist bill possible, made even worse by the Senate.

Do we really want to go back and tell our consumers? Do we want to tell the American consumer that they are going to have to pay $5 more per pair of blue jeans? Are we going to tell that to the woman who has to go out and outfit her kids? I do not think so. I do not think we need any more protectionism.

We recently passed the Canadian Free-Trade Agreement, the trade bill, the historic trade bill that the chairman of the Committee on Ways and Means made reference to. This is clearly a step backward, not a step forward. It flies in the face of reality. It flies in the face of what this Congress and the administration have done in providing a very effective trade policy in this country. This bill, make no mistake about it, is veto-bait. We all understand that we are going through the motions, but the key vote is going to be on the override.

Let us defeat this right now.

Mr. DERRICK. Mr. Speaker, for purposes of debate only, I yield 1 minute to the gentlewoman for South Carolina [Mrs. PATTERSON].

Mrs. PATTERSON. Mr. Speaker, today we have an opportunity to pass legislation that will do more for our textile industry than any other bill in recent history.

The textile industry is a vital resource that cannot be underestimated in its value to the U.S. economy. Employing more American workers than the steel and auto industries combined and with an annual payroll of more than $25 billion, the textile industry is a potent economic force. It is also the largest manufacturing employer of minorities and women and contributes $50 billion to the U.S. gross national product.

Imports are choking this valuable industry to the point that we as a nation are going to suffocate on foreign exports that are the product of foreign sweatshops. Since 1980, 1,000 textile and apparel plants have been closed despite an $18.9 billion plant modernization effort; 350,000 textile and apparel jobs and 70,000 footwear jobs have been lost. The most striking statistic is that the textile trade deficit reached an unprecedented $25 billion last year and is now a whopping 17 percent of the Nation's total trade deficit.

Opponents of this legislation charge that production, capacity utilization, exports and employment all increased in 1987. Yet, the facts are that 29,000 jobs were lost in the textile and apparel industry during the 12-month period ending in July 1988, capacity utilization has dropped 5 percent since the first half of 1987 and new orders for textile mill products have fallen 4.6 percent during the first 6 months of 1988 alone. If we do not do something to help this industry overcome the tidal wave of imports, the destruction to our economy will be far worse than any hurricane has ever brought to our shores.

Mr. Speaker, we must save the textile industry from the specter of foreign products overwhelming American jobs and the American economy. The textile industry is far too valuable to our country to let it founder and sink under the weight of massive imports. I urge my colleagues to support this bill.

Mr. QUILLEN. Mr. Speaker, I yield 2 minutes to the gentleman from New York [Mr. HORTON].

Mr. HORTON. Mr. Speaker, as vice chairman of the Textile Caucus, I rise in strong support of the resolution. The need for this bill is greater than ever and the statistics on the textile and apparel industries speak for themselves.

Since 1980 textile and apparel imports have doubled. They now control 55 percent of the U.S. apparel and apparel fabric market. According to the Bureau of Labor Statistics, this has resulted in the loss of 350,000 jobs. In just the last 12 months, 28,000 textile and apparel jobs have disappeared. This is an alarming trend.

Textile profits were down 12 percent during the first quarter of 1988 compared to the same period last year. This is in stark contrast with the rest of the manufacturing sector of our economy. Their profits grew by 49 percent. The textile and apparel trade deficit reached an unprecedented $25 billion last year and is now 17 percent of the Nation's total trade deficit.

There are a number of misconceptions about the textile industry that I would like to clear up before we decide its fate. One misunderstanding is that it is an insignificant portion of our economy. In fact, it employes almost 2 million people. That is more than the steel and automotive industries combined. Another 2 million people work in allied industries and will lose their jobs as our textile industry shrinks.

Another common misconception about the textile industry is that it is inefficient and its equipment is outdated. The truth is that 70 percent of American textile facilities were installed within the past 10 years. That is a commitment of over $18 billion. This year alone the textile industry is projected to spend over $2 billion on modernization. Yet in spite of this effort, how can our industry compete against the substandard wages and working conditions of other countries?

Mr. Speaker, opponents of the bill argue that passing it will increase prices for the clothing buyer. Since 1930, the cost in constant dollars of an automobile has increased 192 percent, the cost of a refrigerator has increased 71 percent and when adjusted for inflation the cost of a hotel room has increased by 314 percent. But the price of a man's wool suit, again in constant dollars, has decreased by 14 percent in that same 60-year time span.

The debate here is not over free trade, but fair trade. The bill will only limit the growth of textile and apparel imports. No country's quota will be cut back. What we are doing is limiting the growth of their textile and apparel industries while slowing the decline of ours. Yet some people are afraid that these countries will retaliate by raising their trade barriers.

Most of them, however, cannot raise their quotas against our textiles. This is because they do not allow textile imports from the United States or any other country. We stand virtually alone in allowing imports to cripple our domestic textile industry.

It makes no sense to me that we should sacrifice our textile industry to foreign competition in fear of reprisals. I have seen the once vibrant textile industry in my hometown, Rochester, NY, dwindle to just a few manufacturers. The loss of these companies has been painful to the community. I urge my colleagues to support the resolution so that other communities in their districts and their States will not suffer the same consequences.

Mr. GIBBONS. Mr. Speaker, I yield 1 minute to the gentleman from Kansas [Mr. SLATTERY].

Mr. SLATTERY. Mr. Speaker, I rise in opposition to the textile bill.

This legislation is clear protectionism that takes aim at the American shoe import industry like Volume Shoe Corp.

The Volume Shoe Corp. employs 1,250 people in its Topeka, KS, headquarters and provides over 13,000 jobs nationwide in its Payless Shoe Stores.

Volume Shoe is opening one new store every working day. Each new store employs at least five new workers.

Forty percent of the new jobs are being filled by young blacks and Hispanics. And many come from disadvantaged areas where unemployment is overwhelming. This legislation will stop this job creation.

In addition, this bill will increase retail clothing prices and invite retaliation against agriculture exports.

It's time Congress realized that the textile bill will not protect jobs; it will take them away from young minority workers and farmers.

Mr. Speaker, the best way to save jobs with the textile bill is to vote against it.

Mr. CRANE. Mr. Speaker, I yield such time as he may consume to my distinguished colleague, the gentleman from Arizona [Mr. KOLBE].

Mr. KOLBE. Mr. Speaker, I rise in strong opposition to the self-executing rule under consideration.

Mr. Speaker, I rise today in opposition to the self-executing rule under debate for the consideration of Senate amendments to the Textile and Apparel Trade Act.

This legislation has been worked on over the course of several legislative sessions. Though I do not support the provisions of this bill, I appreciate the careful consideration given to it. And I believe this pattern of careful consideration should be continued. Efforts to circumvent normal procedures and adopt the Senate amendments without a conference, as this rule would do, should be opposed.

On September 16, 1987, this body passed H.R. 1154 and sent the bill to the Senate for consideration. Now, over a year later we are asked to vote on their version of the legislation. Well, a lot of changes have occurred in a year—to the bill, to the industry and to the trade environment—changes that deserve careful consideration.

Let's consider, for a moment, the many events that have occurred in the last 372 days that both effect and are effected by this legislation. Since this House passed this bill we have witnessed the passage of sweeping new trade legislation, which is now law. We have witnessed the success of our trade negotiators in reaching a compromise with Japan on agricultural imports, as well as significant progress in other trade arenas. Perhaps most importantly, we have witnessed an historic agreement, forged by President Reagan and Prime Minister Mulroney, to roll back all trade restrictions between our two countries. And all this has occurred against the backdrop of continued progress in reducing our trade deficit. Consistently over the last year, reports of trade figures have shown exports on the rise, with imports lagging behind. These trade improvements will be found in almost all industrial and manufacturing sectors, including the textile industry. Since the House passed H.R. 1154, imports of textile and apparel have declined by 15.6 percent.

Much of the progress we have made would be swept away by enactment of this narrow and blatantly protectionist legislation. The amendments to the legislation added by the Senate, while not numerous, are substantial. They should be given careful consideration by this House, particularly in light of the signal this bill will send to other nations who may be looking at the successes I've just mentioned. The self-executing rule we have under consideration today would, at the end of 1 brief hour, have us acquiesce to the Senate amendments, without recommendations by a conference committee, and with precious little debate. This is not the way we should consider or adopt legislation.

Mr. Speaker, I urge my colleagues to think carefully before supporting this attempt to subvert this body into a rubber stamp for the Senate, just for the sake of one already highly protected industry. I urge my colleagues to vote against this rule and bill.

Mr. CRANE. Mr. Speaker, I yield 2 minutes to a distinguished member of the Trade Subcommittee of the Committee on Ways and Means, the gentleman from Minnesota [Mr. FRENZEL].

Mr. FRENZEL. Mr. Speaker, as an opponent of the textile bill, I would certainly oppose any form of the bill that comes before us. But what we are voting on today is not just a vote on the textile bill, it is on a self-executing rule which violates our standard procedure in the House.

This rule ignores the advice of the committee of jurisdiction to go to conference. It would force this body to accept amendments made by the Senate that either set new policy, or were rejected by the Ways and Means Committee in the past. It blithely accepts a new tax on consumers through a quota auction, which was not approved by the House.

The textile bill has always been a political ploy rather than responsible lawmaking. This outrageous procedure only spotlights the political shenanigans. This rule will pass a bill that is so contrary to our international delegation that our trading partners have thrown up their hands in disbelief. Other U.S. industries in far worse shape than the textile industry are already plotting a strategy for their own similar relief bills.

The textile/apparel industry is prosperous, actually fat. Unfortunately, it is also greedy. The most recent figures, for the first 7 months of 1988 demonstrate a very healthy industry. 1987 was a banner year for textile and apparel. While profits were down in the first quarter of 1988 over 1987 by 12 percent, the second quarter saw a 26-percent increase. Between 1985-87 textile industry profits increased by 70 percent versus profitability increases on all industries at 25 percent.

From January-June 1988, there was an employment increase of 1.5 percent, in the textile industry and a 0.8 percent increase for apparel. Unemployment rates are down during the same period—to 5.5 percent for textiles and 8 percent for apparel. Apparel unemployment rate for same period in 1987 was 10.6 percent. Capacity utilization this year is at 90.5 percent, not the 83.4 percent reported by the industry after a survey of some of its members.

Employment losses in the industry continue to be largely due to modernization and productivity improvement. By every measure, employment, profits, utilization, market growth, decline of import, the industry is healthy. Its problem appears to be a willingness to beggar all other American producers and consumers to its own unfair advantage.

Another reason not to support the textile bill, with the extra layer of protection added by the Senate, is that imports have declined from January through July 1988 by 10 percent over the same period in 1987. Imports from the big four suppliers have declined as follows: China by 21.6 percent, Taiwan by 17.3 percent, Korea by 19.6 percent, Hong Kong by 19.1 percent. Imports from Japan have declined 34.2 percent.

I believe that this is evidence that the MFA, the 42 negotiated bilaterals and the 1,500 quotas have served to limit imports of textiles and apparel.

Mr. Speaker, today our vote is mainly concentrated on the Senate amendments which we are blindly accepting. There are two major provisions that are highly objectionable which deserve more than 1 hour of debate in this House.

One is the Daschle amendment, added by the Senate to entice farm State senators into supporting the bill. This would enable any country to increase its textile/apparel quotas if it purchases more U.S. agriculture products. Thereby, we would violate the terms of many of our bilateral agreements, since quota increases for some countries would mean that there is less of the total global quota to divide among those who are unable to increase purchases of U.S. ag products.

We would then find ourselves unable to guarantee growth rates of particular bilaterals. Compensation could be claimed against the United States for violating the bilateral agreements, and you can guess which industry would be the victim of compensation.

All of the major farm groups oppose the Daschle amendment. The Farm Bureau calls it "dangerous trade policy." USDA also strongly opposes it.

Another good reason to oppose this amendment is that it discriminates against other U.S. industries which have just as much right to preferential treatment as does our agriculture sector.

The amendment also ignores the economic situation of many developing countries that are not able to increase their agricultural imports. There are countries, such as Hong Kong, which already import nearly all of their food needs. There are very poor nations that are simply unable to buy more from us. Jamaica is a good example of a country devastated by Hurricane Gilbert which will not have the resources to even purchase anywhere near what they purchased last year. These poor nations would receive cuts in their quotas, and lessen their opportunities to earn foreign currency and to develop.

The amendment which authorizes a 1-year quota auction system for 20 percent of our imports is even more disturbing than the above major policy change. The Ways and Means Committee has considered quota auctions and rejected them several times. Auctions have been promoted by some as a good way to bring home the quota rents which now are received by a few supplier nations. U.S. auctions will not stop auctioning abroad. It will only create a system of double taxation on American consumers where retailers and importers will have to bid for quota on the U.S. side as well. This is a new tax that should have been approved by the Ways and Means Committee. We should not bow to the Senate's whims on tax matters.

Quota auctions would also be an enormous bureaucratic nightmare. Commerce will have to hire hundreds of employees that it cannot afford just to administer the auction. It also would seem impossible to devise a system that would be fair to all importers. The small ones will likely be frozen out, and new entrants will never see the light of day. There is also some belief that Commerce would have to hire another horde of employees just to analyze possible antitrust violations caused by this kind of distortion to the marketplace.

Auctions would also cause us to have GATT cases filed against us. We could be challenged under article VII which prohibits import fees for fiscal purposes. CBO estimates that in 1989 the tariff loss due to fewer imports would be $13 million, whereas the auction receipts would be $157 million. GATT challenges could also be raised on the impairment of tariff bindings and possible conflict with the GATT Code on Import Licensing.

USTR believes that this kind of unilateral action on the MFA would cause us severe problems in the Uruguay round. Developing countries may refuse to cooperate with us if this bill becomes law.

There is also no good reason to support restrictions on imported nonrubber footwear; 1988 imports are 7 percent below 1986 and 6.5 percent below 1987. Imports are down from the three major suppliers—Taiwan, Korea, and Hong Kong. While the total import ratio is up slightly from 1987, imports as percentage of consumption have declined by 1 percent in 1988 over 1987.

Between 1981-87 there was 55 percent growth for footwear. Nearly all of this market growth was for athletic shoes and low-cost nonrubber footwear of under $15 retail cost. U.S. production in these two areas is very limited. For instance, 98 percent of all athletic shoes are imported. A few athletic shoes which retail over $100 are made here, but those haven't exactly been produced for the average consumer. The United States does produce canvas sport shoes, but those are not covered by the bill, since they already receive very high tariff protection—up to 67.5 percent!

United States manufacturers import 40 percent of total imports, according to the ITC. It would appear that their business would suffer, too, if imports were curbed.

Mr. Speaker, this bill and the Senate amendments is an outrage for consumers, who have to pay $25 to $37 billion for new protection under this bill over 5 years, on top of $20 to $40 billion per year of current textile/apparel protection. It is also an outrage for those industries which might be more deserving of an additional Government bailout. It is a disgrace that we would ignore the pleas of our allied and trading partners to oppose such protectionist legislation that is clearly inconsistent with our GATT Agreement.

Here is what American consumers must pay for any new job to be created under this bill: $48,000 for textiles; $63,000 for apparel. Under current restrictions, every American job saved is already costing $134,000 in textiles and $82,000 in apparel.

I urge my colleagues to vote against the Senate amendments. Even though you may have voted for H.R. 1154, I hope you will vote no today on the unusual procedure of accepting the Senate amendments without benefit of a conference.

Mr. DERRICK. Mr. Speaker, I yield such time as he may consume to the gentleman from North Carolina [Mr. VALENTINE].

Mr. VALENTINE. Mr. Speaker, I rise in support of the resolution and the bill.

Mr. Speaker, I rise in strong support of H.R. 1154, the Textile and Apparel Trade Enforcement Act of 1987.

It has been only a few weeks since the Congress passed and the President signed into law a comprehensive trade bill aimed at shoring up the competitive posture of American companies doing business overseas. This bill is beginning to work. This month, the Department of Commerce released some good news regarding our trade figures. The Department stated that for the month of July 1988, imports totaled $36 billion and our country exported goods and products amounting to $26.5 billion. These activities resulted in a trade deficit of $9.5 billion for the month of July, a decline of $3.7 billion from the previous month of June 1988, of $13.2 billion.

Let us not think that this decrease in the trade deficit resulted from the goodness of our foreign trade partners who simply want to voluntarily remove barriers to equal trading. In my opinion, this reduction, albeit small as it is, is a direct result of enactment of the trade bill.

The Congress of the United States has sent a straight-forward and clear message to our world trading partners that we are tough, we are strong, and we are insisting on fair and equitable trade. It would seem to me that if we want to affect a similar decline in our textile and apparel trade deficit, then it would be appropriate to pass the measure before us today.

Mr. Speaker, there are those here in the House, in the administration, and in the business sector who argue that no further restraint on textile and apparel imports is necessary. Let me say that we are not attempting to restrain textile and apparel imports. We are attempting to increase our exports. The administration claims it has given more protection to the textile industry throughout the 1980's already. It has created more quotas on more products, negotiated tougher bilateral restraints, and stronger enforcement of the multi-fiber agreement.

Economists have gone even further in criticizing the textile industry's legislation. They assert that the U.S. textile industry can remain strong with less protection from import com-

petition. These economists now assert, in complete contradiction, that less protection will facilitate international adjustments to a smaller domestic industry, on the grounds that less developed countries possess a comparative advantage in textiles as immutable as the laws of the natural universe.

Mr. Speaker, despite the claims of the administration, import penetration has greatly accelerated in U.S. markets for textile products in the 1980's. Since 1980: 1,000 textile and apparel plants have been closed despite an $18.9 billion plant modernization effort; 400 domestic footwear plants have closed; 350,000 textile and apparel jobs and 70,000 footwear jobs have been lost, this according to the U.S. Bureau of Labor Statistics; 28,000 textile and apparel jobs have been lost in the last 12 months of this year; 750,000 job opportunities have been lost; and imports now control 55 percent of the U.S. apparel and apparel fabric market and 82 percent of the U.S. footwear market.

Further, Mr. Speaker, according to a recent report from the Office of Technology Assessment, if the present import trends continue without enforceable restrictions, in just 5 short years foreign companies will be able to control at least 90 percent of the apparel market in the United States.

Over the past several years, provisions have been added to a number of bills requiring American businesses to "buy American." If this trend of enormous import penetration and the closing of American plants and industries continue, there will be nothing "American" to buy. Instead, we will be saying to our consumers, workers, and industries to "buy Japanese, buy Korean, buy Taiwanese." Must we allow this scenario to become reality?

Mr. Speaker, these figures should be sobering for anyone concerned about American workers and American families. As with any statistics, there is some disagreement about the exact figures and their precise meaning, but the evidence is overwhelming that Americans are being hurt badly by unfair foreign competition in the textile and apparel industry.

Intervention in support of several American industries has been increasing in the 1980's an entirely natural and inevitable response to the record merchandise trade deficits and lagging competitiveness that have accumulated from year to year. Actions have been taken, or soon will be, which aid machine tools, steel, semiconductors, and agricultural products.

Mr. Speaker, those who argue that the U.S. textile industry in the past has unfairly tried to make itself out as a special case, now seem in the awkward position of trying to claim page 3 textiles is a special case in the 1980's, undeserving of intervention even as it is granted to many other industries.

The industry's critics seem only capable of viewing it through the rose colored glasses of free trade, at a time when record back to back trade deficits in the United States in 1985 and 1986 hurt America's vitality as a manufacturing nation.

Mr. Speaker, the issues we are debating today are not new and they have been the subject of much debate in the House and Senate, and editorialized in many newspapers and magazines across the country. Opponents of the bill insist this is protectionist legislation. I contend that it is not. Contrary to these arguments, however, the Textile and Apparel Trade Enforcement Act of 1987 is not a radical, protectionist solution. Instead, it represents a reasonable, logical and moderate approach to solving some problems plaguing the textile and apparel industry. It simply imposes a degree of fairness and order in an international marketplace that currently suffers from uncontrolled and unfair trade practices.

Under present conditions, American textile workers must compete against foreign industries that are subsidized by their governments, against foreign workers who are paid rock bottom wages, and against nations that severely limit American exports. The bill sets reasonable limits for textile imports into the United States and, in fact, would allow smaller nations to increase their imports.

In the long run, Mr. Chairman, this bill will strengthen the U.S. economy. Today, the textile and apparel industry employs nearly 2 million workers in all 50 States with an annual payroll of $25 billion. Additionally, this industry employs more American workers than the steel and automobile industries combined; is the largest manufacturing employer of women and minorities; is responsible for the employment of an additional 2 million workers in support of allied industries; is composed of 5,000 textile companies, 20,000 apparel companies, 120,000 wool growing and shearing operations, and 41,000 cotton farms and allied businesses; and contributes $50 billion to the U.S. Gross National Product annually. Finally, the Pentagon ranks the textile and apparel industry second only to steel production in importance to our national defense.

Passage and enactment of this bill will help the economy, it will save American jobs, it will create new employment opportunities, and it will ensure the consumers a continuing supply of high quality domestic textiles and apparel products.

If we want American workers to compete effectively, then the rules must be fair. Free trade must be free and fair for all nations, or it is free and fair for none. This bill starts the essential process of restoring fair competition in the international textile marketplace.

Mr. Speaker, textile workers are certainly not alone in facing challenges from unfair foreign competition. We have addressed the plight of other industries but have not given the textile and apparel industry a fair shake in ensuring its continued vitality. We needed the Textile and Apparel Trade Enforcement Act when it was considered several years ago, and we need it even more now. I urge my colleagues to vote for the American worker and to vote for the American consumer by voting for H.R. 1154. Millions of Americans are counting on us.

Mr. DERRICK. Mr. Speaker, I yield such time as he may consume to the gentleman from Georgia [Mr. RAY].

Mr. RAY. Mr. Speaker, I rise in strong support of the textile bill and the textile industry.

Mr. Speaker, I rise today in strong support of the textile bill.

There are many reasons why my colleagues should join me in supporting the textile bill:

The U.S. fiber, textile and apparel industries employ 2.2 million people. The industry is the leading manufacturing employer of women and minorities.

The Pentagon ranks textiles as the item most vital to national defense, next to steel. Dependency on foreign suppliers jeopardizes readiness and undermines the U.S. defense posture.

The American textile industry is the largest and most reliable customer for U.S. cotton and the only customer for U.S. wool. Domestic cotton and wool production provides jobs for nearly 300,000 people.

Eighty-three percent of the shoes sold in this country are imported. The Textile and Apparel Trade Act would make it possible for the American shoe industry to survive and grow.

Mr. Speaker, textile and apparel imports for the first 7 months of 1988 entered the United States at near record levels, according to the Department of Commerce. The textile and apparel trade deficit of $13.9 billion was 17.6 percent of the total U.S. trade deficit.

Much has been said about the financial improvement in the textile industry. This is true, but it primarily is because a large percentage of manufacturers have failed, and the remainder of the industry has modernized to take up the slack.

I urge my colleagues to support the textile bill. We cannot continue to allow foreign countries to flood our markets and undercut our own producers. The time for action is now.

Mr. DERRICK. Mr. Speaker, I yield such time as he may consume to the gentleman from Illinois [Mr. HAYES].

Mr. HAYES of Illinois. Mr. Speaker, I support the resolution and the bill itself.

Mr. Speaker, I rise today in support of the passage of the Textile and Apparel Trade Act, as amended by the Senate. As you know, due to the unfair trade policies of the Reagan administration and the way in which these policies have adversely affected the textile, apparel, and footwear industries, it is now crucial that we pass this bill today.

The facts are frightening: 1,000 textile and apparel plants have been closed since 1980, and between 1980 and 1987, textile and apparel imports have doubled. According to the Bureau of Labor Statistics 350,000 textile and apparel and 70,000 footwear jobs have been lost. In fact, employment in the U.S. apparel industry has fallen to the lowest level since January of 1946 and 27,000 industry jobs have been lost during the past 12 months alone. The textile and apparel industry employs more American workers than the steel and auto industries combined and is the largest manufacturing employer of women and minorities.

I am very concerned about maintaining and extending the job market in textiles and apparel in this country. The textile and apparel trade deficit reached an unprecedented $25 billion last year and is now 17 percent of the Nation's total trade deficit. We must act now and we must act favorably on this textile bill. Mr. Speaker, I certainly urge that my colleagues vote in favor of this bill with the additions from the Senate.

Mr. DERRICK. Mr. Speaker, I yield such time as he may consume to the gentleman from South Carolina [Mr. TALLON].

Mr. TALLON. Mr. Speaker, I rise in strong support of the rule on the textile bill.

I do so as one who recognizes that we are the world's greatest debtor nation, or the fact that Japan, Taiwan, West Germany, Canada, and South Korea together account for 70 percent of the United States trade deficit.

I do not see how we can afford to ignore the opportunity that the textile bill presents to strengthen America, not by lowering the dollar, but rather by raising our capacity to meet ever-increasing foreign competition. It has occurred to me that part of the problem is in the way we have shaped the debate.

We all talk about "competitiveness" and "protectionism" versus free trade as if we discovered these issues. Well, we didn't and I think it's useful to put this debate in the proper perspective.

This means taking a look back in our Nation's history, two centuries to be exact, to correspondence between the British economist David Ricardo and Colonial leader Alexander Hamilton.

Ricardo's argument was the same as that of the so-called free traders of today. The colonies, which were 96 percent agricultural, should depend on their natural resources and hope that the comparative advantage would shift their way while the British mopped up.

Fortunately, Hamilton, the "protectionist," believed that our industrial base needed developing. And, the very first measure passed by America's young Congress was a trade bill that placed a 50-percent tariff on over 70 different items.

On this foundation was built the strongest, most competitive economy the world has ever seen. An economy that went from agricultural to industrial base strong enough to defend the free world.

America today, like the America of 200 years ago, must compete in an international economy under the burden of growing international indebtedness. Yet, for the first time, it seems we are unwilling to control our own economic fate. This country's workers are the most productive in the world. But, our Government is paralyzed from responding to foreign nations that simply won't let our products through the gate.

So, the Japanese pay $40 for a steak in the grocery store. The European Economic Community subsidizes soybeans at the rate of $15 a bushel. And, we shrink from responding because we're afraid other governments will label us as "protectionist." Where would we be now if this had been Alexander Hamilton's response?

What after all do we really mean by free trade? By protectionism? Is it protectionist when we provide urban development action grants that help industries compete more effectively in the world market?

Does free trade suffer when we provide funds to improve our infrastructure through funds for water and sewer facilities, and transportation improvements?

Are we subsidizing when we provide for worker training programs or low interest loans for a particular company? No. We are doing these kinds of things all the time. So are our competitors: at the state level, at the national level, internationally.

Our competitors aren't afraid of labels. As a result, the mountain of global productivity has grown but we are sliding farther and farther away from the pinnacle. Lacking a strategic response, we have watched our great manufacturing enterprises falter. Seventy percent of American manufactured products are subject to foreign competition in the United States.

Until now we have been unable to guarantee thousands of textile workers the same job security held by other textile workers around the world. We have been unwilling to enforce existing textile import restrictions; and we refuse to recognize the importance of the 2.2 million textile workers to our economic future.

According to a recent report from the Office of Technology Assessment, if the present import trends continue without restrictions, in just 5 years foreign companies will be able to control 90 percent of the apparel market in the United States. These dismal prospects are unfortunately all too real, and since 1980 over 1,000 domestic textile and apparel plants have been closed. This has resulted in 350,000 lost jobs.

The threat of a retaliatory trade war is an empty one, not because they won't start one but because they already have. For a decade or more the foreign textile nations have dumped their products in the United States market on a consistent and widespread basis.

Finally, we have the opportunity to begin to change all this. The textile bill provides a comprehensive, constructive response to the problems crippling this Nation's textile industry.

I believe the textile bill will position America to take full advantage of changes in the world economy and meet the trade challenges of tomorrow. It will enable us to get this $170 billion trade deficit under control. It will allow us to get on with our future.

Mr. DERRICK. Mr. Speaker, for purposes of debate only, I yield 1 minute to the gentleman from North Carolina [Mr. NEAL].

Mr. NEAL. Mr. Speaker, since 1980, we have lost over 400,000 jobs in the textile and apparel industry. In my State of North Carolina we have lost at least 45,000 textile and apparel jobs.

Mr. Speaker, this hemorrhage of our jobs must stop, and that is what this bill is all about. It would limit unfair subsidized textile and apparel imports, the imports that are stealing our jobs. Mr. Speaker, we know that President Reagan and Vice President BUSH are not for our textile workers. President Reagan vetoed our last textile bill with the support of Vice President BUSH. Both have supported increased imports, many, as has been pointed out already by one of our Republican colleagues, from Communist countries.

Mr. Speaker, my colleagues, we need a big vote on this bill, big enough to override a Presidential veto. Mr. Speaker, for the sake of our textile and apparel workers, our American workers, I urge a big vote on this bill.

Mr. QUILLEN. Mr. Speaker, let us take pride in "Made in the U.S.A." I urge the adoption of this self-executing rule, because it means so much to the American people and the American workers.

Mr. Speaker, I yield the balance of my time to the gentleman from Missouri [Mr. EMERSON].

Mr. EMERSON. Mr. Speaker, in my district, the Eighth Congressional District of Missouri, the economic damage caused by the penetration of imported nonrubber footwear in recent years is one of the most severe single blows we have felt. The most recent closings, which occurred in Jackson and Perryville, MO, resulted in the loss of approximately 400 jobs in these small communities. I do not think I have to tell you how devastating such a loss can be to a small rural communities.

I am one of Congress' staunchest supporters of a general policy of fair, recripocal and free trade. Representing one of the Nation's most productive agricultural areas, I am well aware of the need to maintain and promote our own access to foreign markets—and equally aware of the risks to that access that can result from import restrictions. Nevertheless, I have watched too many small communities suffer too much at the hands of imported footwear, and have become increasingly convinced that this is an industry that needs—and deserves—temporary protection.

From my observations of the industry nationwide, as well as personal knowledge of the nonrubber footwear manufacturers in the Eighth District, I am confident that the industry has not brought this problem on itself. It has made every effort to compete with foreign imports. In Missouri, as well as across the Nation, footwear employees earn wages far below average in comparison to other industries, and considerable resources have been devoted to modernization of facilities and research. In spite of this, the industry still finds itself unable to cope with the flood of imports. We aren't talking about prohibiting imports; we are talking about limiting them to 1987 levels so our domestic industry can modernize and compete on a level playing field. I believe that passage of the Textile and Apparel Trade Act is vitally important and I strongly urge my colleagues to vote in favor of the adoption of the Senate amendments, so that this bill can finally become law. This industry, its employees, and small communities across rural America deserve a chance to regain the ground they have lost to a relentless flood of imports.

Mr. GIBBONS. Mr. Speaker, I yield 1 minute to the gentleman from New York [Mr. SCHUMER].

Mr. SCHUMER. Mr. Speaker, this is, as always, a painful vote for me, be-

cause there have been so many people from my community through the decades who have worked in the textile and needle trades, and I see them, and I see their faces. I feel for them.

The bottom line is that America is at a crossroads. Our economy has been internationalized. We can either compete and win in that world, or we can build a wall around us and say that we cannot compete, and consign our country to a second- or third-rate power.

If we are not able to do as well as other countries in industries that we pick, then we are not going to be a great power economically, militarily, or in any way.

If this bill were to pass, historians 50 years from now would write that it was a turning point. It was the time when America threw up its hands and said, "We give up. We cannot win," and we let other countries gain economic ascendancy.

Reluctantly, but powerfully, we must defeat this rule.

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Mr. CRANE. Mr. Speaker, I yield such time as he may consume to the gentleman from Texas [Mr. DELAY].

Mr. DELAY. Mr. Speaker, I rise in opposition to this rule.

Mr. Speaker, this textile bill is antifamily, anticonsumer, anticompetitive, and antiquated.

It is antifamily because it will increase the average American family's clothing bill by almost $800 per year.

It is anticonsumer because Americans will have to pay an additional $135,000 to save a $5 an hour job in the Textile industry.

It is anticompetitive because we will be pouring billions of dollars into a low-technology, sweatshop industry that is already competitive in today's economy.

It is antiquated because governments have been fighting the competitive decisions of this industry for the last 200 years. The English tried to keep it from moving to New England which tried to keep it from moving to the South which is now trying to keep it from moving to Southeast Asia.

Anyone who thinks we are saving thousands of jobs in America by passing this bill should look again. We may be saving special interest jobs, but we are losing far more jobs in the retail, agriculture, and high-technology sectors and reducing far more standards of living than there are textile workers.

Folks, let's be reasonable! We could set up a direct government subsidy program for these poor textile workers and make them all millionaires in a few years for less than consumers are now paying to preserve their jobs.

The textile bill is one of the worst things we can do in this Congress to hurt our competitiveness, our trade, and our foreign policy. It outright violates the GATT, the Multifiber Agreement, and the Israeli and Canadian Free Trade Arrangements. It places the Uruguay round in jeopardy and sets up our agriculture and high-technology industries for certain retaliation.

The passage of this bill really makes us the "Ugly Americans" in our trading partners' eyes. It's the ugly American Congress that constantly bashes our trading partners for restricting imports and then turns right around and commits the same wrong.

I would move that we rename the bill the Textile, Apparel and Footwear Trade Hypocrasy Act of 1988.

I urge my colleagues to vote against this rule, which is just as hypocritical of democracy and fairness as the bill is. For once, let's act like statesmen—not special interest puppets.

Mr. CRANE. Mr. Speaker, I yield 1 minute to our colleague from the great State of Washington [Mr. MILLER].

Mr. MILLER of Washington, Mr. Speaker, this textile bill is cut from whole cloth. The House should reject the Senate bill and send it back to the public policy dust bin where it belongs.

Mr. Speaker, what do we gain from this bill? Jobs? No way. It will throw thousands of people out of work in export industries from aerospace to agriculture. Production? Wrong again. Our textile industry is already at close to capacity. The American consumer now spends three-fourths of their clothing dollars on domestic products. New Markets? wrong, wrong, wrong. Markets for American products will shut down like classrooms in June if we enact this bill. Lower consumer prices? Hardly. With this tax the American consumer will pay more for every piece of clothing we buy.

And to what end? To protect the most protected industry in America. To increase the profits of the most profitable industry in America.

Mr. Speaker, I do not begrudge this industry 1 dime of its profits. But do not tell my low-income constituents that they must pay more to protect their children from winter's chill simply to insulate the textile industry from fair competition.

Mr. Speaker, the President will veto this bill and we will sustain that vote. Let us save our time and the taxpayer's money and defeat this bill today.

Mr. DERRICK. Mr. Speaker, for purposes of debate only, I yield 30 seconds to the gentleman from North Carolina [Mr. PRICE].

Mr. PRICE. Mr. Speaker, I rise today to urge my colleagues to cast their votes in favor of H.R. 1154, the Textile and Apparel Trade Act.

The American textile industry has demonstrated great resourcefulness in responding to the surge in foreign imports which threatened to destroy the industry. However, the damage that has been done is quite extensive. During the past 8 years we have seen 1,000 textile plants close, 350,000 textile and 70,000 footwear jobs lost, and the accumulation of an unprecedented $25 billion textile trade deficit. Clearly, this is a situation which demands swift action, a situation which demands the passage of H.R. 1154.

Critics of this bill try to ignore the pain that these plant closings have caused in so many families across this country. While they talk theoretically of free trade, what we need is fair trade. These people seem willing to let thousands of men and women lose their jobs, somehow believing that countries with unfair trading practices will cease abusing our open market of thier own free will.

As elected representatives, it is our duty to fight to maintain this important domestic industry. My district alone has seen 13 plants either lay off workers or close completely since 1981. By acting now to pass this legislation, we can put a stop to this trend and give our textile industry the chance to complete its recovery.

Mr. Speaker, 28,000 jobs have been lost since the House initially passed H.R. 1154 a year ago. We must realize that we must act now or risk losing an entire industry. More importantly, we must realize that hard working American men and women need jobs, not vague economic theories. Such theories will not pay a mortgage, buy groceries, or even permit our textile workers to buy the very clothes and goods that they themselves helped to produce. For these reasons and many more, I urge my colleagues to vote yes on H.R. 1154.

Mr. DERRICK. Mr. Speaker, for purposes of debate only, I yield 1 minute to the gentleman from New Jersey [Mr. GUARINI].

Mr. GUARINI. Mr. Speaker, I rise in strong support of Textile and Apparel Trade Act of 1988.

We are at a critical juncture—we can either pass this legislation or face the extinction of an industry that is critical to our national economy.

Since 1980, textile and apparel imports have risen 169 percent; 1,000 textile and apparel and 400 domestic footwear plants have closed. More than 420,000 jobs have been lost.

In my own district in New Jersey, more than 80 plants have closed, costing more than 1,200 jobs.

Mr. Speaker, how can we compete with countries that are paying just a few cents an hour for their wages?

Our workers are among the most productive and efficient in the world but they cannot compete with nations that pay workers as little as 20 cents per hour.

The U.S. textile and apparel industries are vital to the U.S. economy. They employ nearly 2 million workers in all 50 States and contribute $50 billion to our GNP.

They are also the largest manufacturing employer of women and minorities.

This bill has been labeled protectionist legislation, but I call this legislation fair and sensible. It is a practical, reasonable approach to curbing the massive flood of foreign textile and apparel products which threatens the

very lifeblood of these vital industries and threatening huge unemployment.

I strongly urge my colleagues support for this urgently needed legislation.

Mr. GIBBONS. Mr. Speaker, I yield 2 minutes to the gentleman from Kansas [Mr. GLICKMAN] to close debate on this side.

Mr. GLICKMAN. Mr. Speaker, I rise in opposition to H.R. 1154, the Textile and Apparel Trade Act. The bill grants special preference to one industry with potentially far-reaching effects on other segments of the economy. The amendments added in the Senate, while well-intentioned and with some appeal, will not, in my view, insulate the very sector of the economy which has consistently contributed billions of dollars to our export earnings from retaliation from the countries likely to be harmed by the base bill.

I was a strong supporter of the omnibus trade bill this House worked on for such a long time and which the President finally signed this summer. Mr. Speaker, one of the reasons the House enthusiastically endorsed the omnibus trade bill was that in writing it, we were guided by an overriding philosophy that all industries, all segments of the economy, should be treated as equitably as possible. All the committees involved in fashioning that legislation did their best to reject single-industry provisions and in so doing, generally produced a bill and a set of trade law reforms to treat all business and all workers the same. That law was geared to open markets, as was United States-Canada trade record. This bill, however, is geared to close markets. So, two bills to open markets and one to close. Not a very clear signal, indeed that we intend to compete in the world.

The legislation before us undermines what I believe was a sound principle and what should be a sound principle in our conduct of trade policy. While I am sympathetic to the legitimate concerns of the companies, workers, and suppliers involved in the domestic textile, apparel, and footwear industries, I believe they should utilize existing trade law remedies designed for all industries. I also have concerns about the possibly damaging effects this legislation might have on the ability of some consumers to continue to have access to reasonably priced goods.

As chairman of the Wheat, Soybeans, and Feed Grains Subcommittee, I remain concerned about the effects of this legislation on the ability of our farmers to export. I fear that notwithstanding the good intentions of our colleagues in the Senate to protect agriculture from such retaliation, that the amendment will not accomplish that goal. The countries which supply textiles to the United States account for over one-half of our agricultural exports, a $33.5 billion market this year. Most of them in all likelihood will not increase their purchases of U.S. farm commodities to ensure that they can sell more textiles in the United States, undermining the efficacy of the amendment. To achieve its goal, the amendment will have to be implemented fairly and evenhandedly and in an extraordinarily precise fashion, yet I seriously believe that it offers an unworkable system. The bill will likely create new barriers and starts the United States down a path of tying exports to imports, a path with very serious, troubling implications. But make no mistake about it—this bill hurts agriculture and rural America. The agriculture economy is now seeing some rebound from its darkest years, and I fear that this bill could lead to reduced farm exports and lower farm income, which would lead to further havoc in rural America.

Mr. CRANE. Mr. Speaker, I yield 1 minute to our distinguished colleague, the gentleman from Tennessee [Mr. SUNDQUIST].

Mr. SUNDQUIST. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, I rise in opposition to this rule and do so as one who has supported the textile industry in its bid for a level of playing field in the past. But I will not vote for this rule today. I find it incredible and indefensible that Members of this House will have no opportunity whatsoever to debate this important legislation, that we will have no opportunity to represent the views of our constituents in this body and through conference.

Self-executing rules are wrong, Mr. Speaker. Our trade situation is changing. Our relationship with trading partners continues to evolve, and Members of this House deserve the opportunity to debate the textile and apparel bill in that context. That is why I oppose this rule, and I ask my colleagues on both sides of the aisle to join with me in defeating this rule.

Mr. CRANE. Mr. Speaker, I yield 30 second to our distinguished colleague, the gentleman from New York [Mr. KEMP].

Mr. KEMP. Mr. Speaker, I thank my colleague, the gentleman from Illinois, and congratulate him on his position, as well as the gentleman from Tennessee.

Mr. Speaker, for the record, I rise in strong opposition to the Textile and Apparel Trade Act. This bill is a blatant exercise in protectionism which ensures that every American consumer will pay higher prices for clothing and other textile goods.

Protectionist legislation such as this bill really is a cruelly regressive tax increase in disguise. Wealthy Americans spend only a small proportion of their income on clothing, so an increase in prices has a minimal impact on them. However, low-income Americans must spend a larger share of their paychecks on clothing. This bill will increase consumers' costs for clothes by an additional $25 to $37 billion in the next 5 years. By sending clothing prices sharply higher, this bill will lower the standard of living for those Americans who need our help the most in moving up the ladder of economic opportunity.

H.R. 1154 violates almost every trade agreement we have signed with our trading partners. It violates GATT, the recently renegotiated multifiber arrangements, and more than 40 bilateral textile agreements. By imposing new quotas on Canada, it also violates the free trade agreement with our neighbor that this House just approved.

This bill also will devastate struggling and fragile Third World democracies such as the Philippines. The Philippines is our 10th largest supplier of textile and apparel goods, exporting $696 million in goods to the United States during the last year. How can we reconcile our commitment to Mrs. Aquino to help strengthen democracy in one of our most important allies when we are aiming broadsides such as this legislation at the Philippines' and other Third World economies?

In trampling on our international trade obligations, we are giving our trading partners the opportunity to retaliate against other American products or demand compensation. Why do we insist on shooting the American economy in the foot when it comes to trade? We impose trade restrictions against Canadian cedar shakes; the Canadians retaliate against United States corn. We restrict Japanese microchips coming into this country; our own computer industry has to forgo new product lines because it can't obtain D-Ram chips, giving Japanese computer companies a foot in the door in the United States market. Protectionist trade legislation always boomerangs, injuring some unsuspecting and innocent American industry.

This bill adds another layer of protectionism for industries which already are among the most protected in the country. When the administration renegotiated the Multifiber Arrangement in 1986, it expanded the agreement to cover previously uncontrolled fibers. It also negotiated bilateral agreeements with countries that supply the bulk of our textile imports, such as Hong Kong, Taiwan, Korea, and Japan, limiting their import growth to 1 percent annually. As a result, the U.S. textile and apparel industries are protected by nearly 1,500 quotas, with tariffs averging almost 18 percent, compared to 3 percent for all other industries.

Protectionism on this scale always comes with a high price tag. These quotas and tariffs already cost Ameri-

cans more than $21 billion a year, or $240 for every family. The latest round of new quotas with our Asian trading partners helped boost prices at the cash register for textiles and apparel by 15 percent this past spring.

We are considering this bill at a time when the textile industry is enjoying a resurgence. Through the first 6 months of 1988, textile exports jumped 22 percent, while imports rose less than 1 percent. During the first 7 months of this year, imports decreased almost 10 percent. The textile merchandise trade deficit is currently falling by 15 percent a year.

The textile industry is benefiting from this higher demand at home and abroad. Profits rose more than 54 percent during 1986 and 1987. In the second quarter of 1988, profits were up another 61 percent over 1987. The industry is operating at almost 95 percent capacity, one of the highest capacity utilization rates of any industry in the country.

The textile industry has a tremendous opportunity to take advantage of the improving export picture and the growing demand at home. Instead of squandering this opportunity by pushing for another layer of protectionism which will only gouge American consumers and make the industry less competitive abroad, the industry should be concentrating on investing in new plants and equipment to enhance its competitiveness and productivity.

I urge my colleagues to reject this antitrade, antigrowth bill. This is protectionsim in its purest and rankest form. It shoud be defeated.

Mr. DERRICK. Mr. Speaker, for purposes of debate only, I yield 1 minute to the gentleman from Virginia [Mr. PAYNE].

Mr. PAYNE. Mr. Speaker, I rise in support of the rule on this conference report, and of course in support of the conference report itself.

The issue here is a basic one—perhaps the most basic issue for all Americans. The issue is jobs. Hundreds of thousands of Americans jobs in textile, apparel and foot-wear manufacturing have been lost—sacrificed to the principle of unrestrained trade.

This principle may have been valid for its time, but its time was an earlier time, not the 1980's when we are seeing our trading partners' aggressive trading practices destroying American jobs and American companies.

I urge all my colleagues to view this conference report for what it is—an effort to maintain and restore to health, industries and jobs which are vital to the Nation.

Mr. CRANE. Mr. Speaker, I yield 1 minute to our distinguished colleague, the gentlewoman from Connecticut, Mrs. NANCY JOHNSON.

Mrs. JOHNSON of Connecticut. Mr. Speaker, I rise in strong opposition to this rule and bill. With every passing day the strength of our economy and job opportunities in my district and throughout America depend more and more on our success in the international market.

Our laws can govern our domestic market, but any agreements between nations can govern international trade and assure world prosperity.

A very grave danger in passage of this bill, and a major reason it will be vetoed, is the impact it would have on our Nation's ability to address our own interests through negotiated agreements with our trading partners.

If negotiated agreements can be unilaterally abrogated by the Congress, why should our trading partners make or abide by those agreements that expand our interests? If we pass this bill, how do we convince those we are negotiating with in Uruguay, during this new, very important round of GATT negotiations, that they can trust us.

We have given our word legally and morally as a nation on hundreds of textile limiting agreements that this legislation would break. As a leader of the free world, our message to mankind has been that governance by law brings peace, prosperity, and freedom to men. Can we afford to blatantly break our commitments, our bond, and endanger the trust essential for peace and prosperity?

I say no and will oppose this self-enacting rule.

Mr. DERRICK. Mr. Speaker, for purposes of debate only, I yield 1 minute to the gentleman from Ohio [Mr. TRAFICANT].

Mr. TRAFICANT. Mr. Speaker, our trade deficit is a $160 billion indictment of Congress. America is losing $12 per hour jobs and replacing them with three minimum wage jobs, and calling that real growth. GEORGE BUSH is, some Democrats are, too, and I cannot believe it.

The truth is American soldiers won the war. Japanese and German soldiers and workers have won the peace. The Constitution clearly states that Congress shall regulate commerce; not may, shall. I do not apologize for that economic hammer. The tragedy is that the only commerce that Congress has regulated has been profits for Japan, the most protectionist nation in world history, who is laughing at this debate today.

Now, I do not want to hear any more about free trade pacts with Canada when they enjoy a 25-percent advantage in our currency exchange rates. Let us pass this bill. Let us stand up for American workers today.

Mr. CRANE. Mr. Speaker, I yield myself the remainder of our time.

The SPEAKER pro tempore (Mr. BRYANT). The gentleman from Illinois is recognized for 2½ minutes.

Mr. CRANE. Mr. Speaker, I rise to urge my colleagues to say no to the expanded and outrageous protection which the textile and apparel industry is demanding of us this year. American consumers are already paying between $200 to $300 a year per family for an elaborate system of textile import restrictions; this grab for an additional $100, which impacts middle and low income families most severely, must be rejected.

We hear, over and over, that the industry is at death's door. But let's look at the facts. The textile industry shows levels of profitability which increased 8.6 percent last year after increasing by 67 percent the year before. The unemployment rate in textiles has fallen dramatically from its 1982 high of 13.5 percent to 5.7 percent in 1987.

The industry is vociferous in its assurances that other sectors of our economy will not be hurt by the special deal it proposes in H.R. 1154. "Don't worry about other U.S. export markets and retaliation" it maintains, "The bill is legal under GATT and besides, it contains authority for the President to offer compensation to our trading partners so they won't retaliate."

But the facts tell a different story. Imposing unilateral quotas on $23.4 billion worth of our trading partners' products, without a proper injury determination, is highly illegal under GATT. The much touted compensation authority, which allows for a 10 percent reduction in textile tariffs, phased in over 5 years, would be completely inadequate in light of the huge compensation bill we would owe these trading partners. Under GATT, they would be justified in assessing the balance against U.S. exporters in other industries such as aircraft, timber, or steel. Doors to U.S. exports would shut all over the world.

While they would require other industries to bear the cost of their import protection, the bill's proponents are also asking the House to abandon its responsibility to consider substantial changes in trade policy which were made to the legislation by the other body.

In an unattractive bid to turn around a few agricultural votes, the other body added a highly misleading amendment, which directs the President to reward countries that increase agricultural purchases from the U.S. with a larger textile quota. The only problem is that the aggregate level of access available for any purchaser of U.S. ag exports will be lower than that our farmers are currently exporting. So, in effect, we are betting that our trading partners will refrain from retaliating because we don't cut off business as much as we might have if they

were to purchase less of our agriculture products.

Further folly in this amendment is that it punishes our best customers, those who are already purchasing large amounts of agriculture products from the United States, because they will have a harder time increasing purchases. To their credit, most agriculture groups continue to be strongly opposed to H.R. 1154 despite the change.

The proposal to auction quotas contained in the new bill, although it succeeded in achieving the necessary revenue estimate from CBO, is another ploy. Poorly conceived, it amounts to nothing less than a new tax aimed at the retailers but actually hitting low income consumers, who pay a greater percentage of income for clothing. Personal consumption expenditures on clothing increased 5.6 percent in 1987 on top of a 6.6-percent increase in 1986 and quota auction will increase costs even more.

Mr. Speaker, because of the macroeconomic environment, the 1980's have been difficult for U.S. exporters. Current trade statistics indicate we are well on our way to a strong turn around and that many American companies, which have been facing international competition bravely, are more prepared to succeed world wide than they have been in years. I urge my colleagues to refrain from giving our trading partners the excuse to limit U.S. export growth to 1 percent a year by applying restrictions similar to HR 1154. I ask my colleagues to vote "no" on the rule.

Mr. DERRICK. Mr. Speaker, I yield myself the balance of my time.

□ 1215

Mr. Speaker, you know, this seems to be the year of the Pledge of Allegiance to the Flag. I would like to take this opportunity to remind you that half of the flags that we are pledging allegiance to were made in the Asian rim countries. And that is about the amount of our apparel and textile industry that we have lost over the last 10 years.

You know, we can stand up here and talk about additional taxes and all these other reasons for not voting for this bill; but the fact of the matter is that we are doing exactly what the British Empire did in the latter part of the last century, and beginning of this century.

We are using our economic base to conduct our foreign policy. You see where it got them. And I am going to tell you right here in September 1988 that that is exactly where it is going to get us.

I had a textile plant to close down in my district just last week in a small town, the main employer, 800 jobs. So if you think that we are not continuing to lose textile jobs, you are looking at the wrong figures.

I can let you talk to 800 people who will tell you otherwise.

How do you expect us, how do you expect us to remain the greatest Nation in the world, the strongest economic power, the strongest military power in the world if we continue to give away our basic industries, our infrastructures in this country such as the steel industry, such as the automobile industry, such as the shoe industry? The signatories to the GATT agreement several years ago got together and said that textiles and apparels fall into a special category. Yes, they do need protection. And as a result of that, we had the multifiber agreements.

The reason we are here on this floor this afternoon is that those multifiber agreements have not been enforced by the administration. They are given that authority and were given that authority by the Congress back in the 1930's. The problem is that everyone else is enforcing their agreement; the Asian rim countries, the common market. Because of that, we are being flooded with textile goods and apparels.

Think about your country, think about your country for your children and your grandchildren and vote for this bill.

Mr. GRADISON. Mr. Speaker, I rise in opposition to the rule. H.R. 1154, the Textile and Apparel Trade Act of 1987, is the worst kind of legislation imaginable. It panders to a special interest at great expense to the general public.

The textile industry does not need the protection provided by this bill. Textile and apparel imports have declined by 15.6 percent in the last 12 months. The industry is running at near full capacity, well above the national average.

Should this bill become law, the only results will be higher prices for American consumers and higher profits for textile companies. Textile companies' profits have increased 54 percent in the last 2 years. Last year they posted record profits of $1.9 billion, hardly the stuff of an industry "ravaged" by imports.

The United States already has the world's highest textile tariffs. Existing quota and tariff protection cost consumers $20 billion per year, or $238 for the average household. This burden hits the poor harder than the rich. The poorest one-fifth of U.S. households pay an estimated 3.6 percent of their income to subsidize the textile industry. This bill will increase the annual cost to American consumers by another $7 to $20 billion, $173 per working American. It is unfair to ask the poor to pay for more protection for the most protected industry in America when that industry is experiencing record profits.

Furthermore, this bill violates U.S. obligations under the General Agreement on Tariffs and Trade, the Multi-Fiber Arrangement, and 42 bilateral treaties which already restrict textile imports. It clearly invites retaliation which would hurt American farmers and other American exporters. This is no way to reduce our trade deficit.

This bill will not save American jobs, rather it will destroy American jobs. The International Business and Economic Research Corp. predicts that while the bill would protect fewer than 46,700 textile jobs, it would eliminate more than 52,440 retailing jobs which depend on imports. The price tag on this legislation is at least $150,000 per job saved. When the unemployed rate in the major textile production States is subtantially below the national average, this is a waste of the taxpayers' money.

I urge my colleagues to defeat the rule for this costly special interest legislation.

Mr. RITTER. Mr. Speaker, opponents of H.R. 1154 claim that the textile and apparel industries are profitable and healthy, and don't need stronger trade legislation to survive. To that I say—baloney! All you have to do is come to the Lehigh Valley of Pennsylvania, which I represent, to see that their claims are just not true.

Come there and speak to the owners of apparel firms about the problems caused by the flood of imports. Come there and see the number of workers who have been laid off by the flood of apparel products from low-wage foreign manufacturers. You'll be singing a different tune.

Between 1980 and 1987, textile and apparel imports increased by nearly nine billion square yards, devouring all of the growth in the U.S. market—and then some. Now, the retail market for apparel has tumbled sharply. Clothing sales have dropped for three consecutive quarters, averaging an annual rate of decline of a phenomenal 6 percent.

Because of this decline, employment in the U.S. apparel industry has fallen to 1,089,000 workers, the lowest level since January 1946. Just in the last 12 months, 28,000 American textile and apparel jobs have been lost. It is time we stopped this hemorrhage of textile and apparel jobs.

Mr. Speaker, I urge my colleagues to vote to "concur with the Senate amendments" and send this bill to the President. H.R. 1154, as amended by the Senate, would go a long way in preventing the decimation of the textile and apparel industry in America. It would establish global import quotas for each category of textiles and textile products and would authorize the President to grant limited tariff concessions to trading partners adversely affected by import restrictions imposed by such products. In addition, the bill recommends preferential quota assignments for textile and textile products exporting nations that increase their purchases of U.S. farm commodities.

In order to offset the expected tariff losses from reductions in imports, H.R. 1154 would establish a one-year experimental program for the government to auction import licenses equal to 20 percent of the value of textile and apparel imports to U.S. businesses. Without the provision, CBO estimates enactment would result in revenue losses of $3.3 billion over the next 4 years.

This is a reasonable bill to address the unfair trade practices of countries who pay extremely low wages and have far less regard for the rights of workers. I urge my colleagues

to support the Senate amendments and pass this important legislation.

Mrs. SMITH of Nebraska. Mr. Speaker, I rise today in opposition to H.R. 1154, the Textile and Apparel Trade Act.

When this measure was considered by the House, I voted against it. And I will vote against the amended version sent back to us by the Senate.

I believe H.R. 1154 would put at risk recent gains and further expected growth in export earnings for the American farmer. We cannot hope to regain export markets by expanding our trade barriers—as this bill would.

Some have said the Senate amendments have made this legislation more reasonable than the bill the House passed in September 1987. I disagree.

The so-called Daschle amendment which is being marketed as a weapon that would protect American agriculture exports from being used as a retaliatory weapon by our trading partners, is a feeble attempt to gain Farm State members' support for the bill.

H.R. 1154 would limit imports of textiles and apparel from all countries at their 1987 levels plus 1 percent growth overall each year.

The Daschle amendment would give preference in the allotment of that 1 percent increase to those countries that have demonstrated a good record of importing U.S. agricultural products during the previous 2 years. In other words, the amendment would supposedly "reward" countries that continue to import U.S. agriculture products in large quantities.

While that may sound good, it would not work. An increase in the quota of a country that increased farm imports would come at the expense of other countries. If a large number of textile-producing countries increased their purchases of U.S. agriculture products, there will be little room for a large increase in any individual country's textile quota allocation.

In addition, countries that do not increase imports of U.S. agricultural products would suffer reduced quota levels regardless of our commitment under the Multi-Fiber Arrangement [MFA], the multinational agreement which regulates international trade in textiles and apparel. Under the MFA, the United States has bilateral agreements governing specific quotas with more than 30 countries.

Our disregard for the MFA could cause countries to retaliate against the United States. Retaliation would most likely be in the agriculture sector.

Countries that would suffer a cutback in quotas in a given year would be Korea, Taiwan, and Hong Kong. In fiscal year 1987, these countries imported $1.7 billion, $1.4 billion, and $436 million of U.S. agricultural products, respectively.

In total, the 40 or so countries that would most likely have their exports affected by the textile bill buy 70 percent of U.S. farm exports. Obviously, with this kind of exposure, American agriculture will make a very attractive and likely target from these countries for retaliation.

In my home State of Nebraska, overseas trade is crucial to adequate farm and ranch income. One out of every three farm acres is dedicated to production for export. Moreover, economists estimate each $1 billion in farm exports creates agricultural jobs for as many as 35,000 workers. An additional 60,000 nonfarm jobs are created with each $1 billion in farm export sales.

America's farmers are being placed on the line to protect a textile industry that currently has 1,400 quotas already in place and whose imports have declined by 15.6 percent since July 1987.

Our farmers have gone through the adjustments necessary to make themselves competitive again in world markets. It makes no sense for us now to throw up a trade barrier inviting retaliation against the U.S. agricultural exports, expecially when it is one sector of our economy that is contributing positively to the Nation's trade balance.

I also fear the consequences of this bill on the American retailer and consumer. The International Business and Economic Research Corp. estimates that the legislation would cost $10.4 billion annually. Families will be forced to pay from $285 to $600 a year more for clothing than they do now.

Mr. Speaker, I have not been totally assured that agriculture will be protected by the Daschle amendment and I urge my colleagues to vote against H.R. 1154 by voting no on the motion to agree to the bill as amended by the Senate.

Mr. FAWELL. Mr. Speaker, I rise in strong opposition to the self-executing rule on the Senate amendments to H.R. 1154, the Textile and Apparel Trade Act. I urge my colleagues to reject this protectionist trade legislation.

Once again, the textile and apparel industries are before Congress clamoring for protection. These industries are already the most heavily protected in the country by an elaborate network of quotas and tariffs. The Multi-Fiber Arrangement [MFA], originally enacted as a temporary system, extends quota protection to some 1,500 textile and apparel products. The MFA renewed in 1986 now covers 80 percent of all low-priced textile and apparel products.

In addition to the MFA, 42 bilateral agreements have been negotiated by the Administration, including agreements with Hong Kong, Taiwan, South Korea, and Japan to limit their import growth to one percent annually.

The textile and apparel industries receive further protection from steep tariffs. Tariffs on textile and apparel imports average an incredibly high 18.6 percent, which is much higher than the average 3.6 percent tariff on all other imports.

How much more do the textile and apparel industries want? In my view, too much. In fact, the protection currently extended to these industries is costing American consumers up to $27 billion annually according to the Institute for International Economics. The quota bill adds an additional $10.4 billion to that price tag. Of course, increased consumer costs will hit low-income families the hardest.

There are other losers under this quota bill. In order to "save" 46,000 jobs in the textile and apparel industries, the retail industry would lose an estimated 52,000 jobs that depend on imports. It would cost over $220,000 to "save" each textile and apparel job.

Although proponents of this quota bill would have us believe that the textile and apparel industries are on their last legs and that this protection will restore them to greatness, don't believe it. These industries are doing quite well already.

Capacity utilization in the textile industry is 92 percent compared to an 83 percent average for other manufacturing industries. Textile and apparel exports were up by 14.4 and 25.1 percent in 1987, respectively. In the first five months of this year, textile imports fell by 8.2 percent and apparel exports dropped by 10.5 percent. Textile producers registered record profits of $1.9 billion last year. The textile industry created 21,000 new jobs last year—a 3 percent increase.

While there is little argument that these industries have experienced job losses in earlier years, that employment drop is not due solely to import penetration. A study conducted by Clemson University economics professor Richard McKenzie concludes that 83 percent of the job loss between 1973-84 in the textile industry was the result of productivity increases.

Enactment of this quota legislation would turn our trade laws on their head. Our trade laws are designed to remedy unfair trade practices and prevent serious injury to domestic industries as a result of imports. The textile and apparel industries do not meet either of these standards. It would be insidious to pass a quota bill that empties the pockets of consumers and costs jobs in the retail sector in order to further protect industries that are economically robust.

Mr. SPRATT. Mr. Speaker, I rise to urge my colleagues to vote in favor of the Senate amendments to H.R. 1154, the Textile and Apparel Act of 1987. This bill is critical if we are to preserve the largest employer in the manufacturing sector, the textile and apparel industry.

In 1981, when the Reagan-Bush administration took office, the U.S. imported $9.5 billion in textiles and apparel. Last year, textile and apparel imports reached $29 billion; in other words, in 7 years, they tripled. The textile/apparel trade deficit now represents 16 percent of our total trade deficit. This year, imports are projected once again to reach near record levels. While imports have been increasing steadily and by large rates, domestic consumption has been rising each year by only 1 percent. As a result of high volume foreign imports, new orders for textiles and apparel produced by U.S. manufacturers are plunging, with apparel volume orders down 3 percent and textile orders down 9 percent in the first 4 months of 1988.

Mr. Reagan, when he was running for President, promised that textile and apparel imports would be related to growth in the U.S. domestic market. He promised a policy of managed trade. Import increases of over 200% do not represent managed trade. In negotiating bilateral agreements with product-by-product quotas, this administration has broken its promise to industry, and left it to Congress to provide a system of managed trade for textiles and apparel.

The Administration already has the legal authority to implement a global quota. It would

be far more efficient for the administration to use that authority than for Congress to impose a new quota system. Our European allies have succeeded in protecting themselves against a foreign textile/apparel imports by using the same international treaty (the Multfiber Agreement) available to the administration. But this Administration seems to have no regard either for the future of the American textile and apparel industry or the thousands of Americans, including many in my district, who have lost their jobs to foreign imports. Since the administration is unwilling to take effective action, the responsibility falls on Congress.

Without speedy and effective assistance, the future of our domestic industries is bleak. since 1980, record import levels have contributed to the loss of 350,000 jobs and 1,000 plants in the American textile and apparel industry. In my own State of South Carolina, close to 50,000 jobs have been lost. Opponents of the bill argue that the measure is not necessary since textile and apparel manufacturers have been earning higher profits. However, the gain in profits last year resulted from a series of management moves such as permanent closing of many plants idled by the 200-percent increases since 1980. This reduced industry capacity and fixed costs, raised the industry's operating rate and therefore its margin on sales. According to the Office of Technology Assessment, if import volumes increase at its present rate of growth, domestic sales of U.S. apparel firms will approach zero by the year 2000.

This year, with the national focus on competitiveness and the recognition that our nation can no longer continue to accept annual trade deficits of $160 billion, this measure is particularly timely. The textile/apparel deficit represents the second largest component of our total trade deficit. Mr. Speaker, if we are serious about saving the domestic textile/apparel industry, and if we are serious about stopping the hemorrhaging trade deficit, we will give our support to H.R. 1154. Let's send a message both to the administration and to foreign governments that this Congress is no longer willing to stand by and watch our single largest manufacturing industry disappear. I urge my colleagues to support this legislation.

Mrs. COLLINS. Mr. Speaker, a number of years ago, the United States reigned supreme in the world of consumer goods. Production in our country combined the ultimate of quality and quantity. Prosperity was high and the future always bright.

In recent years, this rosy picture has been somewhat tarnished, however. The United States often has found itself trailing behind a whole host of countries, particularly when viewing the production of textiles, and finished goods such as shoes and clothing.

It is time to do something about it! Judging by its actions rather than by its words, the administration seems to believe that these problems will take care of themselves. I submit that this is blatantly erroneous. We must act decisively and act immediately to put our country on a level playing field with businesses of other countries.

H.R. 1154, the Textile and Apparel Trade Act, would set us on the right road toward economic trade recovery. Import quotas are not an option to be taken lightly and are certainly not a first resort. However, with the exacerbation of the trade problem over the past 7½ years, the problem has become so acute that serious action must be taken. We have no choice if we wish to keep American production capacity afloat. We need only have the guts to take the necessary action.

In addition to reversing a substantial portion of the trade deficit, this legislation will also save large numbers of American jobs and boost our Nation's production capacity in a number of areas. The Senate's amendments further strengthen our effort by such notable means as encouraging purchase of American agricultural goods.

Mr. Speaker, this bill is a very important step for our country's economic future and I encourage my colleagues to support it.

The SPEAKER pro tempore (Mr. BRYANT). All time has expired.

Mr. DERRICK. Mr. Speaker, 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 appeared to have it.

Mr. DERRICK. Mr. Speaker, I object to the vote on the ground 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 248, nays 150, not voting 33, as follows:

[Roll No. 341]

YEAS—248

Ackerman
Akaka
Alexander
Andrews
Annunzio
Anthony
Applegate
Aspin
Atkins
Baker
Ballenger
Bates
Bentley
Bevill
Bliley
Boehlert
Boggs
Boland
Bonior
Borski
Boucher
Brennan
Brooks
Bruce
Bryant
Bustamante
Byron
Callahan
Campbell
Cardin
Carper
Carr
Chapman
Chappell
Clarke
Clay
Clement
Clinger
Coble
Coelho
Coleman (MO)
Coleman (TX)
Collins
Combest
Conyers
Cooper
Costello
Coyne
Darden
Davis (IL)
Davis (MI)
de la Garza
Dellums
Derrick
Dickinson
Dingell
DioGuardi
Dixon
Donnelly
Durbin
Dwyer
Dymally
Dyson
Early
Eckart
Edwards (CA)
Emerson
Erdreich
Espy
Evans
Fascell
Fazio
Feighan
Fish
Flake
Flippo
Florio
Foglietta
Ford (MI)
Ford (TN)
Frank
Frost
Garcia
Gaydos
Gejdenson
Gekas
Gilman
Gingrich
Gonzalez
Goodling
Gordon
Grant
Gray (PA)
Guarini
Gunderson
Hall (TX)
Hamilton
Hammerschmidt
Harris
Hatcher
Hayes (IL)
Hayes (LA)
Hefner
Henry
Hertel
Hochbrueckner
Holloway
Hopkins
Horton
Houghton
Hoyer
Hubbard
Huckaby
Hughes
Hunter
Hutto
Jacobs
Jeffords
Jenkins
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kastenmeier
Kennedy
Kildee
Kolter
Kostmayer
Lancaster
Lantos
Lehman (CA)
Lehman (FL)
Leland
Levin (MI)
Lewis (GA)
Lipinski
Lloyd
Lujan
Manton
Markey
Martin (NY)
Martinez
Mavroules
McCloskey
McCrery
McDade
McGrath
McMillan (NC)
McMillen (MD)
Mfume
Miller (OH)
Mineta
Moakley
Mollohan
Montgomery
Moody
Morrison (CT)
Mrazek
Murphy
Murtha
Nagle
Natcher
Neal
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (NY)
Parris
Pashayan
Patterson
Payne
Perkins
Pickett
Pickle
Price
Quillen
Rahall
Ravenel
Ray
Regula
Richardson
Ridge
Rinaldo
Ritter
Robinson
Rodino
Roe
Rogers
Rose
Roukema
Rowland (GA)
Sabo
Savage
Schuette
Sharp
Shays
Shuster
Sisisky
Skeen
Skelton
Slaughter (NY)
Slaughter (VA)
Smith (FL)
Smith (NJ)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Snowe
Solomon
Spence
Spratt
St Germain
Staggers
Stenholm
Stokes
Stratton
Studds
Sweeney
Swindall
Tallon
Tauzin
Thomas (CA)
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Valentine
Vento
Visclosky
Volkmer
Walgren
Watkins
Weiss
Wheat
Whitten
Williams
Wise
Wolpe
Yates
Yatron
Young (AK)

NAYS—150

Anderson
Archer
Armey
Bartlett
Barton
Bateman
Beilenson
Bennett
Bereuter
Berman
Bilbray
Bilirakis
Bosco
Boxer
Broomfield
Brown (CO)
Buechner
Bunning
Burton
Chandler
Cheney
Coats
Coughlin
Craig
Crane
Crockett
Dannemeyer
DeFazio
DeLay
DeWine
Dicks
Dorgan (ND)
Dornan (CA)
Downey
Edwards (OK)
English
Fawell
Fields
Foley
Frenzel
Gallegly
Gallo
Gibbons
Glickman
Gradison
Grandy
Green
Hansen
Hastert
Hefley
Herger
Hiler
Hyde
Inhofe
Ireland
Johnson (CT)
Kasich
Kemp
Kennelly
Kleczka
Kolbe
Konnyu
Kyl
LaFalce
Lagomarsino
Latta
Leach (IA)
Lent
Levine (CA)
Lewis (CA)
Lewis (FL)
Lightfoot
Livingston
Lowery (CA)
Lowry (WA)
Luken, Thomas
Lukens, Donald
Lungren
Madigan
Marlenee
Martin (IL)
Mazzoli
McCandless
McCollum
McCurdy
McEwen
McHugh
Meyers
Mica
Michel
Miller (CA)
Miller (WA)
Molinari
Moorhead
Morella
Morrison (WA)
Myers
Nelson
Nielson
Owens (UT)
Oxley
Packard
Panetta
Pease
Pelosi
Penny
Petri
Porter
Pursell
Rhodes
Rostenkowski
Roth
Rowland (CT)
Roybal
Saiki
Sawyer
Saxton
Schaefer
Schroeder
Schulze
Schumer
Sensenbrenner
Shaw
Shumway
Skaggs
Slattery
Smith (IA)
Smith (NE)
Smith, Robert (OR)
Solarz
Stallings
Stangeland
Stark
Stump
Sundquist
Swift
Synar

Tauke	Walker	Wyden
Udall	Waxman	Wylie
Upton	Weber	Young (FL)
Vander Jagt	Whittaker	
Vucanovich	Wolf	

NOT VOTING—33

AuCoin	Gephardt	Pepper
Badham	Gray (IL)	Rangel
Barnard	Gregg	Roberts
Bonker	Hall (OH)	Russo
Boulter	Hawkins	Scheuer
Brown (CA)	Leath (TX)	Schneider
Conte	Lott	Sikorski
Courter	Mack	Taylor
Daub	MacKay	Weldon
Dowdy	Matsui	Wilson
Dreier	Nichols	Wortley

□ 1236

The Clerk announced the following pairs:

On this vote:

Mr. Barnard for, with Mr. Daub against.

Mr. Conte for, with Mr. AuCoin against.

Mr. Nichols for, with Mr. Dreier against.

Mr. Gephardt for, with Mr. Boulter against.

Mr. Russo for, with Mr. Bonker against.

Messrs. BENNETT, DEFAZIO, and CROCKETT changed their vote from "yea" to "nay."

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 text of the Senate amendment to H.R. 1154 is as follows:

Senate amendment:

Strike out all after the enacting clause and insert:

That this Act may be cited as the "Textile Apparel and Footwear Trade Act of 1988".

SEC. 2. POLICY.

The policy of this Act is to—

(1) relate the growth of textile and clothing imports to the growth of the domestic market in order to prevent further disruption of the United States textiles and textile products markets, damage to United States textile and clothing manufacturers, and loss of job opportunities for United States textile and clothing workers; and

(2) maintain a viable United States nonrubber footwear industry by preventing further damage to United States nonrubber footwear manufacturers and loss of job opportunities for United States nonrubber footwear workers.

SEC. 3. FINDING AND DETERMINATIONS.

(A) FINDINGS.—The Congress finds that—

(1) with respect to textiles and textile products—

(A) the current level of imports of textiles and textile products from all sources, more than one hundred and sixty-five countries, reached nearly 12.7 billion square yard equivalents in 1986, an increase of 17 per centum over 1985 imports; this level of imports is 2.5 times the level of imports in 1980, a rate of increase that was not foreseen when the United States granted trade concessions benefiting foreign suppliers of textiles and textile products, and represents over 1.2 million job opportunities lost to United States workers;

(B) imported textiles and textile products contain four million bales of cotton which is equivalent to 39 per centum of annual cotton production in the United States; eight out of every ten bales of cotton contained in imported textiles and clothing are foreign grown cotton; sustained massive increases in imports of cotton textile and clothing products are causing a declining market share for domestic cotton producers, depressed prices, and an average annual market revenue loss of over $1,000,000,000; another result is that a market development program voluntarily funded by United States cotton producers actually benefits foreign growers; finally, as imports of textiles and clothing increase, domestic cotton acreage is shifted to produce other agricultural products which are already in oversupply thereby adding to the problems of United States agriculture;

(C) imports of textiles and textile products made of wool have doubled since 1980, creating major disruptions among domestic wool products producers and seriously depressing the price of United States produced raw wool; because import penetration in the domestic wool textile and clothing market is nearly 70 per centum, it is critical that action be taken to halt further erosion of the domestic industry's market share;

(D) imports of textiles and textile products made of manmade fiber and competing fibers, other than cotton or wool, have more than doubled since 1980 resulting in substantial reductions in domestic manmade fiber production capacity and job losses;

(E) the textile and clothing trade deficit of the United States exceeded $21,000,000,000 in 1986, an increase of 18 per centum over 1985, and accounted for 12 per centum of the Nation's overall merchandise trade deficit;

(F) import growth of clothing and clothing fabrics has averaged 8 per centum annually since 1973; over that same period, the domestic market for clothing and clothing fabrics has grown only 1 per centum annually; import growth has recently accelerated, and, since 1982, has average 21 per centum annually; the result is that import penetration in the domestic clothing and clothing fabric market has nearly doubled in the last six years, reaching a level of 52 per centum in 1986;

(G) as a result of this increased penetration and the very limited growth of the domestic market, the United States companies producing textiles and textile products competitive with those imported have been seriously damaged, many of them have been forced out of business, have closed plants or curtailed operations, workers in such companies have lost employment and have been otherwise materially and adversely affected, and serious hardship has been inflicted on hundreds of impacted communities causing a substantial reduction in economic activity and lost revenues to the Federal and local governments;

(H) the factors described above are causing serious damage, or the actual threat thereof, to domestic producers of textiles and textile products; as a result, market disruption exists in the United States requiring new measures;

(I) unless the import growth rate of textiles and textile products is slowed to the long term rate of growth of the United States market, plant closings and job losses will continue to accelerate, leaving the United States with reduced competition benefiting domestic consumers and leaving the Nation in a less competitive international position;

(J) a strong, viable and efficient domestic textiles and textile products industry is essential in order to avoid impairment of the national security of the United States; and

(K) actions taken by the United States under the Arrangement Regarding International Trade in Textiles of December 20, 1973, as extended (commonly referred to as the "Multi Fiber Arrangement" or "MFA") have failed to avoid disruptive effects in the textiles and textile products markets in the United States; and

(2) with respect to nonrubber footwear—

(A) nonrubber footwear imports in 1986 reached a record level of nine hundred and forty-one million pairs; this volume of imports is 2.5 times that of 1981, the year that import relief for the nonrubber footwear industry terminated, and is 11.6 per centum above 1985 levels, the year in which the International Trade Commission issued its third finding that the domestic nonrubber footwear industry has been seriously injured by increased imports;

(B) since 1981, import growth of nonrubber footwear has averaged more than 20 per centum per year, gaining market share at the expense of the domestic industry; in 1981, import penetration of the domestic nonrubber footwear market was 51 per centum; by 1986, import penetration reached an unprecedented 80.7 per centum;

(C) as a direct result of imports, domestic nonrubber footwear production has declined every year since 1978, reaching two hundred thirty-four million pairs in 1986, a production level matched only during the Great Depression in the 1930's;

(D) domestic nonrubber footwear employment has steadily declined every year since 1981, and is down 37 per centum from 1981 levels and 7.3 per centum from 1985 levels; unemployment in the nonrubber footwear industry averaged 15.4 per centum in 1986, more than double the national average; and

(E) domestic nonrubber footwear production facilities are closing at an alarming rate, with three hundred and eighty factory closings since 1981 and seventy closings in 1986 alone.

(b) DETERMINATIONS.—Congress determines that, for the foregoing reasons—

(1) textiles and textile products are being imported into the United States in such increased quantities and under such conditions as to cause or threaten serious injury to producers of textiles and textile products in the United States, and

(2) nonrubber footwear is being imported into the United States in such increased quantities and under such conditions as to cause or threaten serious injury to producers of nonrubber footwear in the United States,

within the meaning of article XIX of the General Agreement on Tariffs and Trade.

SEC. 4. LIMITS ON IMPORTS.

(a) CALENDAR YEAR 1987.—Notwithstanding any other provision of law—

(1) the aggregate quantity of textiles and textile products, from all countries, classified under a category that is entered during calendar year 1987 shall not exceed an amount equal to 101 per centum of the aggregate quantity of such products classified under such category, from all countries, that entered during calendar year 1986, and

(2) the aggregate quantity of nonrubber footwear, from all countries, classified under a nonrubber footwear category that is entered during calendar year 1987, and during each calendar year thereafter, shall not exceed an amount equal to—

(A) the aggregate quantity of nonrubber footwear classified under such category, from all countries, that entered during calendar year 1986, and

(B) in the case of low priced nonrubber footwear, notwithstanding subparagraph (A), the aggregate quantity of low priced

nonrubber footwear classified under such category, from all countries, that entered during calendar year 1986.

(b) GROWTH ADJUSTMENT.—For calendar years after 1987, the aggregate quantity of textiles and textile products, from all countries, classified under each category that may be entered during each such calendar year shall be increased by an amount equal to 1 per centum of the aggregate quantity that could be entered under such category during the preceding calendar year. If the aggregate quantity that could be entered under a category for a calendar year after 1987 is reduced under section 10(b), then, in the first calendar year in which there is no such reduction, this subsection shall be applied as if there had been no reduction under section 10(b) in previous calendar years.

(c) EXCEPTIONS.—

(1) The limitations in this Act on the aggregate quantity of articles of textiles and textile products and nonrubber footwear that may be entered during any calendar year do not apply to articles of that kind that are the product of any insular possession of the United States if the articles are—

(A) exempt from duty under general headnote 3(a) of the Tariff Schedules of the United States (19 U.S.C. 1202); and

(B) manufactured or produced in such possession by individuals who are either—

(i) United States citizens;

(ii) United States nationals; or

(iii) permanent residents of such possession in accordance with its laws.

(2) Notwithstanding any other provision of law, the aggregate quantity of sweaters that are—

(A) made of cotton, wool, or manmade fibers; and

(B) assembled in Guam from otherwise completed knit-to-shape component parts;

and that may be entered—

(i) during calendar year 1987, may not exceed 163,216 dozen; and

(ii) during any calendar year after 1987, may not exceed the aggregate quantity that is authorized to be entered under this paragraph during the preceding calendar year, increased by 1 per centum.

(d) ENFORCEMENT.—The Secretary of Commerce shall prescribe such regulations as may be necessary or appropriate for the efficient and fair administration of the provisions of this Act, including regulations governing entry, or withdrawal from warehouse, for consumption of the products covered by this Act. Such regulations shall provide for reasonable spacing of imports over the calendar year.

(e) ALLOCATIONS FOR CERTAIN COUNTRIES.—Regulations may be prescribed under subsection (d) only if such regulations ensure that—

(1) an amount of the limitation imposed by this section on the aggregate quantity of textiles and textile products classified under each category entered during calendar year 1989 and during each succeeding calendar year (hereafter in this subsection referred to as the "applicable year") is allocated to such products of each country to which the total quantity of United States agricultural products exported on commercial terms during the calendar year preceding the applicable year exceeds the total quantity of United States agricultural products exported on commercial terms to such country during the calendar year before the calendar year preceding the applicable year; and

(2) the amount of textiles and textile products classified under each category entered during the applicable year that is allocated so each country under paragraph (1) exceeds the quantity of such products of such country classified under such category that entered during the calendar year preceding the applicable year.

SEC. 5. TARIFF COMPENSATION.

(a) COMPENSATION.—

(1) The President may (A) enter into trade agreements with foreign countries or instrumentalities to grant new concessions as compensation, to the extent required under international trade agreements of the United States, for the import limits imposed under section 4 of this Act to maintain the general level of reciprocal and mutually advantageous concessions under such agreements; and (B) proclaim such modification or continuance of any existing duty on textiles and textile products and on nonrubber footwear as he determines to be required or appropriate to carry out such agreements.

(2) No proclamation shall be made under paragraph (1) decreasing any rate of duty to a rate of duty which is less than 90 per centum of the existing rate of duty.

(3) Before entering into any trade agreement under this subsection with any foreign country or instrumentality, the President shall consider whether such country or instrumentality has violated trade concessions of benefit to the United States and such violation has not been adequately offset by the action of the United States or by such country or instrumentality.

(b) STAGING REQUIREMENTS.—The aggregate reduction in the rate of duty on any article which is in effect on any day pursuant to subsection (a) shall not exceed the aggregate reduction which would have been in effect on such day if a reduction of one-fifth of the total reduction under subsection (a) had taken effect on the effective date of the first reduction proclaimed to carry out such trade agreement, and at one-year intervals after such effective date.

(c) PROHIBITION.—Except as provided in subsection (a) and notwithstanding any other provision of law, the President may not enter into trade negotiations with any foreign country or instrumentality with respect to duties on textiles and textile products and on nonrubber footwear and may not decrease, or propose a decrease, in any such duty by any means, including an implementing bill under section 151 of the Trade Act of 1974 or a proclamation.

SEC. 6. ANNUAL REPORT.

Not later than March 15, 1989, and March 15 of each calendar year thereafter, the President shall submit to the Congress a report on the administration of this Act during the preceding calendar year. Such report shall include detailed information about the implementation and operation of the limitations established under section 4. All departments and agencies shall cooperate in preparation of this report, as requested by the President.

SEC. 7. REVIEW.

The Secretary of Commerce shall commence ten years after the date of enactment of this Act a review of the operation of this Act. The Secretary shall consult representatives of workers and companies in the textile and textile products and nonrubber footwear industries, the United States Trade Representative, the Secretary of Labor, and other appropriate Government officials. Within six months after the commencement of the study, the Secretary shall submit to Congress his findings.

SEC. 8. AUCTION OF IMPORT LICENSES.

(a) IMPORT LICENSES.—Notwithstanding any other provision of law, the Secretary of the Treasury shall establish and implement a pilot program for the issuance and sale to United States companies at public auction of import licenses applicable to categories of textiles and categories of textile products.

(b) IDENTIFICATION OF CATEGORIES SUBJECT TO LICENSES.—The categories of textiles, and the categories of textile products, to which the import licensing program under this section applies shall be selected by the Secretary of the Treasury, in consultation with the Secretary of Commerce. Such selection shall be made so that—

(1) the number of categories of textiles so selected shall, in the aggregate, account for the volume of imports equal to no less than 20 per centum of the value of textiles entered; and

(2) the total number of categories of textile products so selected shall, in the aggregate, account for the volume of imports equal to no less than 20 per centum of the value of textile products entered.

(c) AUCTIONING OF IMPORT LICENSES.—

(1) Each import license to be issued and sold pursuant to this section shall be sold by the Secretary of the Treasury at a public auction held no earlier than fifteen days after the date on which notice of such auction is published in the Federal Register.

(2) By no later than the date that is sixty days after the date of enactment of this Act, the Secretary of the Treasury shall prescribe regulations under which auctions shall be conducted under paragraph (1). Such regulations shall provide for—

(a) the auctioning of quotas, on a historical basis, among retailers, importers, and manufacturers of textiles and apparel;

(b) the transfer of auctioned imported licenses among importers; and

(c) a means of ensuring that no person obtains undue market power in the markets of the United States though the use of auctioned import licenses.

(3) The Secretary of the Treasury is authorized to prescribe, on an expedited basis, such regulations supplementing the regulations prescribed under paragraph (2) as are necessary to address factors involved in conducting the sale by auction of import licenses for any article that are unique to such article.

(d) DEPOSIT OF REVENUES.—Any revenues from the sale of import licenses under this section shall be paid into the general fund of the Treasury of the United States.

(e) DURATION.—The import licensing program under this section shall begin on January 1, 1989, and end at the close of December 31, 1989.

(f) REPORT.—Not later than March 31, 1990, the Secretary of the Treasury, in consultation with the Secretary of Commerce, shall report to Congress on the administration of the import licensing program under this section and the advantages and disadvantages of auctioning import licenses demonstrated by the program.

SEC. 9. DEFINITIONS.

For purposes of this Act—

(1) The term "textiles and textile products" includes, but is not limited to, all articles covered by a category.

(2) The term "nonrubber footwear" mean nonrubber footwear article classified under items 700.05 through 700.45; 700.56; 700.72 through 700.83; and 700.95 of the Tariff Schedules of the United States (19 U.S.C. section 1202) (as in effect on January 1, 1987)

and includes, but is not limited to, all articles covered by a footwear category.

(3) The term "category" means each of the following—

(A) each category identified by a three-digit number in the Department of Commerce publication "Correlation: Textile and Apparel Categories with Tariff Schedules of the United States Annotated", dated January 1987, and in any amendments to such publication correcting clerical errors or omissions;

(B) each subdivision of a category described in subparagraph (A) with respect to which the United States has (i) an agreement with any country on the date of enactment of this Act limiting exports of textiles and textile products to the United States that includes a specific limit on such subdivision, or (ii) taken unilateral action to limit products from any country entered under such subdivision; and

(C) a category consisting of the manmade fiber products not covered by a category described in subparagraph A and classified under subpart E of part 1 of schedule 3 to the Tariff Schedules of the United States.

(D) a category consisting of the products not covered by a category described in subparagraph A and classified under TSUSA items 373.0530, 373.2030, and 373.2230.

The Secretary of Commerce shall determine, after consultation with the United States Trade Representative and the United States International Trade Commission, whether comparable subdivisions described in subparagraph (B) are consistently defined; if the Secretary determines that such subdivisions are not consistently defined, then the Secretary shall prescribe by regulation an appropriate definition of the category covering such comparable subdivisions.

(4) The term "nonrubber footwear category" means each of the following—

(A) men's leather;
(B) men's vinyl/plastic;
(C) men's other;
(D) women's leather;
(E) women's vinyl/plastic;
(F) women's other;
(G) juvenile leather;
(H) juvenile vinyl/plastic
(I) juvenile other;
(J) athletic leather;
(K) athletic vinyl/plastic;
(L) leather work footwear;
(M) other leather footwear;
(N) miscellaneous vinyl/plastic; and
(O) miscellaneous other.

(5) The term "low priced nonrubber footwear" means nonrubber footwear with a customs value of $2.50, or less, per pair.

(6) The term "country" means a foreign country, a foreign territory, an insular possession of the United States, or any other territory, possession, colony, trusteeship, political entity or foreign trade zone, whether affiliated with the United States or not, that is outside the customs territory of the United States.

(7) The term "duty" includes the rate and form of any import duty, including but not limited to tariff-rate quotas.

(8) The term "existing" means the nonpreferential rate of duty (however established, and even though temporarily suspended by Act of Congress or otherwise) set forth in rate column numbered 1 of schedules 1 through 7 of the Tariff Schedules of the United States (or the comparable rate of duty set forth in any law that may supersede such Tariff Schedules) existing on the day before the date of enactment of this Act.

(9) The term "entered" means entered, or withdrawn from warehouse, for consumption in the customs territory of the United States.

SEC. 10. EFFECTIVE DATE.

(a) IN GENERAL.—Except as provided in subsection (b), the provisions of this Act shall apply to textiles and textile products and to nonrubber footwear entered, or withdrawn from warehouse, for consumption on and after the date of enactment of this Act.

(b) CALENDAR YEARS 1987 AND 1988.—The Secretary of Commerce shall prescribe by regulation the aggregate quantity, if any, of textiles and textile products and of nonrubber footwear that may be entered under section 4(a) under each category and each nonrubber footwear category during the period beginning on the date of enactment of this Act and ending on December 31, 1987. Notwithstanding subsection (a), to the extent that the aggregate quantity of imports of textiles and textile products or of nonrubber footwear entered under a category or nonrubber footwear category after December 31, 1986, and before the date of enactment of this Act exceeds the quantity permitted entry for such products under such category during calendar year 1987 under section 4(a), then the limit that would otherwise apply under section 4(b), in the case of textiles or textile products, or under section 4(a), in the case of nonrubber footwear, for such category for calendar year 1988 shall be reduced by the amount of such excess quantity. If such excess quantity exceeds the limit that would otherwise apply under section 4(b), or section 4(a), as appropriate, for such category for calendar year 1988, then the limit for such category for calendar years after 1988 shall be reduced until such excess is accounted for.

(c) 1988 ENACTMENT.—If the date of enactment of this Act is after December 31, 1987, then (1) the term "1988" shall be substituted for the term "1987" each place it appears in subsection (a)(1) and (b) of section 4 and subsection (b) of this section; (2) the term "1987" shall be substituted for the term "1986" in subsection (a)(1) of section 4 and subsection (b) of this section; and (3) the term "1989" shall be substituted for the term "1988" each place it appears in subsection (b) of this section.

PRIVILEGES OF THE HOUSE—RESOLUTION RETURNING TO THE SENATE THE SENATE TEXTILE BILL, S. 2662

Mr. ROSTENKOWSKI. Mr. Speaker, I rise to a question of the privileges of the House, and I send to the desk a privileged resolution (H. Res. 544) returning to the Senate the bill S. 2662, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 544

Resolved, That the bill of the Senate (S. 2662) to remedy injury to the United States textile and apparel industries caused by increased imports, in the opinion of this House, contravenes the first clause of the seventh section of the first article of the Constitution of the United States and is an infringement of the privileges of this House and that such bill be respectfully returned to the Senate with a message communicating this resolution.

The SPEAKER pro tempore (Mr. BRYANT). The resolution constitutes a question of privilege, and the gentleman from Illinois [Mr. ROSTENKOWSKI] is recognized for 1 hour.

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

Mr. Speaker, House Resolution 544 is a simple resolution returning to the Senate the bill, S. 2662, because it contravenes the constitutional requirement that revenue measures originate in the House of Representatives. S. 2662, which passed the Senate on September 9, 1988, is a bill to impose global import quotas on textiles and footwear products. This import restriction constitutes a revenue measure because it would have an immediate effect on customs revenues. Therefore, I am asking that the House insist on its constitutional prerogatives.

While the House, by adopting this resolution, will preserve its prerogative to originate revenue matters, I want to make it clear to all Members that our action does not constitute a rejection of the Senate bill on its merits. As Members know, the House just concurred in the Senate amendments to H.R. 1154, which are identical to the text of S. 2662.

Thus, our action on this blueslip resolution is purely procedural in nature. It makes it clear to the Senate that the only constitutionally appropriate procedure for dealing with import quotas that affect revenues is for the House to act first on a bill and the Senate to add its amendments.

Mr. Speaker, I urge adoption of the resolution.

Mr. FRENZEL. Mr. Speaker, will the gentleman yield?

Mr. ROSTENKOWSKI. I yield to the gentleman from Minnesota.

Mr. FRENZEL. Mr. Speaker, the minority concurs in the gentleman's recommendation and asks that his request be granted.

Mr. Speaker, I thank the gentleman for yielding.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PERMISSION TO HAVE UNTIL MIDNIGHT SUNDAY, SEPTEMBER 25, 1988, TO FILE CONFERENCE REPORT ON H.R. 4782, DEPARTMENTS OF COMMERCE, JUSTICE, AND STATE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS ACT, 1989

Mr. SMITH of Iowa. Mr. Speaker, I ask unanimous consent that the managers may have until midnight Sunday, September 25, 1988, to file a

conference report on the bill (H.R. 4782) making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 1989, and for other purposes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

PERMISSION TO HAVE UNTIL MIDNIGHT SUNDAY, SEPTEMBER 25, 1988, TO FILE CONFERENCE REPORT ON H.R. 4637, FOREIGN OPERATIONS, EXPORT FINANCING, AND RELATED PROGRAMS APPROPRIATIONS ACT, 1989

Mr. OBEY. Mr. Speaker, I ask unanimous consent that the managers may have until midnight Sunday, September 25, 1988, to file a conference report on the bill (H.R. 4637) making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 1989, and for other purposes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

LEGISLATIVE PROGRAM

(Mr. CHENEY asked and was given permission to address the House for 1 minute.)

Mr. CHENEY. Mr. Speaker, I have asked for this 1 minute for the purpose of inquiring of the distinguished majority leader, the gentleman from Washington [Mr. FOLEY], about the program for the remainder of the day and for next week.

Mr. FOLEY. Mr. Speaker, will the distinguished acting Republican leader yield?

Mr. CHENEY. Certainly, I yield to the majority leader.

Mr. FOLEY. Mr. Speaker, we will take up next the bill, H.R. 5142, the AIDS Federal Policy Act of 1988, completing consideration.

Following that, we will take up the conference report on S. 1518, the Methanol and Alternative Fuels Promotion Act of 1987. That will complete the business for the day and for the week.

On Monday, the House will meet at noon and consider 35 bills under suspension of the rules. I include a list of those bills under suspension, as follows:

S. 555, Indian Gaming Regulatory Act;

H.R. 5232, Southwestern Low-Level Radioactive Waste Disposal Compact Consent Act;

H.R. 4584, to authorize the development of public outdoor recreation areas and facilities at Minidoka Dam in the State of Idaho;

H.R. 4146, Washington Park Wilderness bill of 1988;

H.R. 3614, to designate a section of the Columbia River in the State of Washington as a study area for inclusion in the National Wild and Scenic Rivers System;

H.R. 3544, Big Thicket National Preserve additions;

S. 2018, to expand the boundaries of the Congaree Swamp National Monument;

S. 1259, to permit access across certain Federal lands in Arkansas;

H.R. 5001, to establish the Delaware Water Gap National Recreation Area Citizen Advisory Commission;

S. 1693, to provide for a study of the Coronado Trail;

H.R. 5334, Education of the Handicapped Programs Technical Amendments Act;

H.R. 4758, Public Safety Officers' Death Benefits Amendments of 1988;

H.R. 4982, Generic Animal Drug Patent Term Restoration Act;

H.R. 4547, Local Railroad Service Assistance Reauthorization Act;

S. 836, pertaining to security at strategic petroleum reserve facilities;

H.R. 5056, Agriculture Research Act of 1988;

H.R. 5325, Federal Crop Insurance Commission Act;

H.R. 3704, Hotel/Motel Fire Safety Act;

H.R. 4272, to enlarge the San Francisco Bay National Wildlife Refuge;

H.R. 4189, Marine Mammal Protection Act Authorization, Fiscal 1989-93;

H.R. 4919, to approve the governing international fishery agreement between the United States and the Soviet Union;

H.R. 1467, Conference report on Endangered Species Authorization Act;

H. Con. Res. 322, to recognize the loyalty and dedication of American and Panamanian employees of the Panama Canal Commission during the current political unrest in Panama;

H.R. 5287, to establish the Panama Canal Commission Compensation Fund;

H.R. 4557, to require alerting and locating equipment uninspected vessels;

H.R. 4558, Bridge Administration Transfer Act;

H.R. 4529, to authorize the Commission on White House Fellows to accept donations;

H.R. 4432, to require certain detailed tabulations relating to Asian Americans and Pacific Islanders in the decennial censuses;

H.R. 4550, housing data relating to decennial censuses;

H.R. 4720, to include military and civilian personnel stationed overseas in decennial censuses;

H.R. 1472, to designate the M.P. Daniel and Thomas F. Calhoon, Sr., Post Office Building in Texas;

H.R. 3029, to designate the William W. Pares, Jr., Post Office Building in Louisiana;

H.R. 4443, Martin Luther King, Jr., Federal Holiday Commission Extension;

H.R. 5337, to provide for the imposition of sanctions on Iraq; and

H. Con. Res. 369, to commend the Department of State's Science and Technology officers on their outstanding performance.

We will then take up the student loan default initiative, H.R. 4986, under an open rule, with 1 hour of debate; and H.R 4417, the National Bureau of Standards authorization for fiscal year 1989, under an open rule, with 1 hour of debate.

We will postpone any votes ordered on the suspensions only until Tuesday, September 27, but we will take votes on the student loan default initiative and on the National Bureau of Standards authorization on Monday. So the first order of business will be the debate on 35 suspensions, and then the student loan default initiative and the National Bureau of Standards authorization, and the Members should be advised that probably after 3 o'clock in the afternoon the possibility of votes on Monday is very likely. However, there will not be any votes on any suspensions until Tuesday.

On Tuesday, the House will meet at noon and consider H.R. 387, the Federal Equitable Pay Practices Act, under an open rule, with 1 hour of debate; the conference report on the Department of Transportation Appropriations for fiscal year 1989, H.R. 4794; and H.R. 3133, the Trauma Care Systems Planning Act, under an open rule, with 1 hour of debate.

Following those bills and the conference report, we will take recorded votes on suspensions postponed from Monday, September 26.

On Wednesday, Thursday, and Friday, September 28, 29, and 30, the House will meet at 10 a.m. We will first consider H.R. 5247, the Water Resources Development Act, under an open rule, with 1 hour of debate, and the likelihood is that there will be several conference reports on appropriation bills scheduled for Wednesday, Thursday, and Friday. So, Members should expect that there will be votes on Monday afternoon, Tuesday, Wednesday, Thursday, and Friday.

The House will adjourn by 3 o'clock on Friday.

□ 1245

Mr. CHENEY. Mr. Speaker, some Members have asked about the schedule on Thursday in light of the expected launch of the shuttle. I wonder if the majority leader, the gentleman from Washington [Mr. FOLEY] could clarify whether or not there will be any special provisions made on Thursday, or should we expect a normal Thursday in terms of votes?

Mr. FOLEY. Mr. Speaker, I regret to inform the House that no arrangements will be made to postpone any votes on Thursday, and Members should expect votes to occur on Thursday as the legislation requires.

Mr. WALKER. Mr. Speaker, will the gentleman yield?

Mr. CHENEY. I yield to the gentleman from Pennsylvania.

Mr. WALKER. Mr. Speaker, I thank the gentleman from Wyoming [Mr. CHENEY] for yielding.

When the gentleman from Washington [Mr. FOLEY] was reading the list of legislation to come up, one of the things that I did not hear mentioned

is any possibility of considering the Clean Air Act. It was about 6 months ago that the House made it very clear that we wanted action on the clean air bill before we left this session, and we are getting down to the bottom of the legislative schedule, and, if we do not take it up next week, I cannot imagine we can get it completed.

Is there any intention at all to move on the Clean Air Act?

Mr. FOLEY. Mr. Speaker, to inform the gentleman from Pennsylvania [Mr. WALKER], it is not scheduled for next week, but there is a possibility of some action before we adjourn sine die.

Mr. WALKER. Mr. Speaker, I thank the gentleman from Washington [Mr. FOLEY].

Mr. CHENEY. Mr. Speaker, one further quesiton.

I noted earlier we had anticipated that the bill on the so-called 48-hour rule would be up next week. I note that is not on the schedule. Is it the intention of the majority not to bring that up at all next week?

Mr. FOLEY. Mr. Speaker, it is not scheduled for next week. We are giving priority next week to the bills I enumerated and to the appropriation bills.

I might also advise the House that Members should be prepared for the possibility of late sessions next week and the week following, including the possibility that we will go over 3 o'clock on Friday. We will try to give Members some notice of that, but at the end of the session it is possible that we will have to meet later than our ordinary schedule would require. We have to do the appropriations bill obviously, and there are other important pieces of legislation we want to conclude before the session concludes.

Mr. CHENEY. Mr. Speaker, one final question for the distinguished leader, the gentleman from Washington [Mr. FOLEY].

Could the gentleman enlighten the membership at all with respect to our expected adjournment date? Are we close to October 8 or October 15, or is it possible at this point to enlighten us at all with respect to that?

Mr. FOLEY. Sometime between October 8 and October 15 the House will adjourn. That would be my judgment.

The Speaker's intention is that the House meet the scheduled adjournment of October 8. The reality, of course, will be determined in part by actions in the other body.

But it is our intention to adjourn as close to the October 8 target date as possible, and beyond that I am not able to enlighten the gentleman. Members will have to make their own estimates based on previous exerience and events as they occur in the coming days.

Mr. CHENEY. As usual, Mr. Speaker, the gentleman from Washington [Mr. FOLEY] has been very enlightening and precise in his clarifications.

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

ADJOURNMENT TO MONDAY, SEPTEMBER 26, 1988

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday, September 26, 1988, at 12 noon.

The SPEAKER pro tempore (Mr. BRYANT). Is there objection to the request of the gentleman from Washington?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

AIDS FEDERAL POLICTY ACT OF 1988

The SPEAKER pro tempore. Pursuant to House Resolution 520 and rule XXIII, the Chair declare the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 5142.

□ 1250

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 further consideration of the bill (H.R. 5142) to amend the Public Health Service Act to establish grant programs, and confidentiality protections, relating to counseling and testing with respect to acquired immune deficiency syndrome, to amend such act with respect to research programs relating to such syndrome, and for other purposes, with Mr. VOLKMER [Chairman pro tempore] in the chair.

The Clerk read the title of the bill.

The CHAIRMAN pro tempore. When the Committee of the House rose on Thursday, September 22, 1988, amendment No. 1 offered by the gentleman from California [Mr. DANNEMEYER] had been disposed of.

For what purpose does the gentlewoman from California [Ms. PELOSI] rise?

AMENDMENT OFFERED BY MS. PELOSI

Ms. PELOSI. Mr. Chairman, I offer an amendment.

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Ms. PELOSI: Page 80, after line 11, add the following new section:

SEC. 917. DEMONSTRATION HIV MONITORING AND TREATMENT CENTERS.

(a) IN GENERAL.—The Secretary shall establish up to 6 Demonstration HIV Monitoring and Treatment Centers (each in this section referred to as a "center") to provide outpatient monitoring and treatment for research on individuals who are infected with the etiologic agent for acquired immune deficiency syndrone.

(b) SERVICES COVERED.—Each center shall provide services that include—

(1) clinical laboratory monitoring of patients's conditions;

(2) information and counseling on the availability of potential treatments (such as administration of the drug AZT) for the infection;

(3) psychosocial support groups;

(4) information and counseling on services relating to such infection and related conditions; and

(5) preventive treatments relating to any illness or condition which may result from such infection.

(c) OTHER TERMS.—

(1) If a center imposes charges for the provisions of services assisted under this section, such charges shall be pursuant to a public schedule of charges and shall not be imposed with respect to services provided to low income individuals (as defined in section 501(b)(2) of the Social Security Act), and shall be adjusted to reflect the income, resources, and family size of the individuals so served.

(2) Each center shall provide for the development of model clinical treatment plans that will promote the most appropriate intervention for individuals described in subsection (a).

(d) EVALUATION AND REPORT.—The Secretary shall provide for an evaluation of the centers and shall report periodically to the Congress on the need for establishment of any additional centers.

(e) AUTHORIZATION OF APPROPRIATIONS.—For the purposes of carrying out this section, there are authorized to be appropriated $25,000,000 for each of the fiscal years 1989 through 1990.

The CHAIRMAN pro tempore. The gentlewoman from California [Ms. PELOSI] will be recognized for 15 minutes and a Member in opposition will be recognized for 15 minutes.

The Chairman recognizes the gentlewoman from California [Ms. PELOSI].

MODIFICATION OF AMENDMENT OFFERED BY MS. PELOSI

Ms. PELOSI. Mr. Chairman, I ask unanimous consent to modify the amendment. The modification is at the desk.

The CHAIRMAN pro tempore. The Clerk will report the modification:

Modification of amendment offered by Ms. PELOSI: Page 80, after line 11, add the following new section:

"SEC. 917. DEVELOPMENT OF MODEL PROTOCOLS FOR CLINICAL CARE OF INFECTED INDIVIDUALS.

"(a) IN GENERAL.—

"(1) The Secretary may make grants to public and nonprofit private entities for the

establishment of projects to develop model protocols for the clinical care of individuals infected with the etiologic agent for acquired immune deficiency syndrome.

"(2) The Secretary may not make a grant under paragraph (1) unless—

"(A) the applicant for the grant is a provider of comprehensive primary care; or

"(B) the applicant for the grant agrees, with respect to the project carried out pursuant to paragraph (1), to enter into a cooperative arrangement with an entity that is a provider of comprehensive primary care.

"(b) REQUIREMENT OF PROVISION OF CERTAIN SERVICES.—The Secretary may not make a grant under subsection (a) unless the applicant for the grant agrees that, with respect to patients participating in the project carried out with the grant, services provided pursuant to the grant will include—

"(1) monitoring, in clinical laboratories, of the condition of such patients;

"(2) clinical intervention for infection with the etiologic agent for acquired immune deficiency syndrome, including measures for the prevention of conditions arising from the infection;

"(3) information and counseling on the availability of treatments for such infection approved by the Commissioner of Food and Drugs and on the availability of treatments for such infection not yet approved by the Commissioner;

"(4) support groups; and

"(5) information on, and referrals to, entities providing appropriate social support services.

"(c) LIMITATION ON IMPOSITION OF CHARGES FOR SERVICES.—The Secretary may not make a grant under subsection (a) unless the applicant for the grant agrees that, if the applicant will routinely impose a charge for providing services pursuant to the grant, the applicant will not impose the charge on any individual seeking such services who is unable to pay the charge.

"(d) EVALUATION AND REPORTS.—

"(1) The Secretary may not make a grant under subsection (a) unless the applicant for the grant agrees, with respect to the project carried out pursuant to subsection (a), to submit to the Secretary—

"(A) information sufficient to assist in the replication of the model protocol developed pursuant to the project; and

"(B) such reports as the Secretary may require.

"(2) The Secretary shall provide for evaluations of projects carried out pursuant to subsection (a) and shall annually submit to the Congress a report describing such projects. The report shall include the findings made as a result of such evaluations and may include any recommendations of the Secretary for appropriate administrative and legislative initiatives with respect to the program established in this section.

"(e) AUTHORIZATIONS OF APPROPRIATIONS.—For the purpose of carrying out this section, there are authorized to be appropriated such sums as may be necessary for each of the fiscal years 1989 through 1991.

Ms. PELOSI (during the reading). Mr. Chairman, I ask unanimous consent that the amendment as modified be considered as read, and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentlewoman from California?

Mr. MADIGAN. Mr. Chairman, I reserve the right to object, and I do so for the purpose of yielding under my reservation of objection to the gentlewoman from California [Ms. PELOSI] so that she may explain her unanimous-consent request to the Committee of the Whole.

Ms. PELOSI. Mr. Chairman, I thank the gentleman from Illinois [Mr. MADIGAN] the ranking member, for his question.

The primary change in the amendment is calling this program HIV monitoring and treatment centers which could easily be confused with the AIDS research centers established in section 914. The program is now referred to as a project for developing model protocols for clinical care of infected individuals. The intent of the program and the services offered through the project remains the same.

Mr. MADIGAN. Mr. Chairman, I thank the gentlewoman from California [Ms. PELOSI] for her explanation, and I am pleased that she has seen fit to work out this substitute language. I have been concerned about some of the provisions of the gentlewoman's original language, and I appreciate her efforts to work these things out.

I thought it was important that the purpose of the program, Mr. Chairman, be clarified to insure that grants were made for research purposes and the development of model protocols, and I am pleased that the gentlewoman's unanimous-consent request accommodates the concerns that I stated. I think she is to be commended for recognizing the need for this type of legislation.

Mr. Chairman, I withdraw my reservation of objection and urge my colleauges to join me in supporting the revised amendment of the gentlewoman from California [Ms. PELOSI].

The CHAIRMAN pro tempore. Is there objection to the request of the gentlewoman from California?

Mr. DANNEMEYER. Mr. Chairman, reserving the right to object, I apologize to the Chairman. I was outside talking to a constituent.

I would like to be brought up to date on where we are in the parliamentary proceedings.

The CHAIRMAN pro tempore. Pending we have a proposed modification and a unanimous-consent request for a proposed modification to the amendment offered by the gentlewoman from California [Ms. PELOSI]. The modification is offered by the gentlewoman from California.

Mr. DANNEMEYER. Mr. Chairman, further reserving the right to object, is the gentlewoman from California [Ms. PELOSI] seeking to change the language of her amendment that is being offered?

Ms. PELOSI. Mr. Chairman, if the gentleman will yield, in the absence of my distinguished colleague from California [Mr. DANNEMEYER] I clarified the modification for the ranking member of the committee, and I appreciate the cooperation of the ranking member for helping shape this amendment.

The CHAIRMAN pro tempore. This is only on a proposed modification to the amendment, not the adoption of the amendment.

Mr. DANNEMEYER. Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN pro tempore. Is there objection to the request of the gentlewoman from California?

There was no objection.

The CHAIRMAN pro tempore. Without objection, the modification to the amendment is agreed to.

There was no objection.

The CHAIRMAN pro tempore. The gentlewoman from California [Ms. PELOSI] is recognized for 15 minutes.

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

Mr. Chairman, this amendment adds a section under title I, counseling and testing with respect to AIDS. The section would establish demonstration project grants to public and private nonprofit entities to develop, establish, and expand programs to provide AIDS-related counseling and mental health services.

Research studies have documented the possibility of significant social and psychological reactions to a positive AIDS antibody test. Depression, social isolation, suicide, and disabling anxiety have all been reported. Although severe reactions appear to occur in less than 10 percent of these cases, specialized counseling and mental health services are clearly needed in such cases.

H.R. 5142 provides for post-test counseling at the time an individual receives his or her AIDS antibody test result. For some people, this one counseling session will not be sufficient to facilitate the kind of behavior change necessary to stop further transmission of the AIDS virus. This amendment would provide for followup counseling and mental health services which would include facilitating behavior change in order to prevent the transmission of the AIDS virus. The amendment is therefore in keeping with public health goals.

Recent reports suggest that it may only be a matter of time before 50 to 100 percent of infected individuals develop AIDS. Thus, any program which attempts to encourage people to be tested must be prepared to respond to the possible social and psychological consequences of a positive test result.

Fortunately, AIDS-related service agencies have been developed in most areas with a significant concentration of AIDS cases. These agencies have identified the need for AIDS-related mental health treatment in the area being served by the Agency. Counsel-

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ors and mental health specialists at such agencies have often received advanced training on AIDS and the particular mental health issues likely to result from infection with the AIDS virus as well as techniques for facilitating behavior change likely to prevent further transmission of the virus. Such agencies would be ideally suited to provide counseling and mental health services described in this section.

Since programs funded under this section are intended to serve as demonstration projects, it is important that grant recipients collect meaningful data on outcomes of therapeutic interventions and that agencies be able to advance knowledge of how best to be of assistance to people served under this section. Model protocols for specialized AIDS-related counseling and mental health services could be of great assistance in improving the quality of all AIDS-related counseling and mental health services.

Mr. WAXMAN. Mr. Chairman, will the gentlewoman yield?

Ms. PELOSI. I am happy to yield to my distinguished colleague, the gentleman from California.

Mr. WAXMAN. Mr. Chairman, I rise in support of the amendment.

As the President's Commission has noted, it has become clear that AIDS is the endpoint of a range of illnesses caused by infection with HIV. The amendment offered by my distinguished colleague from California would go far to ensure that we develop a better understanding of the natural history of this infection.

It also assures that we will develop both model treatment plans for patients and, we all hope, interventions to treat the disease before it becomes full AIDS.

I urge my colleagues to support the amendment.

Mr. GONZALEZ. Mr. Chairman, will the gentlewoman from California yield for a question?

Ms. PELOSI. I yield to my distinguished colleague, the gentleman from Texas.

Mr. GONZALEZ. Mr. Chairman, I apologize for not pleading to have the amendment read in full, but does the amendment of the gentlewoman from California [Ms. PELOSI] in any way either directly or indirectly sanction the genetic splitting of the virus in research?

Ms. PELOSI. Mr. Chairman, no, it does not.

Mr. GONZALEZ. Mr. Chairman, I thank the gentlewoman from California for her answer.

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

The CHAIRMAN pro tempore. Is there any Member in opposition to the amendment?

Mr. DANNEMEYER. Mr. Chairman, I am in opposition to the amendment.

The CHAIRMAN pro tempore. The gentleman from California [Mr. DANNEMEYER] is recognized for 15 minutes.

Mr. DANNEMEYER. Mr. Chairman, we Americans are witnessing not only the development of an alternative health care systems to care for persons suffering with AIDS. We have seen the development and the building of anonymous test sites in major States of our country.

In my State of California we have bypassed the existing public health care systems and established anonymous testing centers where individuals can go in to be tested and have no duty to come back and find out whether or not they are positive at all. In my home county in southern California around 40 percent of those who are tested never bother to come back to find out their status.

Mr. Chairman, I admire the political sagacity of the proponents of these alternative test sites because they have effectively established a separate care system for dealing with victims of this tragic disease. I am not sure it is in the public interest that we do this, but that is the way it is working out.

Now we are seeing in this amendment a new separate method of dealing with persons suffering from the disease. How about the trauma of people and families who have suffered cancer? Heart disease? Diabetes? You name it, any of them. How about the families who have members who suffer the trauma of disintegration of the human body as a result of an automobile accident that we witness every day? Have we set up separate systems for dealing with persons suffering in this fashion? No, we have not done that.

Mr. Chairman, since we have not done this for all of these other victims of these tragic diseases and accidents, I raise the question. Why do we now need to establish a separate system, separate and apart from our public health care system for dealing with persons who are suffering from this tragic disease?

I do not question the motives of the proponents of this amendment. The gentlewoman from California [Ms. PELOSI], I think she is motivated by the highest concern of alleviating human suffering, and who can question that? It is a noble motive for any of us to pursue.

But, my colleagues, let us face it. This is all on the taxpayers' nickle. And I question if it is sound public policy for us to establish a separate system providing for the legitimate, understandable needs of people who have gone through the trauma of suffering from this disease.

□ 1300

One of the arguments that I have heard repeatedly in dealing with public health responses that this Member in California has urged is that we should never overlook the fact that people who suffer from this tragedy are families, just like anybody else, and I accept that; but the people in our society who come forward at a time of personal tragedy in the lives of any of us is a family. It is mother, dad, brother, sister, spouse, children, or whatever, that is the way our society functions.

I question if it is a good purpose of public funds for us to now go down the road for this disease only and set up a separate system of dealing with the tragic victims who are suffering from this incurable disease. I just do not think it makes a good sense. It is not a good expenditure of public funds, and for these reasons I regretfully must rise in opposition to this amendment offered by our colleague, the gentlewoman from San Francisco, California [Ms. PELOSI].

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

Ms. PELOSI. Mr. Chairman, I believe the gentleman from California is debating a different amendment than my amendment.

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

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

The CHAIRMAN pro tempore. The question is on the amendment, as modified, offered by the gentlewoman from California [Ms. PELOSI].

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

RECORDED VOTE

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

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 322, noes 60, not voting 49, as follows:

[Roll No. 342]

AYES—322

Ackerman	Brown (CO)	Davis (MI)
Akaka	Bruce	de la Garza
Alexander	Bryant	DeFazio
Anderson	Buechner	Dellums
Andrews	Byron	DeWine
Annunzio	Campbell	Dickinson
Applegate	Cardin	Dicks
Archer	Carper	Dingell
Aspin	Chandler	DioGuardi
Atkins	Chapman	Dixon
Bartlett	Chappell	Donnelly
Bateman	Clarke	Dorgan (ND)
Bates	Clay	Dornan (CA)
Beilenson	Clement	Downey
Bennett	Clinger	Durbin
Berman	Coats	Dwyer
Bevill	Coelho	Dymally
Bilbray	Coleman (MO)	Dyson
Bilirakis	Coleman (TX)	Early
Bliley	Collins	Eckart
Boehlert	Conte	Edwards (CA)
Boggs	Conyers	Edwards (OK)
Boland	Cooper	English
Bonior	Costello	Erdreich
Borski	Coughlin	Espy
Bosco	Coyne	Evans
Boxer	Craig	Fascell
Brennan	Crockett	Fawell
Brooks	Darden	Fazio
Broomfield	Davis (IL)	Feighan

Fish
Flake
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Frank
Frenzel
Gallegly
Garcia
Gaydos
Gejdenson
Gekas
Gibbons
Gilman
Gingrich
Gonzalez
Goodling
Gordon
Grandy
Grant
Gray (PA)
Green
Guarini
Gunderson
Hall (TX)
Hamilton
Harris
Hatcher
Hayes (IL)
Hayes (LA)
Hefley
Hefner
Henry
Hertel
Hiler
Hochbrueckner
Houghton
Hoyer
Hubbard
Hughes
Hutto
Hyde
Jacobs
Jeffords
Jenkins
Johnson (CT)
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kasich
Kastenmeier
Kemp
Kennedy
Kennelly
Kildee
Kleczka
Kolbe
Kolter
Kostmayer
LaFalce
Lagomarsino
Lancaster
Lantos
Leach (IA)
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (GA)
Lipinski
Livingston
Lowery (CA)
Lowry (WA)
Lungren
Madigan
Manton
Markey
Martin (IL)
Martinez
Mavroules
Mazzoli
McCloskey
McCrery
McCurdy
McDade
McEwen
McGrath
McHugh
McMillan (NC)
McMillen (MD)
Meyers
Mfume
Mica
Miller (CA)
Miller (OH)
Miller (WA)
Mineta
Moakley
Molinari
Montgomery
Moody
Morella
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Nagle
Natcher
Neal
Nelson
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (NY)
Owens (UT)
Panetta
Parris
Pashayan
Payne
Pease
Pelosi
Penny
Perkins
Petri
Pickett
Pickle
Porter
Price
Pursell
Quillen
Rahall
Rangel
Ray
Regula
Rhodes
Richardson
Ridge
Rinaldo
Ritter
Robinson
Rodino
Roe
Rostenkowski
Roukema
Rowland (CT)
Rowland (GA)
Roybal
Sabo
Saiki
Savage
Sawyer
Schaefer
Schroeder
Schuette
Schulze
Schumer
Sensenbrenner
Sharp
Shaw
Shays
Sikorski
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter (NY)
Slaughter (VA)
Smith (FL)
Smith (IA)
Smith (NJ)
Smith (TX)
Smith, Robert (OR)
Snowe
Solarz
Spence
Spratt
St Germain
Staggers
Stallings
Stangeland
Stark
Stratton
Studds
Swift
Swindall
Synar
Tallon
Tauzin
Thomas (CA)
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Upton
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Walgren
Walker
Watkins
Waxman
Weiss
Wheat
Whitten
Williams
Wise
Wolf
Wolpe
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (FL)

NOES—60

Armey
Baker
Ballenger
Barton
Bentley
Bereuter
Bunning
Burton
Callahan
Carr
Cheney
Coble
Combest
Crane
Dannemeyer
DeLay
Derrick
Emerson
Fields
Gallo
Glickman
Hansen
Hastert
Herger
Holloway
Hopkins
Huckaby
Hunter
Inhofe
Ireland
Konnyu
Kyl
Lewis (FL)
Lightfoot
Lloyd
Lujan
Lukens, Donald
Marlenee
McCandless
McCollum
Moorhead
Myers
Nielson
Patterson
Rose
Roth
Saxton
Shumway
Shuster
Smith (NE)
Smith, Denny (OR)
Smith, Robert (NH)
Solomon
Stenholm
Stump
Sweeney
Tauke
Vucanovich
Weber
Whittaker

NOT VOTING—49

Anthony
AuCoin
Badham
Barnard
Bonker
Boucher
Boulter
Brown (CA)
Bustamante
Courter
Daub
Dowdy
Dreier
Flippo
Frost
Gephardt
Gradison
Gray (IL)
Gregg
Hall (OH)
Hammerschmidt
Hawkins
Horton
Latta
Leath (TX)
Lott
Luken, Thomas
Mack
MacKay
Martin (NY)
Matsui
Michel
Mollohan
Nichols
Oxley
Packard
Pepper
Ravenel
Roberts
Rogers
Russo
Scheuer
Schneider
Stokes
Sundquist
Taylor
Weldon
Wilson
Wortley

□ 1320

The Clerk announced the following pairs:

On this vote:

Mr. Anthony for, with Mr. Boulter against.

Mr. AuCoin for, with Mr. Dreier of California against.

Messrs. RHODES, SMITH of Texas, and SWINDALL changed their vote from "no" to "aye."

So the amendment, as modified, was agreed to.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MS. PELOSI

Ms. PELOSI. Mr. Chairman, I offer an amendment.

The CHAIRMAN pro tempore (Mr. VOLKMER). The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Ms. PELOSI: Page 55, after line 5, insert the following new section (and redesignate subsequent sections accordingly):

SEC. 2362. DEMONSTRATION PROJECTS FOR COUNSELING AND MENTAL HEALTH SERVICES TO INDIVIDUALS WITH POSITIVE TEST RESULTS.

(a) IN GENERAL.—The Secretary, acting through the Director of the National Institute of Mental Health, shall make grants to public and nonprofit private entities for demonstration projects for the development, establishment or expansion of programs to provide counseling and mental health treatment—

(1) for individuals who experience serious psychological reactions as a result of being informed that the results of testing for the etiologic agent for acquired immune deficiency syndrome indicate that the individual is infected with such etiologic agent; and

(2) for the families of such individuals, and for others, who experience serious psychological reactions as a result of being informed of the results of such testing of the individual.

(b) TRAINING.—A grantee under subsection (a) may expend the grant to train individuals to provide the services described in subsection (a).

(c) PREFERENCES.—In making grants under this subsection (a), the Secretary shall give preference to applicants that are based at, or which have relationships with, entities providing comprehensive health services to individuals who are infected with the etiologic agent for acquired immune deficiency syndrome.

(d) REQUIREMENT OF IDENTIFICATION OF NEEDS AND OBJECTIVES.—The Secretary may not make a grant under subsection (a) unless the applicant for the grant submits to the Secretary—

(1) information demonstrating that the applicant has identified the need for mental health treatment related to the etiologic agent for acquired immune deficiency syndrome in the area in which the program will be developed, established, or expanded; and

(2) a description of—

(A) the objectives established by the applicant for the conduct of the program; and

(B) the method the applicant will use to evaluate the activities conducted under the program to determine if such objectives are met.

(e) REQUIREMENT OF APPLICATION.—The Secretary may not make a grant under subsection (a) unless—

(1) an application for the grant is submitted to the Secretary;

(2) with respect to carrying out the purpose for which the grant is to be made, the application provides assurances of compliance satisfactory to the Secretary;

(3) the application contains the information required to be submitted under subsection (d); and

(4) the application otherwise is in such form, is made in such manner, and contains such agreements, assurances, and information as the Secretary determines to be necessary to carry out this section.

(f) MINIMUM NUMBER OF GRANTS FOR FISCAL YEAR 1989.—For fiscal year 1989, the Secretary shall make not less than 6 grants under subsection (a).

(g) DEFINITION.—For purposes of this section, the term "mental health treatment" means individual, family or group services designed to alleviate distress, improve functional ability or assist in changing dysfunctional behavior patterns.

(h) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this section, there are authorized to be appropriated $25,000,000 for fiscal year 1989 and such sums as may be necessary for each of the fiscal years 1990 and 1991.

The CHAIRMAN pro tempore. Pursuant to the rule, the gentlewoman from California [Ms. PELOSI] will be recognized for 15 minutes, and a Member opposed will be recognized for 15 minutes.

The Chair recognizes the gentlewoman from California [Ms. PELOSI].

(Ms. PELOSI asked and was given permission to revise and extend her remarks.)

AMENDMENT AS MODIFIED OFFERED BY MS. PELOSI

Ms. PELOSI. Mr. Chairman, I ask unanimous consent to modify the amendment.

The CHAIRMAN pro tempore. The Clerk will report the modification.

The clerk read the modification, as follows:

Amendment, as modified, offered by Ms. PELOSI: Page 55, after line 5, insert the fol-

lowing new section (and redesignate subsequent sections accordingly):

"SEC. 2362. DEMONSTRATION PROJECTS FOR COUNSELING AND MENTAL HEALTH SERVICES TO INDIVIDUALS WITH POSITIVE TEST RESULTS.

"(a) IN GENERAL.—The Secretary may make grants to public and nonprofit private entities for demonstration projects for the development, establishment, or expansion of programs to provide counseling and mental health treatment—

"(1) for individuals who experience serious psychological reactions as a result of being informed that the results of testing for the etiologic agent for acquired immune deficiency syndrome indicate that the individuals are infected with such etiologic agent; and

"(2) for the families of such individuals, and for others, who experience serious psychological reactions as a result of being informed of the results of such testing of such individuals.

"(b) PREFERENCES IN MAKING GRANTS.—In making grants under subsection (a), the Secretary shall give preference to applicants that are based at, or have relationships with, entities providing comprehensive health services to individuals who are infected with the etiologic agent for acquired immune deficiency snydrome.

"(c) REQUIREMENT OF PROVISION OF INFORMATION ON PREVENTION.—The Secretary may not make a grant under subsection (a) unless the applicant for the grant agrees that counseling provided pursuant to such subsection will include counseling relating to measures for the prevention of exposure to, and the transmission of, the etiologic agent for acquired immune deficiency syndrome.

"(d) AUTHORITY FOR TRAINING.—A grantee under subsection (a) may expend the grant to train individuals to provide the services described in such subsection.

"(e) REQUIREMENT OF IDENTIFICATION OF NEEDS AND OBJECTIVES.—The Secretary may not make a grant under subsection (a) unless the applicant for the grant submits to the Secretary—

"(1) information demonstrating that the applicant has, with respect to mental health treatment related to the etiologic agent for acquired immune deficiency syndrome, identified the need for such treatment in the area in which the program will be developed, established, or expanded; and

"(2) a descripton of—

"(A) the objectives established by the applicant for the conduct of the program; and

"(B) the method the applicant will use to evaluate the activities conducted under the program and to determine the extent to which such objectives have been met.

"(f) REQUIREMENT OF APPLICATION.—The Secretary may not make a grant under subsection (a) unless—

"(1) an application for the grant is submitted to the Secretary;

"(2) with respect to carrying out the purpose for which the grant is to be made, the application provides assurances of compliance satisfactory to the Secretary;

"(3) the application contains the information required to be submitted under subsection (e); and

"(4) the application otherwise is in such form, is made in such manner, and contains such agreements, assurances, and information as the Secretary determines to be necessary to carry out this section.

"(g) REQUIREMENT OF MINIMUM NUMBER OF GRANTS FOR FISCAL YEAR 1989.—Subject to the extent of amounts made available in appropriations Acts, the Secretary shall, for fiscal year 1989, make not less than 6 grants under subsection (a).

"(h) TECHNICAL ASSISTANCE AND ADMINISTRATIVE SUPPORT.—The Secretary, acting through the Director of the National Institute of Mental Health, may provide technical assistance and administrative support to grantees under subsection (a).

"(i) DEFINITION.—For purposes of this section, the term 'mental health treatment' means individual, family or group services designed to alleviate distress, improve functional ability, or assist in changing dysfunctional behavior patterns.

"(j) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this section, there are authorized to be appropriated such sums as may be necessary for each of the fiscal year 1989 through 1991.

Ms. PELOSI (during the reading). Mr. Chairman, I ask unanimous consent that the amendment, as modified, be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentlewoman from California?

There was no objection.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from California to modify the amendment?

Mr. MADIGAN. Mr. Chairman, I reserve the right to object to the modification.

Mr. Chairman, I do that for the purpose of asking the gentlewoman to explain exactly what her unanimous-consent for modification encompasses.

Mr. Chairman, under my reservation of objection, I yield to the gentlewoman from California for the purpose of her making that explanation.

Ms. PELOSI. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I have spoken to the gentleman from Illinois on numerous occasions for his suggestions and have responded to several of his helpful suggestions which further clarify the intent of the amendment.

The primary change has been a clarification that the followup counseling and mental health services would include information on preventing the further spread of AIDS, the AIDS virus. This is, of course, a goal which we all share, and I appreciate the gentleman's thoughtful input.

Mr. MADIGAN. Mr. Chairman, further reserving the right to object, because of the background noise, I could not hear clearly. Mr. Chairman, did I understand the gentlewomen to say that her changes contemplated in the unanimous-consent request would change the authorization in the bill from a number to such sums as may be necessary and would emphasize that the counseling that would be made available under the bill would be focused primarily on trying to prevent the spread of the disease? Is that the gentlewoman's explanation?

Ms. PELOSI. Mr. Chairman, if the gentleman will yield further, that is my explanation.

Mr. MADIGAN. Mr. Chairman, I thank the gentlewoman, and I withdraw my reservation of objection.

The CHARIMAN pro tempore. Is there objection to the request of the gentlewoman from California to modify the amendment?

There was no objection.

The CHAIRMAN pro tempore. The gentlewoman from California [Ms. PELOSI] is recognized for 15 minutes in support of her amendment, as modified.

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

Mr. Chairman, this amendment adds a section under title I, counseling and testing with respect to AIDS. The section would establish demonstration project grants to public and private nonprofit entities to develop, establish, and expand programs to provide AIDS-related counseling and mental health services.

Research studies have documented the possibility of significant social and psychological reactions to a positive AIDS antibody test. Depression, social isolation, suicide, and disabling anxiety have all been reported. Although severe reactions appear to occur in less than 10 percent of these cases, specialized counseling and mental health services are clearly needed in such cases.

H.R. 5142 provides for post-test counseling at the time an individual receives his or her AID antibody test result. For some people, this one counseling session will not be sufficient to facilitate the kind of behavior change necessary to stop further transmission of the AID virus. This amendment would provide for followup counseling and mental health services which would include facilitating behavior change in order to pervent the transmisssion of the AID virus. The amendment is therefore in keeping with public health goals.

Recent reports suggest that it may only be a matter of time before 50 to 100 percent of infected individuals develop AIDS. Thus, any program which attempts to encourage people to be tested must be prepared to respond to the possible social and psychological consequences of a positive test result.

Fortunately, AIDS-related service agencies have been developed in most areas with a significant concentration of AIDS cases. These agencies have identified the need for AIDS-related mental health treatment in the area being served by the Agency. Counselors and mental health specialists at such agencies have often received advanced training on AIDS and the particular mental health issues likely to result from infection with the AIDS verus as well as techniques for facili-

tating behavior change likely to prevent further transmission of the verus. Such agencies would be ideally suited to provide counseling and mental health services described in this section.

Since programs funded under this section are intended to serve as demonstration projects, it is important that grant recipients collect meaningful data on outcomes of therapeutic interventions and that agencies be able to advance knowledge of how best to be of assistance to people served under this section. Model protocols for specialized AIDS-related counseling and mental health services could be of great assistance in improving the quality of all AIDS-related counseling and mental health services.

Again, Mr. Chairman, I want to thank the gentleman from Illinois [Mr. MADIGAN] for his assistance.

Mr. Chairman, I yield 2 minutes to the gentlewoman from Maryland [Mrs. MORELLA].

Mrs. MORELLA. Mr. Chairman, I rise today in support of the modified amendment offered by my esteemed colleague from California to H.R. 5142, the AIDS Federal Policy Act. This amendment provides for demonstration projects for counseling and mental health services to HIV-positive individuals.

In order to win the war on AIDS, we must begin to focus on the issues of counseling and early treatment to stem the deteriorating health of the HIV positive individual. The numerous psychosocial problems confronting individuals with AIDS and the lack of adequate mental health counseling has been documented by major national health advisory groups. Counseling and mental health services are useful tools in the important goal of preventing further transmission of AIDS as the individual begins to cope with the implications of this disease. With this amendment's focus on the family and significant others who are a part of the individual's life, a strong, viable support network can be developed and nurtured. Evidence suggests that the incidence of suicide is higher among AIDS individuals, thus reinforcing the need for ongoing individual counseling and counseling for significant others.

Mr. Chairman, this amendment will achieve a number of important objectives. I applaud Congresswoman PELOSI's efforts, and I urge my colleagues to support the amendment.

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

The CHAIRMAN pro tempore. Is there any Member opposed to the amendment, as modified, offered by the gentlewoman from California? If not, does the gentlewoman yield back the balance of her time?

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

The CHAIRMAN pro tempore. The question is on the amendment, as modified, offered by the gentlewoman from California [Ms. PELOSI].

The amendment, as modified, was agreed to.

AMENDMENT OFFERD BY MR. COATS

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

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. COATS: Page 18, after line 21, insert the following new subsection (and redesignate subsequent subsections accordingly):

(c) REQUIREMENT FOR STATE GRANTS OF PROVISION OF CERTAIN DATA TO APPLICANTS FOR MARRIAGE LICENSES.—The Secretary may not make a grant under section 2301 to a State unless the State agrees to that, in issuing licenses to be married, the State will make available to applicants for such licenses information with respect to measures for the prevention of exposure to, and the transmission of, the etiologic agent for acquired immune deficiency syndrome (which information contains the most recently available scientific data relating to such syndrome).

The CHAIRMAN pro tempore. Pursuant to the rule, the gentleman from Indiana [Mr. COATS] will be recognized for 15 minutes, and a Member opposed will be recognized for 15 minutes.

The Chair recognizes the gentleman from Indiana [Mr. COATS].

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

Mr. Chairman, this amendment would require States to make informational materials about AIDS available to applicants for marriage licenses as a condition of the receipt of funds that a State would receive under this bill. The purpose of the amendment is to make possible the dissemination of educational material to those seeking marriage licenses.

This body yesterday turned down an earlier attempt to require mandatory testing of applicants for marriage licenses. This amendment is a follow-up effort to provide informational material to people to better educate them about the transmission of AIDS and ways in which they can prevent AIDS.

Mr. Chairman, I yield such time as he may consume to the chairman of the subccmmittee, the gentleman from California [Mr. WAXMAN].

Mr. WAXMAN. Mr. Chairman, I want to join in support of this amendment. It is a constructive amendment, and I urge all of our colleagues to adopt it.

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

Mr. Chairman, I thank the gentleman for his support, I urge my colleagues to support this amendment, and I yield back the balance of my time.

The CHAIRMAN pro tempore. Is any Member opposed to the amendment? If not, the question is on the amendment offered by the gentleman from Indiana [Mr. COATS].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. COATS

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

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. COATS: Page 18, after line 21 insert the following new subsection (and redesignate subsequent subsections accordingly):

(c) REQUIREMENT FOR STATE GRANTEES OF PERIODIC PROVISION OF CERTAIN DATA TO PHYSICIANS AND DENTISTS.—The Secretary may not make a grant under section 2301 to a State unless the State agrees to make available to physicians and dentists in the State information with respect to acquired immune deficiency syndrome, including measures for the prevention of exposure to, and the transmission of, the etiologic agent for such syndrome (which information is updated not less than once each 6 months with the most recently available scientific date relating to such syndrome).

The CHAIRMAN pro tempore. Pursuant to the rule, the gentleman from Indiana [Mr. COATS] will be recognized for 15 minutes, and a Member opposed will be recognized for 15 minutes.

The Chair recognizes the gentleman from Indiana [Mr. COATS].

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

Mr. Chairman, perhaps no one has a greater risk in terms of treatment of AIDS than physicians and dentists.

This amendment simply attempts to provide members of those professions with the most current and up-to-date information regarding the transmission and prevention of AIDS. The purpose is twofold: First, to give them the latest information in terms of preventing the transmission to themselves and to their patients; and second, to allow them to educate their patients about risks of transmission and means of prevention.

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Mr. Chairman, I yield such time as he may consume to the gentleman from California [Mr. WAXMAN], chairman of the subcommittee.

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

This is a constructive amendment as well. I want to congratulate the gentleman in offering this amendment and I urge our colleagues to adopt it.

Mr. COATS. Mr. Chairman, I thank the gentleman for his support and urge adoption of the amendment.

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

The CHAIRMAN pro tempore. (Mr. VOLKMER). Does any Member rise in opposition to this amendment?

If not, the question is on the amendment offered by the gentleman from Indiana [Mr. COATS].

The amendment was agreed to.

Mr. LEVINE of California. Mr. Chairman, I rise in strong support of H.R. 5142, the AIDS Federal Policy Act. AIDS is the most serious public health challenge facing our society today. The Center for Disease Control estimates that up to 1.4 million Americans have been exposed to the AIDS virus. At this time there is no known cure for AIDS, and according to the best estimates, it will take several years to develop and test a vaccine.

Although the medical community is continuing its search for a treatment for AIDS, our best weapon against the spread of this disease is still education. H.R. 5142 includes important provisions to provide potentially lifesaving counseling with testing, while protecting the confidentiality of individuals seeking these services. This is a carefully crafted initiative, and I urge my colleagues to give it their full support.

H.R. 5142 authorizes $400 million a year, over the next 3 years, for AIDS counseling and testing programs. Confidentiality is assured by requiring that, to the extent allowed under State law, clinics receiving Federal funding are required to provide opportunities for anonymous counseling and testing, and test only after receiving the informed consent of the individual seeking testing. H.R. 5142 also stipulates that clinics receiving Federal funds cannot refuse AIDS counseling or testing on the basis of inability to pay for these services.

I am pleased that this legislation also includes key provisions to expedite AIDS-related research. H.R. 5142 provides for specific increases in personnel involved in AIDS research at the Public Health Service, directs the NIH to establish clinical evaluation units for AIDS treatments, and requires that grants generally be awarded within 9 months of announcement. Additionally, H.R. 5142 provides for a new NIH program to evaluate drugs that are not currently approved for use by AIDS patients.

H.R. 5142 also incorporates the provisions of H.R. 2881, establishing a National AIDS Commission, legislation which I cosponsored and supported when it previously passed the House. The 15-member Commission would be composed of experts from medicine, law and ethics, and the executive and legislative branches of Government. The Commission will formulate recommendations for Congress, the President, and the Nation in addressing the challenge presented by AIDS.

I am, however, deeply opposed to several of the amendments which will be offered to this legislation, particularly the amendments which require reporting of positive AIDS test results, or require testing of broad groups of individuals not considered at high risk for exposure to AIDS. Mandatory reporting of positive AIDS tests will result in high-risk individuals refusing to seek counseling and testing. This amendment erodes the carefully drafted confidentiality provisions included in this bill, and worse, will seriously hinder and weaken our efforts in the fight against AIDS. Required testing of hospital patients, prisoners, or individuals seeking marriage licenses would also significantly undermine the intent of this legislation, and further, would divert resources away from the high-risk individuals who can most benefit from counseling and testing. I urge my colleagues to defeat these poorly conceived amendments.

Mr. Chairman, this legislation is an important first step in formulating a comprehensive federal policy to deal with the AIDS crisis, and I am pleased that the House is taking this action.

Mrs. MEYERS of Kansas. Mr. Chairman, I rise in support of H.R. 5142, the AIDS Federal Policy of 1988. A major Federal initiative to combat this dread disease is vital. The public health community desperately needs more information on the spread of the disease. Yet, while statistical and demographic information on the disease is very important, preventing the spread of the disease is even more important than tracking the spread. We cannot forget that AIDS is spread from individual to individual.

I am especially pleased at the inclusion of section 2306, which is similar to H.R. 4810, legislation which I introduced to require HIV testing for any individual convicted of prostitution, or a crime relating to sexual assault, and require that the results of that test be provided to the victim of the sexual assault. The victim of a sexual assault should not have to face the uncertainty of wondering if the brutal attack might have the additional lingering consequences of a fatal disease. The language does not contain the requirement that the State let the victim know he or she has the right to request the results of the test. I hope that the States will take it upon themselves to inform victims of sexual assault that they can request the results of AIDS tests on their attackers, and I will work to get this provision inserted in the Senate. If this provision is not included, I will be introducing legislation in the 101st Congress to mandate that States fully inform the victims of sexual assault of their right to know the status of their attacker.

Mrs. COLLINS. Mr. Chairman, I rise today to speak on behalf of H.R. 5142, the AIDS Federal Policy Act of 1988. In responding to this public health crisis this Congress has an opportunity to show leadership in an area that desperately needs strong leaders. Rather than hiding from this deadly virus, we need to promote research and education programs, to provide facilities for anyone who voluntarily agrees to be tested for the HIV virus, to offer counseling services for AIDS patients, their friends and families. By enacting this measure, we can save lives by waging a coordinated battle against this tragic epidemic.

The most troublesome health problem of our generation certainly deserves our utmost attention. We must remember, though, that we can be overzealous in addressing this dilemma. Identifying everyone who volunteers to be tested for the HIV virus, testing everyone who enters a hospital, a prison, or tries to get a marriage license, is not necessary for fighting this disease. Yes, we need to gather data about members of our society who have contracted the virus because this data is a vital link to finding a cure. But, knowing the names of AIDS patients will not assist the researchers. Having the names on file will only encourage community groups to call for the release of these names and may discourage potential HIV carriers from wanting to be tested. In order to preserve the rights guaranteed to our citizens, we must protect the confidentiality of AIDS tests.

We should not waste precious resources testing hospital patients and prison inmates. To test those who represent the low-risk persons in the population is not only costly, but often yields inaccurate test results and causes unnecessary anxiety. In my State, the law which required AIDS tests for applicants for marriage licenses has proven to be a waste of time and money and has been of no help in combatting the spread of the disease.

Coordinated research, education, and counseling efforts are the means to a successful end in this disease. I urge my colleagues to support amendments such as those proposed by Representatives COATS, WAXMAN, MADIGAN, and PELOSI which are part of the positive spirit of this proposed law. These amendments provide for updated reports about the status of research and new methods of prevention to go to health care professionals and marriage license applicants at least every 6 months. This way, researchers and citizens will be working together to beat this epidemic. The amendments also call for grants, numbers of researchers as are necessary, expeditious use of potential new drugs, and new monitoring and treatment centers to be established. With this measure we are pledging our resources in a responsible manner to fight this disease.

An active approach to this crisis is called for. It is incumbent upon us to meet the challenge that this deadly disease presents. As leaders in our Nation and in the world, we must act more quickly than we have in the past to begin a coordinated effort for fighting this epidemic. With concentrated research, education, and counseling efforts, we can stop the spread of AIDS, help those citizens who already have contracted the virus, and find a cure. I have the utmost confidence that if our medical community has sufficient resources to act and their efforts are more coordinated, we can solve this very serious dilemma, as we have solved other crises in the past.

I urge my colleagues to support this legislation in general, and to oppose the weakening amendments.

Ms. PELOSI. Mr. Chairman, at the appropriate time, I will offer an amendment, authorized by the rule, which would establish demonstration projects for developing model protocols for clinical care of infected individuals. I will then seek unanimous consent to modify the amendment in accordance with an agreement with the distinguished gentleman from Illinois [Mr. MADIGAN]. This amendment would add a section to title II, research on AIDS. The section would establish demonstration projects for developing model protocols for early clinical care of individuals infected with the AIDS virus. The goal of these projects is to research innovative ways to medically manage the underlying viral infection and thereby prevent further deterioriation of the infected individual's immune system. Unlike the research centers already established in section 914, these outpatient projects are dedicated to

finding ways to prevent or at least delay progression to serious disease status rather than directly treating AIDS or AIDS-related conditions.

Although we have had to date over 72,000 cases of AIDS in the United States, CDC estimates that we have between 1 and 1.5 million Americans infected with the AIDS virus. We as a nation cannot afford to write these people off. We must do all we can to try to save these precious lives.

Medical experts agree that early interventions are the best hope for people who are already infected with the AIDS virus, but who have not yet become clinically ill. Despite general agreement on the need for early intervention, some uncertainties remain regarding the best point and method for treatment. The goal of these projects would be to develop model clinical treatment protocols for such individuals.

Under the provisions of this amendment, the Secretary may make grants to public and private nonprofit entities to establish early intervention projects. Departments of public health, community hospitals, medical schools or others supplying comprehensive health care would be eligible to apply for project grants. Community based organizations would also be eligible to apply and could be grant recipients pending their negotiating a cooperative arrangement with a provider of comprehensive primary care. The goal of this mechanism of making grants is to increase flexibility by supporting clinical research directly at the community level rather than making this the sole responsibility of already overextended research hospitals.

Participants in these projects will receive periodic examinations including clinical laboratory monitoring of their condition, such as T cell testing, P-24 antigen testing and any other clinical testing deemed helpful in monitoring a participant's condition. If it is determined that treatment is needed to prevent opportunistic infections, e.g. aerosolized pentamidine, or to prevent further deterioration of the immune system, e.g. AZT, then treatment would be prescribed and administered under uniform protocols. Uniform monitoring and protocol data, including the outcomes of such interventions, would be collected.

Other services offered through these projects would include information and counseling on potential treatments approved by the Food and Drug Administration as well as treatments currently under investigation. Project Inform in San Francisco, which may serve as a model, currently offers a similar service, keeping people informed about treatment research and aware of potential treatments under development. Participants in these projects shoud have similar information.

Each of these demonstration projects would be expected to gather detailed data on how a physician could best treat an infected individual. Reports on the findings of the projects would be filed periodically with the Secretary. The Secretary will collect outcome evaluations of these projects and periodically report to Congress on the findings as well as recommendations on the need for additional clinical research or new programs. Information obtained through these projects would also be widely disseminated through professional communication channels.

It is my hope and the hope of many AIDS experts that within the next 3 years, that we will be able to proclaim that infection with the AIDS virus will not necessarily mean a death sentence. By developing effective models for clinical management of asymptomatic AIDS patients, these projects may demonstrate that it is possible to stabilize the condition of such persons until such time as a true cure can be found. Success in this effort may lead to the saving of hundreds of thousands of lives as well as reducing the long term cost of patient care.

Mr. Chairman, the modified amendment has been stated as an authorization "for such funds as may be necessary" rather than for $25 million so that the amendment would be parallel to the other provisions of H.R. 5142. Although the funding level for the program would be determined by the appropriations committee, the figure specified in the amendment as found in the report on the rule is considered a reasonable level of funding for this program.

Ms. PELOSI. Mr. Chairman, at the appropriate time, I will offer an amendment, authorized by the rule, which would establish demonstration projects for counseling and mental health services to individuals with positive HIV test results. I will then seek unanimous consent to modify the amendment in accordance with an agreement with the distinguished gentleman from Illinois, Mr. MADIGAN. This amendment would add a section under title I, counseling and testing with respect to AIDS. The section would establish demonstration project grants to public and private nonprofit entities to develop, establish, and expand programs to provide AIDS-related counseling and mental health services.

Research studies have documented the possibility of significant social and psychological reactions to a positive AIDS antibody test. Depression, social isolation, suicide, and disabling anxiety have all been reported. Although severe reactions appear to occur in less than 10 percent of these cases, specialized counseling and mental health services are clearly needed in such cases.

H.R. 5142 provides for post-test counseling at the time an individual receives his or her AIDS antibody test result. For some people, this one counseling session will not be sufficient to facilitate the kind of behavior change necessary to stop further transmission of the AIDS virus. This amendment would provide for followup counseling and mental health services which would include facilitating behavior change in order to prevent the transmission of the AIDS virus. The amendment is therefore in keeping with public health goals.

Recent reports suggest that it may only be a matter of time before 50 to 100 percent of infected individuals develop AIDS. Thus, any program which attempts to encourage people to be tested must be prepared to respond to the possible social and psychological consequences of a positive test result.

Fortunately, AIDS-related service agencies have been developed in most areas with a significant concentration of AIDS cases. These agencies have identified the need for AIDS-related mental health treatment in the area being served by the agency. Counselors and mental health specialists at such agencies have often received advanced training on AIDS and the particular mental health issues likely to result from infection with the AIDS virus as well as techniques for facilitating behavior change likely to prevent further transmission of the virus. Such agencies would be ideally suited to provide counseling and mental health services described in this section.

Since programs funded under this section are intended to serve as demonstration projects, it is important that grant recipients collect meaningful data on outcomes of therapeutic interventions and that agencies be able to advance knowledge of how best to be of assistance to people under this section. Model protocols for specialized AIDS-related counseling and mental health services could be of great assistance in improving the quality of all AIDS-related counseling and mental health services.

Development of adequate measures of outcome and the ability to compare the data generated by individual grantees across the various demonstration sites is important. This will require some degree of research expertise in the administration of the program. In its original version, responsibility for this program was assigned to the National Institute of Mental Health [NIMH] which has close ties to the mental health community and which has long standing expertise in clinical research. Although it was determined that decisions about program administration should be left with the HHS Secretary, the amendment allows critical technical assistance and administrative support from HIMH. Regardless of where lead responsibility for this program is assigned, this provision will insure that the institute will play a role, both in terms of substantive expertise as well as the detailing of staff, in program implementation.

Mr. Chairman, the modified amendment has been stated as an authorization "for such funds as may be necessary" rather than for $25 million so that the amendment would be parallel to the other provisions of H.R. 5142. Although the funding level for the program would be determined by the Appropriations Committee, the figure specified in the amendment as found in the report on the rule is considered a reasonable level of funding for this program.

Mr. BURTON of Indiana. Mr. Chairman, as we all know, H.R. 5142 is the largest piece of legislation concerning the issue of AIDS to come before the full House. This a landmark bill in the health care industry, however, I simply could not vote for a bill that appropriates so much money yet doesn't do anything to directly combat the problem. Due to the rule on this bill and the limited amount of time left on the Legislative Calendar, several amendments vital to gaining control over the AIDS epidemic were defeated, or denied consideration altogether. This should not have been the case! This bill should have been left as three separate bills as was originally intended. A bill of this magnitude should not be "hustled" through to the floor for a vote.

As of September 12, 1988, 72,766 cases of AIDS have been reported to CDC. All projec-

tions for the future are grave. Studies project that there will be 490,000 cases and 5.5 million carriers of the virus by 1991 and 12,300,000 cases and 35,000,000 carriers by the year 2005. These are tragic statistics for a virus that has a 100-percent mortality rate.

There is absolutely no indication that Americans are changing their sexual habits although AIDS education has reached an all-time high. For example, in a survey conducted by CDC, over 700,000 men had 10 or more sexual partners in the past year, putting them at considerable risk of sexually transmitted diseases, including AIDS. Furthermore, each year the number of sexually transmitted diseases reported to CDC increases significantly. In 1987, there were 7,515 more cases of syphillis reported than recorded in 1986. Each year there are some 300,000 new cases of herpes and about 3 million new cases of chamydia reported. These statistics certainly don't provide encouragement that individuals are attempting to stop the transmission of AIDS. These reasons alone should indicate that more sensible and direct measures need to be taken in order to interrupt the transmission of this fatal virus.

It is simply outragous that an amendment requiring States to establish an obligation for physicians or counselors to notify the spouse of an individual diagnosed as having AIDS, if he believes that the individual will not provide such notification, was not adopted. There is absolutely no reason why a spouse should not be aware that their mate is infected with the AIDS virus. This obligation falls primarily with the HIV positive individual, however, since the disease is primarily sexually trasmitted, an individual may be wary of informing their spouse that they have tested positive. If this is the case, or the physician or counselor believe it to be the case, the spouse still has the right to know of the inherent danger they are in by remaining sexually active with their infected spouse. This scenerio becomes even more tragic when you imagine a young man falling victim to AIDS and not informing his wife of his condition. His wife will almost certainly become seropositive, and if she becomes pregnant the AIDS virus will ultimately infect their innocent child. This small family will almost certainly be dead within 10 years. It could have been prevented had the wife been made aware of her husband's condition.

H.R. 5142 requires each State to establish a partner notification system and to notify partners when the State health officials deem necessary. But, this provision is meaningless without a requirement for identity reporting. If public health officials don't know the identity of those infected, they will obviously be unable to notify others who may have been exposed. Identity reporting has been a longstanding public health practice with other sexually transmitted diseases. If we can require the reporting of diseases such as gonorrhea or syphillis, why can't we add the AIDS virus to the list? This practice would allow health departments to carry out programs of notifying and testing people who may have been exposed, thereby greatly facilitating disease control efforts. Furthermore, mandatory identification reporting of HIV is essential if public health authorities are to gain a broader understanding of the extent to which the AIDS virus has spread throughout this Nation.

The concept of mandatory or routine testing for every citizen annually was not even given the opportunity to be debated before the full House. This program would provide researchers with information on exactly how many carriers of the AIDS virus there are. At the present time, researchers can only guess how many people are carrying the virus and they can only speculate on the exact methods of transmission. This bill had amendments requiring the testing of all prison inmates, hospital patients between the ages of 15 and 50, and those couples seeking marriage licenses. None of these were passed.

The testing of prison inmates includes groups which appear to be at the greatest risk of developing AIDS—intravenous drug users, homosexuals and persons convicted of prostitution. Once the infection has entered the prison, there is an excellent chance that it will spread as a result of crowded conditions and poor sanitation, along with the prevalence of homosexual activity and sexual assault among prisoners. This activity does not merely affect those inmates in the high risk categories. The screening of prisoners before release would provide an additional opportunity to inform anyone infected of his or her condition, and to provide counseling as to the person's responsibility to avoid transmitting the virus to others and the ways to avoid transmission.

The amendment for testing hospital patients would facilitate detection of AIDS infections so that proper prevention and treatment measures could be taken, and to help hospital personnel guard against exposure to the AIDS virus. A testing of hospital patients gives a more random account of who is infected. By merely testing groups at high risk, we may never discover every means of transmission and the prevalence of AIDS in the general population. Furthermore, hospital patients are particularly appropriate for testing since they are already in contact with the health care system.

The primary arguements against testing are the cost, the accuracy of the test and the uselessness of testing a low-risk group. To begin with, AIDS testing is not unduly expensive. The Defense Department conducts a mass testing program at a cost of less than $5 per person tested. As for accuracy, there are several different steps taken in an AIDS test, therefore making the test exceptionally accurate. Furthermore, AIDS has affected every age group from infants to senior citizens. These groups certainly are not in any high risk category, yet everyday there are more of these cases reported. Most importantly, the AIDS virus has an incubation period from anywhere between 7 and 20 years during which time the virus can unknowingly be transmitted to countless individuals. Without a routine testing program, there is absolutely no way to prevent the unknowing transmission of a latent HIV virus. The advantages of testing have outweighed the arguments against, so when is America going to wake up?

AIDS has become the first "political" disease in recent history. It has become a civil rights issue instead of the major public health issue that it should be. It is given that all Americans' civil rights are to be protected under the Constitution. It is not given, however, that any particular group should have special statutory rights, especially at the risk of the general public's health. It is very unfortunate that this disease has primarily targeted one particular group, however, it is no longer the concern of just the homosexual community. This deadly virus has attacked individuals of every group at every age. The AIDS virus is a national public health problem that is getting worse every day, with no indication of a vaccine or cure anywhere in the near future. America can no longer ignore what it does not want to hear. It is time we take direct action in combating this deadly virus, before AIDS becomes the rule instead of the exception.

In conclusion, I believe that Col. Donald S. Burke, MD., in an article that appeared in the Saturday Evening Post, completely refuted most of the objections to a mandatory or routine testing program. Dr. Burke presented his testing strategy to the Presidential Commission on the HIV Epidemic and it was met with resounding support from most members. I have enclosed a copy of this Saturday Evening Post article that lists the misconceptions and concerns about HIV testing.

A STRATEGY TO PREVENT THE SPREAD OF AIDS

(By Col. Donald S. Burke, M.D.)

The Presidential Commission on the HIV Epidemic has heard ample opinion from witnesses on the theoretical adverse effects of HIV screening programs. I would like to directly address, and thereby refute, some of the more common misconceptions and concerns about HIV screening:

Misconception #1: "False-positive test results are common."

Fact: The false-positive error rate in the army HIV screening program has been measured to be only 1 out of every 135,000 persons tested. The fact that false-positive rates are unacceptably high in some private-sector laboratories is a direct consequence of the feeble quality-control programs implemented by civilian public-health authorities. The problem of false-positive test results is eminently correctable; it does not reflect any inherent technical limitations of the testing methods.

Misconception #2: "HIV screening is not cost-effective."

Fact: Laboratory test costs are $4 per person screened in the army program. Among civilian applicants for military service, the cost per case detected is about $2,500 nationwide. The cost in the New York, Washington, and San Francisco areas is about $300 per case detected.

Misconception #3: "The logistical problems of setting up a program for HIV screening are insurmountable."

Fact: On August 30, 1985, Deputy Secretary of Defense Mr. Taft directed that all applicants for military service would be tested. Within six weeks, the program was in full operation with 60,000 persons tested each month.

Misconception #4: "Suicides are commonplace when wide-scale testing is implemented."

Fact: Among the 1.8 million applicants for military service who have been screened during the past 2½ years, there have been 3,000 persons found to be HIV-infected. All have been informed of their infected status. No one has committed suicides as a consequence of learning of the test results.

Misconception #5: "The requirement for pretest counseling renders routine testing programs prohibitively expensive."

Fact: For civilian applicants for military service, "pretest counseling" consists of distribution of a one-page fact sheet. Individualized, one-on-one counseling is provided only as post-test counseling to persons who have tested seropositive.

Misconception #6: "Because there is no cure for HIV, testing is useless."

Fact: HIV-infected persons are directly benefited by knowledge of their infected status. First, they can be assured of prompt diagnosis and effective therapy of opportunistic infections. Second, HIV-infected persons who know their infected status may be able to slow progression of AIDS by careful attention to diet, physical fitness, and avoidance of other infectious diseases. Third, HIV-infected persons can avoid the guilt and pain of having unwittingly transmitted potentially fatal HIV infections to their lovers or spouses.

Misconception #7: "Wide-scale screening for HIV will drive the epidemic underground."

Fact: To date only 75,000 HIV-infected persons have been diagnosed as HIV-infected through the alternative-test-site programs. This represents only about 5 percent of all HIV-infected persons in the United States. Restated, 95 percent of HIV-infected Americans remain totally unaware of the fact that they can transmit a fatal communicable disease to their sexual partners. As a direct consequence of a national failure to encourage wide-scale routine testing, the epidemic is already underground.

I reject the passive and fatalistic attitude, championed by some, that effective routine HIV testing is beyond the capability of the U.S. public-health machinery. The means are in hand today to establish an accurate diagnosis in each and every case of HIV. We as a society must abandon the "strategy of ignorance." We can no longer systematically deny the rights and benefits of painful but critically important knowledge to the 1.5 million members of our society who carry a fatal infectious disease. We must set, as a clear goal, wide and free availability of high-quality HIV testing.

How do we achieve this goal of accessible, high-quality HIV tests? I suggest that the commission should make the following four fundamental recommendations to the President:

Recommendation I: Rigorous quality control of HIV testing must be implemented immediately throughout the United States. This should include (a) establishment of guidelines for licensure or certification of all laboratories that perform HIV confirmatory tests and (b) creation of a national HIV proficiency test program in which substantial numbers of difficult test serum samples are sent on a regular basis to testing laboratories. Satisfactory performance in this program should be a requirement for continued certification.

Recommendation II: New, "second generation" diagnostic tests for HIV should be put on the fast track for licensure. Regulatory control of confirmatory tests for HIV should be removed from the Division of Blood and Blood Products of the FDA and placed instead in the Division of Medical Devices. This step would speed the availability of highly accurate yet low-cost HIV diagnostic tests, particularly those which are based on molecularly cloned and expressed HIV antigens.

Recommendation III: Clear and compelling legislation should be enacted at a national level to ensure the continued rights of HIV-infected persons to housing and employment. National leaders of high public visibility, such as the President and the Surgeon General, should forcefully denounce acts of irrational discrimination—such as the recent burning of the house of the three hemophiliac boys in Florida—and should frequently praise, in public, acts of compassion and understanding. Strong and sustained leadership is necessary to destigmatize HIV.

Recommendation IV: Public-health policies at the local, state, and national levels should include routine HIV testing as an important strategy for infection control. Infected persons detected in routine screening programs should be the focus of intensive yet compassionate counseling to ensure that they fully understand the fatal and communicable nature of the virus infection they carry.

If these four recommendations are implemented, I believe that the goal of epidemic control through widescale HIV testing and counseling of seropositives can be achieved.

Mr. MILLER of Washington. Mr. Chairman, I rise in opposition to the Dannemeyer amendment requiring hospitals to routinely test inpatients between the ages of 15 and 49 for exposure to the AIDS virus. This amendment was defeated at both the subcommittee and committee markups.

The HIV test—including counseling—can cost between $45 and $65. This amendment could cost $10 million a year in Washington State, alone. Neither public or private insurers can be counted on to cover the expense of diagnostic tests not required by the patient's admitting diagnosis. This means more uncompensated care, especially for public hospitals. In the final analysis, routine testing of hospital patients is quite simply a very poor use of scarce health care resources. The AIDS test should be administered at the discretion of the hospital patient's primary care physician.

Routinely testing hospital patients has other drawbacks. The general hospital population is not at high risk for the HIV infection. In almost all cases, routine testing of nonhigh risk groups leads to abnormally high rates of false positives—20 percent in clinical trials. Think of the unnecessary emotional trauma this amendment will inflict.

Proponents of the amendment argue that the routine testing of hospital patients is important for the protection of health care providers. This claim is misleading and medically unsound. The American Hospital Association, the American Medical Association, the American Nurses Association, the U.S. Centers for Disease Control, and the National Academy of Sciences' Institute on Medicine have all gone on record in opposition to this amendment. The fact is, the medical community has recognized the use of universal precautions—recommended by the Centers for Disease Control, not routine testing as the single most reliable way of safeguarding health care workers against the risk of contracting the HIV virus.

As an original cosponsor of H.R. 3071, the original AIDS Counseling Act, I urge my colleagues to defeat this and any other amendments that further restrict the scope or change the intent of this crucial legislation. The lines for many State and Federal voluntary testing programs are long—we should not keep individuals in high-risk groups waiting while routinely testing so many individuals in low-risk groups.

The CHAIRMAN pro tempore. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore [Mr. BOLAND] having assumed the chair, Mr. VOLKMER, Chairman pro tempore 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. 5142) to amend the Public Health Service Act to establish grant programs, and confidentiality protections, relating to counseling and testing with respect to acquired immune deficiency syndrome, to amend such act with respect to research programs relating to such syndrome, and for other purposes, pursuant to House Resolution 520, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER pro tempore. 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.

MOTION TO RECOMMIT OFFERED BY MR. MC COLLUM

Mr. McCOLLUM. Mr. Speaker, I offer a motion to recommit.

The SPEAKER pro tempore. Is the gentleman opposed to the bill?

Mr. McCOLLUM. In its present form I am, Mr. Speaker.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. MCCOLLUM moves to recommit the bill, H.R. 5142, to the Committee on Energy and Commerce with instructions to report the same to the House forthwith with the following amendment:

Page 13, after line 22, add the following new section (and redesignate subsequent sections accordingly):

SEC. 2307. REQUIREMENT FOR STATE GRANTEES OF ESTABLISHMENT OF DUTY OF PHYSICIANS AND COUNSELORS TO NOTIFY SPOUSES OF INFECTED INDIVIDUALS.

(a) IN GENERAL.—Subject to subsection (c), the Secretary may not make a grant under section 2301 to a State unless the State will require that—

"(1) if a physician diagnoses an individual as being infected with the etiologic agent for acquired immunodeficiency syndrome, the physician make reasonable efforts to disclose the fact of such infection to the spouse of the individual in any case in which the physician knows, or by a reasonable effort could determine, the identity and location of the spouse;

"(2) if, as a result of counseling an individual with respect to such syndrome, a counselor learns that the individual is infected with the etiologic agent for such syndrome,

the counselor make reasonable efforts to disclose the fact of such infection to the spouse of the individual in any case in which the counselor knows, or by a reasonable effort could determine, the identity and location of the spouse;

"(3) a physician and a counselor comply with the requirement described in paragraph (1) or (2), respectively, only after providing the individual involved a reasonable opportunity to disclose the fact of such infection to the spouse of the individual; and

"(4) a physician and a counselor comply with the requirement described in paragraph (1) or (2), respectively, notwithstanding that the individual involved has disclosed the fact of such infection to the spouse of such individual.

(b) ENFORCEMENT.—

"(1) The Secretary may not make a grant under section 2301 to a State unless, subject to paragraph (2), the State will establish an enforcement mechanism for the requirement established by the State pursuant to subsection (a).

"(2) No physician or counselor may be sued or held liable by any private person for the failure to make an effort to notify any individual under subsection (a).

(c) TIME LIMITATIONS WITH RESPECT TO REQUIRED LAWS.—With respect to complying with subsections (a) and (b) as a condition of receiving a grant under section 2301, the Secretary may make a grant to a State under such section if—

"(1) for each of the fiscal years 1989 and 1990, the State provides assurances satisfactory to the Secretary that by not later than October 1, 1990, the State will comply with the requirements described in subsection (a); and

"(2) for fiscal year 1991 and subsequent fiscal years, the State has established such requirements.

(d) STATE CERTIFICATION WITH RESPECT TO REQUIRED LAWS.—With respect to complying with subsections (a) and (b) as a condition of receiving a grant under section 2301, the Secretary may not require a State to enact any statute, or to issue any regulation, if the chief executive officer of the State certifies to the Secretary that the law of the State is in substantial compliance with this section.".

Page 3, line 2, strike "2312" and insert "2313".

Page 3, line 5, strike "2311" and insert "2312".

Page 6, line 7, strike "2310(a)" and insert "2311(a)".

Page 6, line 14, strike "2310(a)" and insert "2311(a)".

Page 7, line 24, strike "2310(a)" and insert "2311(a)".

Page 20, line 8, strike "2310" and insert "2311".

Page 21, line 5, strike "2315(b)(1)" and insert "2316(b)(1)".

Page 21, line 23, strike "2311" and insert "2312".

Mr. McCOLLUM (during the reading). Mr. Speaker, I ask unanimous consent that the motion to recommit be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

The SPEAKER pro tempore. The gentleman from Florida [Mr. McCOLLUM] is recognized for 5 minutes in support of his motion to recommit.

Mr. McCOLLUM. Mr. Speaker, this motion to recommit is a very specific motion with instructions. It does only one thing. It directs that this body add to this bill one change. That change is a requirement that in order to be eligible for the grants under the bill, as a condition of the eligibility that the States require physicians to make a reasonable effort to notify spouses if their spouse is determined to be infected with the HIV virus.

That reasonable effort is a very simple burden, and it is conditioned upon the physician or the counselor knowing the location and the identity of a spouse and making reasonable effort to find out that identity and location of that spouse.

There is also in this provision a protection to the physician and the counselor and absolute prohibition on any civil lawsuit by any individual against the physician or counselor for failure to make the effort to notify. The requirement, by the way, is to make the effort. They do not have to actually notify. They have to make a reasonable effort to notify.

We have done everything we can in drafting this in order to allow us the opportunity as a body to vote on spouse notification, a reasonable spousal notification. The gentleman from Indiana [Mr. COATS], and I tried to get the Rules Committee to allow this to be offered earlier on as an amendment. The Rules Committee did not allow that. We tried to get the previous question defeated so we would have the opportunity to offer this for a vote by the body. We did not succeed. I cannot imagine anything more important than spouse notification in the HIV-virus context. We absolutely must have it.

I will tell my colleagues why. The simple fact of the matter is that let us take the parents' position in a situation where your daughter and son-in-law has gotten married and they have a child out there. Do we want a situation to develop where before that next child is born that there is one of those spouses that has AIDS that goes to the physician diagnosed, the other spouse does not know anything about it, particularly the wife. She becomes pregnant after she becomes infected. That child is passed the AIDS virus.

Let me say what that means. If that occurs within 5 years or 10 years at the most, possibly, all three of those people will be dead and the grandparents will not have a grandchild. They will not have a daughter or son-in-law. We do not need that. It does not have to happen that way. We need spousal notification. We need the requirement that a physician make a reasonable effort to notify the spouse of the other spouse having AIDS if he indeed knows the identity of the spouse.

Again, there is protection in this proposal and immunity for the physician from private lawsuits. Your reinforcement mechanism is by the individual States involved.

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

The SPEAKER pro tempore. The gentleman from California [Mr. WAXMAN] is recognized for 5 minutes in opposition to the motion to recommit.

Mr. WAXMAN. Mr. Speaker, I rise in opposition to this motion to recommit. We have before us an excellent bill that will get us on track in dealing with this AIDS epidemic that deals with research, and we have constructive provisions on counseling and testing. They are realistic. We leave the States the leverage to go further if they wish to. It is a clearly bipartisan bill.

This amendment is not a constructive amendment to that bill. It would do a great deal of harm to the legislation and may well keep it from passing. It is an unnecessary provision. It is one that is opposed by the American Medical Association and the National Governors' Association. The bill leaves a decision about medical practice to physicians. The bill already allows doctors to notify a spouse of the test results of an infected spouse. It leaves also the decisions about regulating medical practice to the States.

This is an inappropriate amendment. I hope we would defeat it.

Mr. Speaker, I yield to the gentleman from Illinois [Mr. MADIGAN], the ranking minority member of the subcommittee.

Mr. MADIGAN. Mr. Speaker, I thank the gentleman for yielding.

Very briefly I would say I had intended to offer a motion to recommit like this bill myself if I felt that one could be drafted that would deal with the problems of doctor liability, and I came to the conclusion that that could not be done. This amendment, or this motion to recommit, requires the doctor to make a reasonable effort, but it does not define what that is, and then it leaves it up to the States to enforce and penalize the doctors for not making that undefined reasonable effort, but it does not say what the penalty is to be. So it might be a fine of $100 in one State or the revocation of a doctor's license in another State. The point is we do not know because it does not say in this bill what is going to be required of the States or what the States are going to do, and it does not define what this reasonable effort is. Is that looking somebody up in the telephone book or is that going to the city directory or is that going to the person's parents to find out if a person is married, or when they were married or if they are still married? What is reasonable effort?

I came to the conclusion that that could not be done and so I did not

offer the motion to recommit. I hope that this motion to recommit would not be agreed to because the purpose of this bill is to encourage doctors to encourage people to be tested.

The result of this motion to recommit if it were adopted would be to discourage doctors from taking part in this program. I think it is a bad idea for that reason.

The SPEAKER pro tempore. The gentleman from Florida [Mr. McCOLLUM] is recognized for his remaining 2 minutes.

Mr. McCOLLUM. Mr. Speaker, I would like to respond to this degree. I would like to read the actual lawsuit liability exemptions for physicians. No physician or counselor may be sued or held liable by any private person for the failure to make an effort to notify an individual under subsection (a).

That is explicitly clear. The doctor cannot be held liable or the counselor held liable. That amendment leaves it to the States to work up the enforcement mechanism. The States have the grant program.

I want to emphasize, it is absolutely essential that spouses be given notification. If we do not, how in the world are we going to explain to people a year or 2 or 5 years or 10 years from now about the deaths that do occur because they were not told or because their children were not told or their grandchildren's mother was not told about the husband who had the disease? This is a very reasonable effort.

I urge my colleagues to adopt it. I would urge a "yes" vote on the motion to recommit that does nothing more than add this to it. It does not send the bill back to committee essentially or anything else other than this purpose.

The SPEAKER pro tempore. The gentleman from California [Mr. WAXMAN] is recognized for the remaining 2 minutes.

Mr. WAXMAN. Mr. Speaker, I agree with the gentleman from Illinois [Mr. MADIGAN]. The enforcement mechanism of this motion is ambiguous, fuzzy, very unclear, and the consequence of that will be that doctors will not want to participate in this program, and we have less testing and less counseling. The purpose of the bill is to counsel and test so that we can try to contain the pool of people that are infected.

I urge, along with the American Medical Association and the National Governors' Association and others to oppose this motion to recommit so we can support the final passage of the bill.

The SPEAKER pro tempore. Without objection, the previous question is ordered on a motion to recommit.

There was not objection.

The SPEAKER pro tempore. The question is on the motion to recommit.

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

Mr. McCOLLUM. 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.

Pursuant to the provisions of clause 5, rule XV, the Chair announces that he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device, if ordered, will be taken on the question of passage.

The vote was taken by electronic device, and there were—yeas 105, nays 279, not voting 47, as follows:

[Roll No. 343]

YEAS—105

Applegate
Archer
Armey
Baker
Ballenger
Bartlett
Barton
Bates
Bilirakis
Bliley
Broomfield
Brown (CO)
Bunning
Burton
Callahan
Coats
Coble
Coleman (MO)
Coughlin
Craig
Crane
Dannemeyer
DeLay
DeWine
Dickinson
DioGuardi
Dornan (CA)
Early
Emerson
Fields
Gallegly
Gekas
Gibbons
Gingrich
Goodling
Gradison
Grandy
Hall (TX)
Hansen
Hastert
Hefley
Henry
Herger
Hiler
Holloway
Hopkins
Hubbard
Hunter
Hutto
Inhofe
Ireland
Kemp
Konnyu
Kyl
Lagomarsino
Lewis (FL)
Lloyd
Lowery (CA)
Lujan
Lukens, Donald
Lungren
Marlenee
Martin (IL)
McCandless
McCollum
McGrath
Meyers
Miller (OH)
Moorhead
Myers
Nelson
Nielson
Parris
Pursell
Rhodes
Rogers
Roth
Roukema
Schaefer
Schuette
Schulze
Sensenbrenner
Shaw
Shumway
Shuster
Slaughter (VA)
Smith (NE)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Solomon
Stump
Sweeney
Swindall
Tauke
Thomas (CA)
Upton
Vander Jagt
Vucanovich
Walker
Whittaker
Williams
Wolf
Wylie
Young (FL)

NAYS—279

Ackerman
Akaka
Alexander
Anderson
Andrews
Annunzio
Aspin
Atkins
AuCoin
Bateman
Beilenson
Bennett
Bentley
Bereuter
Berman
Bevill
Bilbray
Boehlert
Boggs
Boland
Bonior
Borski
Bosco
Boxer
Brennan
Brooks
Bruce
Bryant
Buechner
Byron
Campbell
Cardin
Carper
Carr
Chandler
Chapman
Chappell
Cheney
Clarke
Clay
Clement
Clinger
Coelho
Coleman (TX)
Collins
Combest
Conte
Conyers
Cooper
Costello
Coyne
Crockett
Darden
Davis (MI)
de la Garza
DeFazio
Dellums
Derrick
Dicks
Dingell
Dixon
Donnelly
Dorgan (ND)
Downey
Durbin
Dwyer
Dymally
Dyson
Eckart
Edwards (CA)
Edwards (OK)
English
Erdreich
Espy
Evans
Fascell
Fazio
Feighan
Fish
Flake
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Frank
Frenzel
Gallo
Garcia
Gaydos
Gejdenson
Gilman
Glickman
Gonzalez
Gordon
Grant
Gray (PA)
Green
Guarini
Gunderson
Hamilton
Harris
Hatcher
Hayes (IL)
Hayes (LA)
Hefner
Hertel
Hochbrueckner
Horton
Houghton
Hoyer
Hughes
Hyde
Jacobs
Jeffords
Jenkins
Johnson (CT)
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kasich
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Kolbe
Kolter
Kostmayer
LaFalce
Lancaster
Lantos
Latta
Leach (IA)
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (GA)
Lightfoot
Lowry (WA)
Luken, Thomas
Madigan
Manton
Markey
Martinez
Mavroules
Mazzoli
McCloskey
McCrery
McCurdy
McDade
McEwen
McHugh
McMillan (NC)
McMillen (MD)
Mfume
Mica
Miller (CA)
Miller (WA)
Mineta
Moakley
Molinari
Mollohan
Montgomery
Moody
Morella
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Nagle
Natcher
Neal
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (NY)
Owens (UT)
Oxley
Panetta
Pashayan
Patterson
Payne
Pease
Pelosi
Penny
Perkins
Petri
Pickett
Pickle
Porter
Price
Rahall
Rangel
Ray
Regula
Richardson
Ridge
Rinaldo
Ritter
Robinson
Rodino
Roe
Rose
Rostenkowski
Rowland (CT)
Rowland (GA)
Roybal
Sabo
Saiki
Savage
Sawyer
Saxton
Schroeder
Schumer
Sharp
Shays
Sikorski
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter (NY)
Smith (FL)
Smith (IA)
Smith (NJ)
Smith, Robert (OR)
Snowe
Solarz
Spence
Spratt
St Germain
Staggers
Stangeland
Stark
Stenholm
Stokes
Stratton
Studds
Swift
Synar
Tallon
Tauzin
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Valentine
Vento
Visclosky
Volkmer
Walgren
Watkins
Waxman
Weber
Weiss
Wheat
Whitten
Wilson
Wise
Wolpe
Wyden
Yates
Yatron
Young (AK)

NOT VOTING—47

Anthony
Badham
Barnard
Bonker
Boucher
Boulter
Brown (CA)
Bustamante
Courter
Daub
Davis (IL)
Dowdy
Dreier
Fawell
Flippo
Frost
Gephardt
Gray (IL)
Gregg
Hall (OH)
Hammerschmidt
Hawkins
Huckaby
Leath (TX)
Lipinski
Livingston
Lott
Mack
MacKay
Martin (NY)
Matsui
Michel
Nichols
Nowak
Packard
Pepper
Quillen
Ravenel
Roberts
Russo
Scheuer
Schneider
Stallings
Sundquist
Taylor
Weldon
Wortley

□ 1400

The Clerk announced the following pairs:

On this vote:

Mr. Dreier of California for, with Mr. Anthony against.

Mr. Daub for, with Mr. Barnard against.

Mr. Boulter for, with Mr. Gephardt against.

Messrs. LANCASTER, LEHMAN of Florida, ROSTENKOWSKI, and DAVIS of Michigan changed their vote from "yea" to "nay."

Messrs. COBLE, PURSELL, and HASTERT, Mrs. MARTIN of Illinois, and Mrs. SMITH of Nebraska changed their vote from "nay" to "yea."

So the motion to recommit was rejected.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mr. BOLAND). 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. WAXMAN. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. The Chairman will announce that there is a time limit of 5 minutes on the vote for final passage.

The vote was taken by electronic device, and there were—yeas 367, nays 13, not voting 51, as follows:

[Roll No. 344]

YEAS—367

Ackerman
Akaka
Alexander
Anderson
Andrews
Annunzio
Applegate
Archer
Armey
Aspin
Atkins
AuCoin
Baker
Ballenger
Bartlett
Bateman
Bates
Beilenson
Bennett
Bentley
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Bliley
Boehlert
Boggs
Boland
Bonior
Borski
Bosco
Boxer
Brennan
Brooks
Broomfield
Brown (CO)
Bruce
Bryant
Buechner
Bunning
Byron
Callahan
Campbell
Cardin
Carper
Carr
Chandler
Chapman
Chappell
Clarke
Clay
Clement
Clinger
Coats
Coble
Coelho
Coleman (MO)
Coleman (TX)
Collins
Combest
Conte
Conyers
Cooper
Costello
Coughlin
Coyne
Craig
Crockett
Darden
Davis (MI)
de la Garza
DeFazio
DeLay
Dellums
Derrick
DeWine
Dickinson
Dingell
DioGuardi
Dixon
Donnelly
Dorgan (ND)
Downey
Durbin
Dwyer
Dymally
Dyson
Early
Eckart
Edwards (CA)
Edwards (OK)
Emerson
English
Erdreich
Espy
Evans
Fascell
Fazio
Feighan
Fields
Fish
Flake
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Frank
Frenzel
Gallegly
Gallo
Garcia
Gaydos
Gejdenson
Gekas
Gibbons
Gilman
Glickman
Gonzalez
Goodling
Gradison
Grandy
Grant
Gray (PA)
Green
Guarini
Gunderson
Hall (TX)
Hamilton
Hansen
Harris
Hastert
Hatcher
Hayes (IL)
Hayes (LA)
Hefley
Hefner
Henry
Herger
Hertel
Hiler
Hochbrueckner
Hopkins
Horton
Houghton
Hoyer
Hubbard
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
Kolter
Konnyu
Kostmayer
Kyl
LaFalce
Lagomarsino
Lancaster
Lantos
Latta
Leach (IA)
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (FL)
Lewis (GA)
Lightfoot
Lloyd
Lowery (CA)
Lujan
Luken, Thomas
Lukens, Donald
Lungren
Madigan
Manton
Markey
Marlenee
Martin (IL)
Martinez
Mavroules
Mazzoli
McCandless
McCloskey
McCrery
McCurdy
McDade
McEwen
McGrath
McHugh
McMillan (NC)
McMillen (MD)
Meyers
Mfume
Mica
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
Nielson
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (NY)
Owens (UT)
Oxley
Panetta
Parris
Pashayan
Patterson
Payne
Pease
Pelosi
Penny
Perkins
Petri
Pickett
Pickle
Porter
Price
Pursell
Rahall
Rangel
Ray
Regula
Rhodes
Richardson
Ridge
Rinaldo
Ritter
Robinson
Rodino
Roe
Rogers
Rose
Rostenkowski
Roth
Roukema
Rowland (CT)
Rowland (GA)
Roybal
Sabo
Saiki
Savage
Sawyer
Saxton
Schaefer
Schroeder
Schuette
Schulze
Schumer
Sensenbrenner
Sharp
Shaw
Shays
Sikorski
Sisisky
Skaggs
Skeen
Skelton
Slattery
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
Stangeland
Stark
Stenholm
Stokes
Stratton
Studds
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
Wheat
Whittaker
Whitten
Williams
Wilson
Wise
Wolf
Wolpe
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (FL)

NAYS—13

Barton
Burton
Cheney
Crane
Dannemeyer
Dornan (CA)
Gingrich
Holloway
Hunter
McCollum
Shumway
Shuster
Stump

NOT VOTING—51

Anthony
Badham
Barnard
Bonker
Boucher
Boulter
Brown (CA)
Bustamante
Courter
Daub
Davis (IL)
Dicks
Dowdy
Dreier
Fawell
Flippo
Frost
Gephardt
Gordon
Gray (IL)
Gregg
Hall (OH)
Hammerschmidt
Hawkins
Huckaby
Leath (TX)
Lipinski
Livingston
Lott
Lowry (WA)
Mack
MacKay
Martin (NY)
Matsui
Michel
Nichols
Nowak
Packard
Pepper
Quillen
Ravenel
Roberts
Russo
Scheuer
Schneider
Smith, Denny (OR)
Stallings
Sundquist
Taylor
Weldon
Wortley

□ 1410

Mr. GINGRICH changed his vote from "yea" to "nay."

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

AUTHORIZING THE CLERK TO MAKE CORRECTIONS IN ENGROSSMENT OF H.R. 5142, AIDS FEDERAL POLICY ACT OF 1988

Mr. WAXMAN. Mr. Speaker, I ask unanimous consent that in the engrossment of the bill, H.R. 5142, the Clerk be authorized to correct section numbers, cross references, punctuation, and indentations, and to make such other technical and conforming changes as are necessary to reflect the action of the House.

The SPEAKER pro tempore (Mr. STENHOLM). Is there objection to the request of the gentleman from California?

There was no objection.

GENERAL LEAVE

Mr. WAXMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and to include extraneous matter, on H.R. 5142, the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. WAXMAN. Mr. Speaker, pursuant to the provisions of House Resolution 520, I call up from the Speaker's table the Senate bill (S. 1220) to amend the Public Health Service Act to provide for a comprehensive program of education, information, risk reduction, training, prevention, treatment, care, and research concerning acquired immunodeficiency syndrome, and ask for its immediate consideration in the House.

The Clerk read the title of the Senate bill.

MOTION OFFERED BY MR. WAXMAN

Mr. WAXMAN. Mr. Speaker, pursuant to House Resolution 520, I offer a motion.

The Clerk read as follows:

Mr. WAXMAN moves to strike all after the enacting clause of the Senate bill, S. 1220, and to insert the provisions of the bill, H.R. 5142, as passed by the House, as follows:

SECTION 1. SHORT TITLE.

This Act may be cited as the "AIDS Federal Policy Act of 1988".

TITLE I—COUNSELING AND TESTING WITH RESPECT TO ACQUIRED IMMUNE DEFICIENCY SYNDROME

SEC. 101. ESTABLISHMENT OF GRANT PROGRAM AND CONFIDENTIALITY PROTECTIONS RELATING TO COUNSELING AND TESTING.

The Public Health Service Act (42 U.S.C. 201 et seq.) is amended—

(1) by redesignating title XXIII as title XXIV;

(2) by redesignating sections 2301 through 2303 as sections 2401 through 2403, respectively;

(3) by redesignating sections 2306 through 2316 as sections 2404 through 2414, respectively; and

(4) by inserting after title XXII the following new title:

"TITLE XXIII—COUNSELING AND TESTING WITH RESPECT TO ACQUIRED IMMUNE DEFICIENCY SYNDROME

"PART A—GRANTS FOR COUNSELING AND TESTING

"SEC. 2301. ESTABLISHMENT OF PROGRAM.

"(a) ALLOTMENTS FOR STATES.—For the purposes described in subsection (c), the Secretary, acting through the Director of the Centers for Disease Control, shall for each of the fiscal years 1989 through 1991 make an allotment for each State in an amount determined in accordance with section 2312. The Secretary shall make payments each such fiscal year to each State from the allotment for the State if the Secretary approves for the fiscal year involved an application submitted by the State pursuant to section 2311.

"(b) CATEGORICAL GRANTS.—For the purposes described in subsection (c), the Secretary, acting through the Director of the Centers for Disease Control, may make grants to entities (including public entities) that—

"(1) are grantees pursuant to section 317(j)(2), section 318(c), section 329, section 330, section 509A, or section 1001;

"(2) have under any appropriations Act received funds as alternate blood testing sites; or

"(3) are nonprofit hospitals.

"(c) PURPOSES OF GRANTS.—The Secretary may not make a grant under subsection (a) or (b) unless the applicant for the grant agrees to expend the grant only for the purposes of—

"(1) counseling individuals with respect to acquired immune deficiency syndrome in accordance with section 2303, including counseling relating to measures for the prevention of exposure to, and the transmission of, the etiologic agent for such syndrome; and

"(2) testing individuals for infection with such etiologic agent.

"(d) PREFERENCES IN MAKING CATEGORICAL GRANTS.—

"(1) Subject to paragraphs (2) and (3), the Secretary shall, in making grants under subsection (b), give preference to qualified applicants that will provide counseling and testing pursuant to such subsection in any geographic area for which—

"(A) with respect to grants for fiscal year 1989, the number of additional cases of acquired immune deficiency syndrome, as indicated by the number of such cases reported to and confirmed by the Secretary for the most recent fiscal year for which such data is available, constitutes a significant percentage of the number of such cases in the United States; and

"(B) with respect to grants for fiscal year 1990 and subsequent fiscal years, the number of additional cases of infection with the etiologic agent for acquired immune deficiency syndrome, as indicated by the number of such cases for the most recent fiscal year for which such data is available, constitutes a significant percentage of the number of such cases in the United States.

"(2) For purposes of paragraph (1), only a percentage of 1 percent or greater may be considered a significant percentage.

"(3) With respect to grants under subsection (b) for fiscal year 1990 and subsequent fiscal years, the Secretary shall, for purposes of preferences under paragraph (1), apply the criteria described in subparagraph (A) of such paragraph if the Secretary determines that sufficient and accurate data are not available for applying the criteria described in subparagraph (B) of such paragraph.

"SEC. 2302. REQUIREMENTS WITH RESPECT TO CONFIDENTIALITY AND INFORMED CONSENT.

"(a) CONFIDENTIALITY.—The Secretary may not make a grant under section 2301 unless the applicant for the grant agrees to ensure, in accordance with Federal law (including part B) and with State and local law not superseded by Federal law, the confidentiality of information and records with respect to individuals counseled or tested pursuant to such section.

"(b) INFORMED CONSENT.—

"(1) Except as provided in section 2306, the Secretary may not make a grant under section 2301 unless the applicant for the grant agrees that, in conducting testing pursuant to such section, the applicant will test an individual only after obtaining from the individual a statement, made in writing and signed by the individual, declaring that the individual has undergone the counseling described in section 2303(a) and that the decision of the individual with respect to undergoing such testing is voluntarily made.

"(2)(A) If, pursuant to section 2310(a), an individual will undergo testing described in section 2301 through the use of a pseudonym, a grantee under such section shall be considered to be in compliance with the agreement entered into pursuant to paragraph (1) if such individual signs the statement described in such subsection using the pseudonym.

"(B) If, pursuant to section 2310(a), an individual will undergo testing described in section 2301 without providing any information relating to the identity of the individual, a grantee under such section shall be considered to be in compliance with the agreement entered into pursuant to paragraph (1) if such individual orally provides the declaration described in such paragraph.

"SEC. 2303. REQUIREMENT OF PROVISION OF CERTAIN COUNSELING SERVICES.

"(a) COUNSELING BEFORE TESTING.—The Secretary may not make a grant under section 2301 unless the applicant for the grant agrees that, before testing an individual pursuant to such section, the applicant will provide to the individual appropriate counseling with respect to acquired immune deficiency syndrome (based on the most recent scientific data relating to such syndrome), including—

"(1) measures for the prevention of exposure to, and the transmission of, the etiologic agent for such syndrome;

"(2) the accuracy and reliability of the results of such testing;

"(3) the significance of the results of such testing, including the potential for developing acquired immune deficiency syndrome;

"(4) encouraging individuals, as appropriate, to undergo testing for such etiologic agent and providing information on the benefits of such testing;

"(5) provisions of law relating to the confidentiality of the fact that the individual is undergoing such counseling or testing and the confidentiality of information provided by the individual during the process of such counseling or testing, including information with respect to any disclosures that may be authorized under law and information with respect to the availability of anonymous counseling and testing pursuant to section 2310(a);

"(6) provisions of law relating to the confidentiality of the results of such counseling or testing, including information with respect to any disclosures that may be authorized by law;

"(7) provisions of law relating to the reporting to, and use by, State public health authorities of the results of such counseling and testing; and

"(8) provisions of law relating to discrimination against individuals infected with the etiologic agent for acquired immune deficiency syndrome.

"(b) COUNSELING OF INDIVIDUALS WITH NEGATIVE TEST RESULTS.—The Secretary may not make a grant under section 2301 unless the applicant for the grant agrees that, if the results of testing conducted pursuant to such section indicate that an individual is not infected with the etiologic agent for acquired immune deficiency syndrome, the applicant will review for the individual the information provided pursuant to subsection (a) with respect to such syndrome, including—

"(1) the information described in paragraphs (1) through (3) of such subsection; and

"(2) the appropriateness of further counseling, testing, and education of the individual with respect to acquired immune deficiency syndrome.

"(c) COUNSELING OF INDIVIDUALS WITH POSITIVE TEST RESULTS.—The Secretary may not make a grant under section 2301 unless the applicant for the grant agrees that, if the results of testing conducted pursuant to such section indicate that the individual is infected with the etiologic agent for acquired immune deficiency syndrome, the applicant will provide to the individual appropriate counseling with respect to such syndrome, including—

"(1) reviewing the information described in paragraphs (1) through (3) of subsection (a);

"(2) reviewing the appropriateness of further counseling, testing, and education of the individual with respect to acquired immune deficiency syndrome;

"(3) the availability in the geographic area of any appropriate services with respect to health care, including mental health care and social and support services;

"(4) the benefits of locating and counseling any individual by whom the infected individual may have been exposed to the etiologic agent for acquired immune deficiency syndrome and any individual whom the infected individual may have exposed to such etiologic agent; and

"(5) the availability, if any, of the services of public health authorities with respect to locating and counseling any individual described in paragraph (4).

"(d) COUNSELING OF WOMEN, CHILDREN, AND HEMOPHILIACS.—The Secretary may not make a grant under section 2301 unless the applicant for the grant agrees that, in counseling individuals with respect to acquired immune deficiency syndrome pursuant to this section, the applicant will, where appropriate, provide opportunities for women, children, and hemophiliacs to undergo the counseling under conditions appropriate to their needs with respect to the counseling.

"(e) COUNSELING OF EMERGENCY RESPONSE EMPLOYEES.—The Secretary may not make a grant under section 2301(a) to a State unless

the State agrees that, in counseling individuals with respect to acquired immune deficiency syndrome pursuant to this section, the State will provide opportunities for emergency response employees to undergo the counseling under conditions appropriate to their needs with respect to the counseling.

"(f) RULE OF CONSTRUCTION WITH RESPECT TO COUNSELING WITHOUT TESTING.—Agreements entered into pursuant to subsections (a) through (e) may not be construed to prohibit any grantee under section 2301 from expending the grant for the purpose of providing counseling services described in such subsections to an individual who will not undergo testing described in such section as a result of the grantee or the individual determining that such testing of the individual is not appropriate.

"SEC. 2304. APPLICABILITY OF REQUIREMENTS WITH RESPECT TO CONFIDENTIALITY, INFORMED CONSENT, AND COUNSELING.

"The Secretary may not make a grant under section 2301 unless the applicant for the grant agrees that, with respect to testing for infection with the etiologic agent for acquired immune deficiency syndrome, any such testing carried out by the applicant will, without regard to whether such testing is carried out with Federal funds, be carried out in accordance with conditions described in sections 2302 and 2303.

"SEC. 2305. REQUIREMENT WITH RESPECT TO ROUTINE TESTING OF CERTAIN INDIVIDUALS.

"The Secretary may not make a grant under section 2301 unless, with respect to testing for infection with the etiologic agent for acquired immune deficiency syndrome, the applicant for the grant agrees that—

"(1) if the applicant is a health provider that regularly provides treatment for sexually transmitted diseases, the applicant will routinely test for such infection individuals to whom the applicant provides such treatment;

"(2) if the applicant is a health provider that regularly provides treatment for intravenous substance abuse, the applicant will routinely test for such infection individuals to whom the applicant provides such treatment;

"(3) if the applicant is a family planning clinic, the applicant will routinely test for such infection individuals to whom the applicant provides family planning services; and

"(4) if the applicant is a tuberculosis clinic, the applicant will routinely test for such infection individuals to whom the applicant provides health services.

"SEC. 2306. REQUIREMENT FOR STATE GRANTEES OF MANDATORY TESTING OF INDIVIDUALS CONVICTED OF CERTAIN CRIMES.

"(a) IN GENERAL.—The Secretary may not make a grant under section 2301 to a State unless the State provides assurances satisfactory to the Secretary that—

"(1) the State will require that each individual who is convicted of prostitution, of a crime relating to sexual assault, or of a crime relating to intravenous substance abuse, be tested for infection with the etiologic agent for acquired immune deficiency syndrome;

"(2) with respect to any individual sentenced by the State to a term of imprisonment for conviction of prostitution, or a crime relating to sexual assault, or a crime relating of intravenous drug abuse, and with respect to any individual determined by the State corrections officer under the most current medical guidelines to pose a direct threat of infection to other individuals within the State penal system, the individual be tested for such infection upon entering the State penal system and be so tested during the 30-day period preceding the date on which the individual is released from such system;

"(3) the State will require that an individual, before being tested for such infection pursuant to the requirement described in paragraph (1) or (2), be notified by the State that the individual will be required to undergo such testing; and

"(4) with respect to any individual convicted of a crime relating to sexual assault, the State will require that, upon request of the victim of the crime, the victim be notified by the State of the results of such testing.

"(b) TIME LIMITATIONS WITH RESPECT TO REQUIRED LAWS.—With respect to complying with subsection (a) as a condition of receiving a grant under section 2301, the Secretary may make a grant to a State under such section if—

"(1) for each of the fiscal years 1989 and 1990, the State provides assurances satisfactory to the Secretary that by not later than October 1, 1990, the State will establish the requirements described in subsection (a); and

"(2) for fiscal year 1991 and subsequent fiscal years, the State has established such requirements.

"SEC. 2307. REQUIREMENT FOR STATE GRANTEES OF NOTIFICATION OF CERTAIN INDIVIDUALS RECEIVING BLOOD TRANSFUSIONS.

"The Secretary may not make a grant under section 2301 to the State unless the State provides assurances satisfactory to the Secretary that, with respect to individuals in the State receiving on or after January 1, 1977, a transfusion of any blood product, the State will—

"(1) encourage such individuals to undergo testing for infection with the etiologic agent for acquired immune deficiency syndrome; and

"(2) inform such individuals of any public health facilities in the geographic area involved that offer such testing.

"SEC. 2308. REQUIREMENT FOR STATE GRANTEES OF REPORTING AND CONTACT TRACING WITH RESPECT TO CASES OF INFECTION.

"(a) REPORTING.—The Secretary may not make a grant under section 2301 to a State unless, with respect to testing for infection with the etiologic agent for acquired immune deficiency syndrome, the State provides assurances satisfactory to the Secretary that the State will require that any entity carrying out such testing confidentially report to the State public health officer information sufficient—

"(1) to perform statistical and epidemiological analyses of the incidence in the State of cases of such infection; and

"(2) to perform statistical and epidemiological analyses of the demographic characteristics of the population of individuals in the State who have such infections.

"(b) CONTACT TRACING.—The Secretary may not make a grant under section 2301 to a State unless the State provides assurances satisfactory to the Secretary that the State will require that the State public health officer, to the extent appropriate in the determination of the officer, carry out a program of contact tracing with respect to cases of infection with the etiologic agent for acquired immune deficiency syndrome.

"SEC. 2309. REQUIREMENT FOR STATE GRANTEES OF ESTABLISHMENT OF CIVIL AND CRIMINAL ACTIONS WITH RESPECT TO KNOWING TRANSMISSION OF ACQUIRED IMMUNE DEFICIENCY SYNDROME.

"(a) IN GENERAL.—Subject to subsection (c), the Secretary may not make a grant under section 2301 to a State unless—

"(1) subject to the condition described in subsection (b), the State prohibits any individual who is infected with the etiologic agent for acquired immune deficiency syndrome from making a donation of blood, semen, breast milk, or an organ, if the individual knows of the infection and knows that the individual will through such donation expose another individual to such etiologic agent in the event that the donation is utilized;

"(2) subject to the condition described in subsection (b), the State prohibits any individual infected with such etiologic agent from engaging in sexual activity if the individual knows of the infection and knows that the individual will through such sexual activity expose another individual to such etiologic agent;

"(3) subject to the condition described in subsection (b), the State prohibits any individual from engaging in any behavior with the intent to expose another individual to such etiologic agent, which behavior would, if carried out as intended, result in exposing the other individual to such etiologic agent; and

"(4) the State establishes a civil cause of action for damages for any violation of a prohibition described in any of paragraphs (1) through (3) and establishes a criminal penalty for any such violation.

"(b) CONSENT TO RISK OF TRANSMISSION.—The condition referred to in each of paragraphs (1) through (3) of subsection (a) is that the prohibition described in each such paragraph shall not apply if the individual who is subjected to the behavior involved provides prior consent for being exposed to the etiologic agent for acquired immune deficiency syndrome.

"(c) TIME LIMITATIONS WITH RESPECT TO REQUIRED LAWS.—With respect to complying with subsection (a) as a condition of receiving a grant under section 2301, the Secretary may make a grant to a State under such section if—

"(1) for each of the fiscal years 1989 and 1990, the State provides assurances satisfactory to the Secretary that by not later than October 1, 1990, the State will establish the prohibitions and civil and criminal actions described in subsection (a); and

"(2) for fiscal year 1991 and subsequent fiscal years, the State has established such prohibitions and such criminal and civil actions.

"(d) STATE CERTIFICATION WITH RESPECT TO REQUIRED LAWS.—With respect to complying with subsection (a) as a condition of receiving a grant under section 2301, the Secretary may not require a State to enact any statute, or to issue any regulation, if the chief executive officer of the State certifies to the Secretary that the law of the State is in substantial compliance with this section.

"SEC. 2310. ADDITIONAL REQUIRED AGREEMENTS.

"(a) PROVISION OF OPPORTUNITIES FOR ANONYMOUS COUNSELING AND TESTING.—Except as provided in section 2306, the Secretary may not make a grant under section 2301 unless the applicant for the grant agrees that, to the extent permitted under

State law, the applicant will offer substantial opportunities for an individual—

"(1) to undergo counseling and testing pursuant to such section without being required to provide any information relating to the identity of the individual; and

"(2) to undergo such counseling and testing through the use of a pseudonym.

"(b) PROHIBITION AGAINST REQUIRING TESTING AS CONDITION OF RECEIVING OTHER HEALTH SERVICES.—The Secretary may not make a grant under section 2301 unless the applicant for the grant agrees that, with respect to an individual seeking health services from the applicant, the applicant will not require the individual to undergo testing described in such section as a condition of receiving the health services unless such testing is medically indicated in the provision of the health services sought by the individual.

"(c) REQUIREMENT FOR STATE GRANTEES OF PROVISION OF CERTAIN DATA TO APPLICANTS FOR MARRIAGE LICENSES.—The Secretary may not make a grant under section 2301 to a State unless the State agrees that, in issuing licenses to be married, the State will make available to applicants for such licenses information with respect to measures for the prevention of exposure to, and the transmission of, the etiologic agent for acquired immune deficiency syndrome (which information contains the most recently available scientific data relating to such syndrome).

"(d) REQUIREMENT FOR STATE GRANTEES OF PERIODIC PROVISION OF CERTAIN DATA TO PHYSICIANS AND DENTISTS.—The Secretary may not make a grant under section 2301 to a State unless the State agrees to make available to physicians and dentists in the State information with respect to acquired immune deficiency syndrome, including measures for the prevention of exposure to, and the transmission of, the etiologic agent for such syndrome (which information is updated not less than once each 6 months with the most recently available scientific data relating to such syndrome).

"(e) INCREASED AVAILABILITY OF COUNSELING AND TESTING.—If an applicant for a grant under section 2301 has carried out a program of counseling or testing with respect to acquired immune deficiency syndrome during the majority of the 180-day period preceding the date of the enactment of the AIDS Counseling and Testing Act of 1988, the Secretary may not make a grant under such section unless the applicant for the grant agrees to expend the grant only for the purpose of significantly increasing the availability of such counseling and testing provided by the applicant above the level of availability provided under such program during the majority of such period.

"(f) ADMINISTRATION OF GRANT.—The Secretary may not make a grant under section 2301 unless the applicant for the grant agrees that—

"(1) the applicant will not expend amounts received pursuant to such section for any purpose other than the purposes described in such section;

"(2) if the applicant will routinely impose a charge for providing counseling and testing described in such section, the applicant will not impose the charge on any individual seeking such counseling or testing who is unable to pay the charge;

"(3) the applicant will establish such procedures for fiscal control and fund accounting as may be necessary to ensure proper disbursement and accounting with respect to the grant; and

"(4) the applicant will not expend more than 10 percent of the grant for administrative expenses with respect to the grant.

"SEC. 2311. REQUIREMENT OF SUBMISSION OF APPLICATION CONTAINING CERTAIN AGREEMENTS AND ASSURANCES.

"The Secretary may not make a grant under section 2301 unless—

"(1) an application for the grant is submitted to the Secretary containing agreements and assurances in accordance with sections 2301 through 2310;

"(2) with respect to such agreements, the application provides assurances of compliance satisfactory to the Secretary; and

"(3) the application otherwise is in such form, is made in such manner, and contains such agreements, assurances, and information as the Secretary determines to be necessary to carry out this part.

"SEC. 2312. DETERMINATION OF AMOUNT OF ALLOTMENTS FOR STATES.

"(a) MINIMUM ALLOTMENT.—Subject to the extent of amounts made available in appropriations Acts, the amount of an allotment under section 2301(a) for a State for a fiscal year shall be the greater of—

"(1) $300,000 for each of the several States, the District of Columbia, and the Commonwealth of Puerto Rico, and $100,000 for each of the territories of the United States other than the Commonwealth of Puerto Rico; and

"(2) an amount determined under subsection (b).

"(b) DETERMINATION UNDER FORMULA.—The amount referred to in subsection (a)(2) is the product of—

"(1) an amount equal to the amount made available pursuant to section 2315(b)(1) for the fiscal year involved; and

"(2) a percentage equal to the quotient of—

"(A) an amount equal to the population of the State involved; divided by

"(B) an amount equal to the population of the United States.

"(c) DISPOSITION OF CERTAIN FUNDS APPROPRIATED FOR ALLOTMENTS.—

"(1) Amounts described in paragraph (2) shall, in accordance with paragraph (3), be allotted by the Secretary to States receiving payments under section 2301(a) for the fiscal year (other than any State referred to in paragraph (2)(C)).

"(2) The amounts referred to in paragraph (1) are any amounts that are not paid to States under section 2301(a) as a result of—

"(A) the failure of any State to submit an application under section 2311;

"(B) the failure, in the determination of the Secretary, of any State to prepare within a reasonable period of time such application in compliance with such section; or

"(C) any State informing the Secretary that the State does not intend to expend the full amount of the allotment made to the State.

"(3) The amount of an allotment under paragraph (1) for a State for a fiscal year shall be amount equal to the product of—

"(A) an amount equal to the amount described in paragraph (2) for the fiscal year involved; and

"(B) the percentage determined under subsection (b)(2) for the State.

"SEC. 2313. PROVISION BY SECRETARY OF SUPPLIES AND SERVICES IN LIEU OF GRANT FUNDS.

"(a) IN GENERAL.—Upon the request of a grantee under section 2301, the Secretary may, subject to subsection (b), provide supplies, equipment, and services for the purpose of aiding the grantee in providing counseling and testing described in such section and, for such purpose, may detail to the grantee any officer or employee of the Department of Health and Human Services.

"(b) LIMITATION.—With respect to a request described in subsection (a), the Secretary shall reduce the amount of payments under section 2301 to the grantee involved by an amount equal to the fair market value of any supplies, equipment, or services provided by the Secretary and shall, for the payment of expenses incurred in complying with such request, expend the amounts withheld.

"SEC. 2314. EVALUATIONS.

"The Secretary shall, directly or through grants and contracts, evaluate programs carried out with grants made under section 2301.

"SEC. 2315. FUNDING.

"(a) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of making grants under subsections (a) and (b) of section 2301, there is authorized to be appropriated $400,000,000 for each of the fiscal years 1989 through 1991.

"(b) ALLOCATION OF FUNDS BY SECRETARY.—

"(1) For the purpose of making allotments under section 2301(a), the Secretary shall make available 50 percent of the amounts appropriated pursuant to subsection (a).

"(2) For the purpose of making grants under section 2301(b), the Secretary shall make available 50 percent of the amounts appropriated pursuant to subsection (a).

"(c) USE OF FUNDS.—

"(1) The purpose of this part is to provide for counseling and testing services to prevent and reduce exposure to, and the transmission of, the etiologic agent for acquired immune deficiency syndrome.

"(2) All individuals receiving counseling pursuant to this part are to be counseled about the harmful effects of promiscuous sexual activity and intravenous substance abuse, and the benefits of abstaining from such activities.

"(3) None of the funds appropriated to carry out this part may be used to provide counseling that promotes or encourages, directly, homosexual or unsafe heterosexual sexual activity or intravenous substance abuse.

"(4) Paragraph (3) may not be construed to prohibit a counselor who has already performed the counseling of an individual required in paragraph (2) from providing an individual the most current scientific knowledge available to reduce the individual's risk of exposure to, or the transmission of, the etiologic agent for acquired immune deficiency syndrome, provided that any informational materials used are not obscene.

"PART B—CONFIDENTIALITY WITH RESPECT TO COUNSELING AND TESTING

"SEC. 2321. ESTABLISHMENT OF PROHIBITION AGAINST DISCLOSURE OF CERTAIN INFORMATION ORIGINATING IN PROCESS OF COUNSELING AND TESTING.

"(a) IN GENERAL.—Except as provided in any of sections 2322 through 2329, a person described in subsection (b) may not disclose identifying information with respect to a protected individual or a contact of such individual.

"(b) PERSONS SUBJECT TO PROHIBITION.—A person referred to in subsection (a) is a person who obtains identifying information with respect to a protected individual or a contact of such individual as a result of—

"(1) direct or indirect involvement in the process of—

"(A) providing to the protected individual counseling with respect to acquired immune deficiency syndrome or testing the protected individual for infection with the etiologic agent for such syndrome; or

"(B) providing to the protected individual health care in the course of the provision of which the protected individual discloses identifying information with respect to the protected individual;

"(2) direct or indirect involvement in the process of carrying out a purpose for which a disclosure of identifying information is made under any of sections 2322 through 2327;

"(3) reading (or otherwise directly perceiving) any record containing identifying information with respect to a protected individual or a contact of such individual, which record is developed in a process described in paragraph (1) or (2); or

"(4) receiving a notification pursuant to section 2351.

"(c) APPLICABILITY.—The prohibition established in subsection (a) shall apply to the conduct of a person without regard to whether the person receives Federal financial assistance.

"SEC. 2322. AUTHORIZED CONSENSUAL DISCLOSURES.

"(a) IN GENERAL.—A person described in section 2321(b)(1), and a person who receives a disclosure of identifying information under any of sections 2323 through 2327, may disclose identifying information with respect to a protected individual if—

"(1) prior to the disclosure, the protected individual has, in accordance with subsection (d), consented to the disclosure; or

"(2) prior to the disclosure, the protected individual is legally incompetent under the law of the State in which the protected individual resides, the counseling and testing described in section 2321(b)(1)(A) was provided at the request of the guardian of the protected individual, and the guardian consents, in accordance with subsection (d), to the disclosure.

"(b) CLAIMANT UNDER INSURANCE ON LIFE OF PROTECTED INDIVIDUAL.—A person described in section 2321(b)(1), and a person who receives a disclosure of identifying information under any of sections 2323 through 2327, may disclose identifying information with respect to a protected individual if—

"(1) prior to the disclosure, the protected individual is deceased and is the insured pursuant to life insurance;

"(2) prior to the disclosure, the claimant for the proceeds of the life insurance consents to the disclosure in accordance with subsection (d); and

"(3) the disclosure is made to the business organization providing the life insurance.

"(c) RECIPIENT OF CONSENSUAL DISCLOSURE.—Any person receiving, pursuant to this section, a disclosure of identifying information with respect to a protected individual may disclose the identifying information under the applicable conditions described in subsection (a) or (b).

"(d) REQUIRED PROCEDURE.—A consent under any of subsections (a) through (c) shall—

"(1) be in writing and be dated;

"(2) be signed by the person providing consent pursuant to subsection (a), (b), or (c);

"(3) specify the identifying information to be disclosed and the purpose of the disclosure;

"(4) specify the person, persons, or generic class of persons whom the consent authorizes to make the disclosure;

"(5) specify the person, persons, or generic class of persons to whom the disclosure is to be made (including persons within the organization receiving the disclosure); and

"(6) specify the period of time during which disclosures may be made under the consent and the procedures for withdrawal of consent.

"(e) VOID CONSENT.—Except as otherwise specifically provided for pursuant to subsection (d), a consent under any of subsections (a) through (c) shall be void to the extent that the consent authorizes the recipient of the disclosure to make subsequent disclosures of identifying information in the discretion of the recipient.

"SEC. 2323. AUTHORIZED NONCONSENSUAL DISCLOSURES.

"(a) NONCONSENSUAL DISCLOSURE WITH RESPECT TO COUNSELING AND TESTING.—A person described in section 2321(b)(1)(A) may disclose identifying information with respect to a protected individual and a contact of such individual if the disclosure is made—

"(1) to a health care provider for the purpose of providing to the protected individual the counseling or testing described in such section;

"(2) to the protected individual; or

"(3) to the guardian of the protected individual, if the protected individual is legally incompetent under the law of the State in which the protected individual resides and such counseling or testing was provided at the request of the guardian.

"(b) NONCONSENSUAL DISCLOSURES WITH RESPECT TO OTHER HEALTH CARE.—A person described in section 2321(b)(1) may disclose identifying information with respect to a protected individual if the disclosure is made to a health care provider that provides health care to the protected individual under conditions in which, as determined under guidelines issued by the Secretary under section 2361, the provider is likely to be occupationally exposed to the etiologic agent for acquired immune deficiency syndrome.

"(c) NONCONSENSUAL DISCLOSURE TO STATE PUBLIC HEALTH OFFICER.—A person described in section 2321(b)(1) may disclose identifying information with respect to a protected individual and a contact of such individual if the disclosure is made to the State public health officer and the law of the State in which testing described in section 2321(b)(1)(A) is carried out requires disclosure to the officer.

"(d) NONCONSENSUAL DISCLOSURE WITH RESPECT TO BODILY FLUIDS AND ORGANS OF PROTECTED INDIVIDUALS.—A person described in section 2321(b)(1) shall disclose identifying information with respect to a protected individual if the disclosure is made to, and at the request of, a health care provider (including a blood bank) that has received or will receive blood from the protected individual for the purposes of blood transfusions, has received or will receive semen from such individual for the purposes of artificial inseminations, has received or will receive breast milk from such individual for the purposes of distribution, or has received or will receive a donation from such individual of an organ for the purposes of transplantation.

"(e) NONCONSENSUAL DISCLOSURE WITH RESPECT TO BURIAL OF PROTECTED INDIVIDUALS.—A person described in section 2321(b)(1) shall disclose identifying information with respect to a protected individual if the disclosure is made to, and at the request of, a person who has received or will receive the body of the protected individual for the purpose of preparing the body for burial.

"(f) CERTAIN INTRAORGANIZATION NONCONSENSUAL DISCLOSURES.—Identifying information received by an organization pursuant to a disclosure under this section or section 2324 may be disclosed within the organization to the extent reasonably necessary to carry out the purpose for which the disclosure is made.

"SEC. 2324. AUTHORIZED NONCONSENSUAL REDISCLOSURE.

"Any person authorized under section 2322 or 2323 to receive a disclosure of identifying information may, for a purpose described in section 2323, disclose identifying information to any person authorized under such section to receive, for the purpose involved, a disclosure of such information.

"SEC. 2325. AUTHORIZED NONCONSENSUAL DISCLOSURE PURSUANT TO SALE OR TRANSFER OF ORGANIZATIONS AUTHORIZED TO MAKE OR RECEIVE DISCLOSURES.

"A person described in section 2321(b)(1), and a person who receives a disclosure of identifying information under any of sections 2322 through 2324, may disclose the identifying information if the disclosure is made only to the extent reasonably necessary for the purpose of—

"(1) selling the organization with respect to which such person is authorized under any of such sections to make or receive a disclosure of identifying information (or selling portions of such organization); or

"(2) effecting a transfer, merger, or consolidation of such organization (or of portions of such organization).

"SEC. 2326. NONCONSENSUAL DISCLOSURES WITH RESPECT TO INSURANCE POLICIES AND HEALTH PLANS.

"(a) IN GENERAL.—A person described in section 2321(b)(1) may disclose identifying information if the disclosure is made only to the extent reasonably necessary for the purpose of—

"(1) compliance with requirements imposed by the State agency that regulates the provision of insurance; or

"(2) responding to a judicial order to furnish evidence in proceedings to prosecute State or Federal causes of action for fraud, material misrepresentation, or material nondisclosure arising from acts or omissions of the protected individual, or on behalf of the protected individual, with respect to contracts (including the formation of contracts) for benefits under insurance policies or health plans (including health maintenance organizations, medical service plans, and hospital service plans).

"(b) OPPORTUNITY TO PARTICIPATE IN PROCEEDINGS.—Before authorizing a disclosure of identifying information under subsection (a)(2), the court involved shall provide to the protected individual, or to the claimant referred to in section 2322(b)(2), as the case may be, a reasonable opportunity to participate in the proceedings for determining whether, and to what extent, a disclosure will be ordered.

"(c) IN CAMERA PROCEEDINGS.—Civil proceedings under subsection (a) shall be conducted in camera. Any references to the parties in documents of such proceedings shall be references to pseudonyms for the parties. Records developed in such proceeding shall be sealed at the close of the proceeding.

"(d) FINDINGS OF FACTS AND CONCLUSIONS OF LAW.—In issuing orders described in sub-

section (a)(2), the court involved shall find the facts specially and state separately the conclusions of law that constitute the grounds of the actions of the court.

"(e) APPLICABILITY OF CONFIDENTIALITY PROHIBITION.—If a court issues an order described in subsection (a)(2), the court shall determine the extent to which the prohibition established in section 2321(a) shall apply to persons receiving identifying information pursuant to the order.

"SEC. 2327. COURT ORDERS WITH RESPECT TO PUBLIC HEALTH OFFICER.

"(a) DISCLOSURE TO OFFICER.—A court of competent jurisdiction may, upon appropriate application to the court by the State public health officer, order any person described in section 2321(b)(1), and any person who receives a disclosure of identifying information under any of sections 2322 through 2326, to make a disclosure to the health officer of identifying information with respect to a protected individual or a contact of such individual to the extent reasonably necessary, in the determination of the court, to prevent a clear and imminent danger of the transmission, by the protected individual or contact involved, of the etiologic agent for acquired immune deficiency syndrome.

"(b) REDISCLOSURE BY OFFICER.—A court of competent jurisdiction may, upon appropriate application to the court by the State public health officer, authorize the officer to disclose identifying information with respect to a protected individual or a contact of such individual to the extent reasonably necessary, in the determination of the court, to prevent a clear and imminent danger of the transmission, by the protected individual or contact involved, of the etiologic agent for acquired immune deficiency syndrome.

"(c) OPPORTUNITY TO PARTICIPATE IN PROCEEDINGS.—Before authorizing a disclosure of identifying information under subsection (a) or (b), the court involved shall provide to the protected individual (and to any contact of such individual with respect to whom identifying information is sought) a reasonable opportunity to participate in the proceedings for determining whether, and to what extent, a disclosure will be ordered.

"(d) IN CAMERA PROCEEDINGS.—Proceedings under subsection (a) or (b) shall be conducted in camera. Any references to the parties in documents of such proceedings shall be references to pseudonyms for the parties. Records developed in such proceeding shall be sealed at the close of the proceeding.

"(e) FINDINGS OF FACTS AND CONCLUSIONS OF LAW.—In granting or denying applications pursuant to subsection (a) or (b), the court involved shall find the facts specially and state separately the conclusions of law that constitute the grounds of the actions of the court.

"SEC. 2328. NONCONSENSUAL DISCLOSURES TO VICTIMS OF SEXUAL ASSAULT.

"A person described in section 2321(b)(1)(A) may disclose identifying information with respect to a protected individual if—

"(1) the protected individual is convicted of a crime relating to sexual assault;

"(2) the disclosure is made to the victim of such crime at the request of the victim; and

"(3) the disclosure is made by a physician or a counselor.

"SEC. 2329. NONCONSENSUAL DISCLOSURES TO CERTAIN CONTACTS OF PROTECTED INDIVIDUALS.

"A person described in section 2321(b)(1)(A), and a person who receives a disclosure of identifying information under section 2323(c), may disclose identifying information with respect to a protected individual if—

"(1) such person is a physician or a counselor;

"(2) the disclosure is made to the spouse of the protected individual or to an individual whom the protected individual has, during the process of receiving counseling or testing described in section 2321(b)(1)(A), identified as being a sexual partner of the protected individual or an individual with whom the protected individual has shared a hypodermic needle;

"(3) such person has counseled the protected individual with respect to making medically appropriate disclosures of identifying information to the individuals described in paragraph (2);

"(4) such person reasonably believes that—

"(A) the protected individual will not inform such individuals of the identifying information with respect to the protected individual; and

"(B) the disclosure is medically appropriate; and

"(5) the disclosure of the name of the protected individual is made only if medically appropriate.

"SEC. 2330. REQUIREMENT OF CERTAIN NOTIFICATIONS WITH RESPECT TO DISCLOSURE OF IDENTIFYING INFORMATION.

"(a) IN GENERAL.—

"(1)(A) Except as provided in paragraph (2), any person who, under any of sections 2322 through 2327, discloses any identifying information with respect to a protected individual shall ensure that such disclosure, whether made orally or in writing, is accompanied by a written statement declaring that any subsequent disclosure of the information provided may be prohibited by law.

"(B) Except as provided in paragraph (2), any person who, under any of sections 2322 through 2324, discloses any identifying information with respect to a protected individual shall notify such individual (if living) in writing of the fact of such disclosure.

"(2) The requirements established in paragraph (1) shall not apply to any disclosure of identifying information under any of sections 2322 through 2327 made to a person who is part of the same organization as the person from whom the disclosure is received.

"(b) NONCONSENSUAL DISCLOSURE TO CERTAIN CONTACTS OF PROTECTED INDIVIDUAL.—Any person who, under section 2329, discloses identifying information with respect to a protected individual shall notify such individual (if living) in writing of the fact of such disclosure.

"SEC. 2331. CIVIL MONEY PENALTY AND CIVIL CAUSES OF ACTION FOR VIOLATION OF PROHIBITION.

"(a) ASSESSMENT OF CIVIL MONEY PENALTY.—

"(1) Any person who intentionally or negligently violates section 2321 or 2330 shall be liable to the United States for a civil penalty in an amount not to exceed $10,000 for each such violation.

"(2) A civil penalty under paragraph (1) may be assessed by the Secretary only by an order made on the record after opportunity for a hearing in accordance with section 554 of title 5, United States Code. The Secretary shall provide written notice to the person who is the subject of the proposed order informing the person of the opportunity to receive such a hearing with respect to the proposed order. The hearing may be held only if the person makes a request for the hearing before the expiration of the 30-day period beginning on the date such notice is issued.

"(3) The Secretary may compromise, modify, or remit, with or without conditions, any civil penalty assessed pursuant to paragraph (2).

"(4) If the Secretary issues an order pursuant to paragraph (2) after a hearing described in such paragraph, the person who is the subject of the order may, before the expiration of the 30-day period beginning on the date the order is issued, seek judicial review of the order pursuant to section 1331 of title 28, United States Code, and chapter 7 of title 5, United States Code.

"(5) If a person does not request a hearing pursuant to paragraph (2) and the Secretary issues an order pursuant to such paragraph, or if a person does not under paragraph (4) seek judicial review of such an order, the Secretary may commence a civil action in any appropriate district court of the United States for the purpose of recovering the amount assessed and an amount representing interest at a rate computed in accordance with section 1961 of title 28, United States Code. Such interest shall accrue from the expiration of the 30-day period described in paragraph (4). In such an action, the decision of the Secretary to issue the order, and the amount of the penalty assessed by the Secretary, shall not be subject to review.

"(6) The Secretary may not under this subsection commence proceeding against a person after the expiration of the 5-year period beginning on the date on which the person allegedly engaged in the violation of section 2321 or 2330.

"(b) INJUNCTIVE RELIEF.—The Secretary may, in any court of competent jurisdiction, commence a civil action for the purpose of obtaining temporary or permanent injunctive relief with respect to preventing a violation of section 2321 or 2330.

"(c) CIVIL CAUSE OF ACTION BY AGGRIEVED INDIVIDUAL.—

"(1) Any individual who is aggrieved as a result of a violation by any person of section 2321 or 2330 may, in any court of competent jurisdiction, commence a civil action against such person to obtain appropriate relief, including actual and punitive damages, equitable relief, and a reasonable attorney's fee and costs. For a violation of section 2321, damages shall be not less than the liquidated amount of $2,000.

"(2) An individual described in paragraph (1) may not commence proceedings under such paragraph against a person after the expiration of the 5-year period beginning on the date on which the person allegedly engaged in the violation of section 2321 or 2330.

"(d) IN CAMERA PROCEEDINGS.—Proceedings under this section shall be conducted in camera. Any references to the parties in documents of such proceedings shall be references to pseudonyms for the parties. Records developed in such proceeding shall be sealed at the close of the proceeding.

"SEC. 2332. CRIMINAL PENALTY FOR VIOLATION OF PROHIBITION.

"(a) IN GENERAL.—Any person who intentionally violates the prohibition established in section 2321 shall be fined in accordance with title 18, United States Code, or imprisoned for not more than one year, or both.

"(b) LIMITATION ON ACTION.—Proceedings under subsection (a) may not be commenced against a person unless, with respect to such

proceedings, the indictment is found or the information is instituted not later than the expiration of the 5-year period beginning on the date on which the person allegedly engaged in the violation of section 2321.

"SEC. 2333. VIOLATIONS BY FEDERAL GRANTEES AND CONTRACTORS.

"Grants made, and contracts entered into, by any Federal agency may be terminated by the agency involved if the Federal grantee or contractor involved violates section 2321 or 2330. Any Federal grantee or contractor violating such a prohibition may, with respect to Federal grants and contracts, be suspended or debarred by the agency involved.

"SEC. 2334. EXCLUSIVITY OF FEDERAL PENALTIES AND REMEDIES FOR VIOLATIONS.

"The imposition of a penalty under section 2331 or 2332 for a violation of section 2321 or 2330 shall not preclude the imposition of any other applicable penalty under Federal law with respect to such a violation. The receipt of relief pursuant to section 2331(c) for such a violation shall not preclude the receipt of any other relief available under Federal law with respect to such a violation.

"SEC. 2335. PREEMPTION OF CERTAIN STATE DISCLOSURE LAWS.

"(a) IN GENERAL.—This part shall supersede any State law that—

"(1) provides a criminal or civil penalty, or a cause of action, for the failure of any person described in section 2321(b) to make a disclosure of identifying information not authorized under this part to be made; or

"(2) provides a criminal or civil penalty, or a cause of action, for a disclosure by any such person of identifying information authorized under this part to be made (including any State law that prohibits, or authorizes a cause of action for, a disclosure of identifying information by a physician or counselor under section 2329).

"(b) AUTHORIZED STATE CRIMINAL AND CIVIL ACTIONS.—This part shall not supersede any State criminal or civil action (including a cause of action for damages) for a disclosure of identifying information made in violation of any State law not superseded by subsection (a), including any State criminal or civil action for a disclosure of identifying information made by an individual receiving such information under section 2329.

"PART C—EMERGENCY RESPONSE EMPLOYEES

"Subpart I—Guidelines and Model Curriculum

"SEC. 2341. DEVELOPMENT.

"(a) IN GENERAL.—

"(1) Not later than 90 days after the date of the enactment of the AIDS Counseling and Testing Act of 1988, the Secretary, acting through the Director of the Centers for Disease Control, shall develop guidelines and a model curriculum for emergency response employees with respect to the prevention of exposure to the etiologic agent for acquired immune deficiency syndrome during the process of responding to emergencies.

"(2) The guidelines and the model curriculum developed under paragraph (1) shall, to the extent practicable, include—

"(A) information with respect to the manner in which such etiologic agent is transmitted; and

"(B) information that can assist emergency response employees in distinguishing between conditions in which such employees are at risk with respect to such etiologic agent and conditions in which such employees are not at risk with respect to such etiologic agent.

"(b) APPOINTMENT OF TASK FORCE.—The Secretary shall establish a task force to assist the Secretary in developing the guidelines and the model curriculum required in subsection (a). The Secretary shall appoint to the task force representatives of the Centers for Disease Control, representatives of State governments, and representatives of emergency response employees.

"(c) DISSEMINATION TO STATES.—The Secretary shall—

"(1) transmit to State public health officers copies of the guidelines and the model curriculum developed under subsection (a) with the request that such officers disseminate such copies as appropriate throughout the State; and

"(2) make such copies available to the public.

"SEC. 2342. GRANTS FOR IMPLEMENTATION.

"(a) IN GENERAL.—The Secretary shall make grants to States and political subdivisions of States for the purpose of assisting grantees with respect to the initial implementation of recommendations contained in the guidelines and the model curriculum developed under section 2341(a).

"(b) REQUIREMENT OF APPLICATION.—The Secretary may not make a grant under subsection (a) unless—

"(1) an application for the grant is submitted to the Secretary;

"(2) with respect to carrying out the purpose for which the grant is to be made, the application provides assurances of compliance satisfactory to the Secretary; and

"(3) the application otherwise is in such form, is made in such manner, and contains such agreements, assurances, and information as the Secretary determines to be necessary to carry out this section.

"(c) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this section, there is authorized to be appropriated an aggregate $5,000,000 for the fiscal years 1989 and 1990.

"Subpart II—Notifications of Possible Exposure

"SEC. 2351. ESTABLISHMENT OF REQUIREMENT OF NOTIFICATIONS WITH RESPECT TO VICTIMS ASSISTED.

"(a) ROUTINE NOTIFICATION OF DESIGNATED OFFICER.—

"(1) If a victim of an emergency is transported by emergency response employees to a medical facility and the medical facility makes a determination that the victim is infected with the etiologic agent for acquired immune deficiency syndrome, the medical facility shall, with respect to the determination, notify the designated officer of the emergency response employees who transported the victim to the medical facility.

"(2) If a victim of an emergency is transported by emergency response employees to a medical facility and the victim dies at or before reaching the medical facility, the medical facility ascertaining the cause of the death of the victim shall, with respect to the designated officer of the emergency response employees who transported the victim to the initial medical facility, notify the designated officer of any determination by the medical facility that the victim was infected with the etiologic agent for acquired immune deficiency syndrome.

"(3) With respect to a determination described in paragraph (1) or (2), the notification required in each of such paragraphs shall be made not later than 48 hours after the determination is made.

"(b) NOTIFICATION UPON REQUEST OF DESIGNATED OFFICER.—

"(1) If a victim of an emergency is transported by emergency response employees to a medical facility, the medical facility shall, upon the request of the designated officer of any emergency response employees who attended, assisted, or transported the victim, notify the designated officer of any determination by the medical facility that the victim is infected with the etiologic agent for acquired immune deficiency syndrome.

"(2) If a victim of an emergency is transported by emergency response employees to a medical facility and the victim dies at or before reaching the medical facility, the medical facility ascertaining the cause of the death of the victim shall, upon the request of the designated officer of any emergency response employees who attended, assisted, or transported the victim, notify the designated officer of any determination by the medical facility that the victim was infected with the etiologic agent for acquired immune deficiency syndrome.

"(3)(A) A medical facility shall make a notification required in paragraph (1) or (2) not later than 48 hours after receipt of a request pursuant to the paragraph involved if, prior to the request, a determination described in such paragraph has been made by the medical facility.

"(B) A medical facility shall make a notification required in paragraph (1) or (2) not later than 48 hours after making a determination described in the paragraph involved if, after receipt of a request pursuant to such paragraph, the determination is made.

"(c) PROCEDURES FOR NOTIFICATION OF DESIGNATED OFFICER.—

"(1) In making a notification required under subsection (a) or (b), a medical facility shall provide the date on which the victim of the emergency involved was transported by emergency response employees to a medical facility and, upon request, the location at which such emergency occurred (including, to the extent practicable, the address of the location).

"(2) If a notification under subsection (a) or (b) is mailed or otherwise indirectly made—

"(A) the medical facility sending the notification shall, upon sending the notification, inform the designated officer to whom the notification is sent of the fact that the notification has been sent; and

"(B) such designated officer shall, not later than 10 days after being informed by the medical facility that the notification has been sent, inform such medical facility whether the designated officer has received the notification.

"(d) DESIGNATION OF INDIVIDUALS TO REQUEST AND RECEIVE NOTIFICATIONS FROM MEDICAL FACILITIES.—

"(1) The public health officer of each State shall, for the purpose of requesting and receiving notifications under subsections (a) and (b), and for the purpose of carrying out subsection (e), designate 1 official or officer of each employer of emergency response employees in the State.

"(2) In making the designations required in paragraph (1), a public health officer shall give preference to individuals who are trained in the provision of health care or in the control of infectious diseases.

"(e) NOTIFICATIONS TO EMPLOYEES.—

"(1) After receiving a notification under subsection (a) or (b), a designated officer of emergency response employees shall, to the extent practicable, immediately notify each of such employees who—

"(A) responded to the emergency involved; and

"(B) as indicated by the guidelines and the model curriculum developed by the Secretary under section 2341, may have been exposed to the etiologic agent for acquired immune deficiency syndrome.

"(2) A designated officer of emergency response employees shall, upon request of such an employee—

"(A) determine whether, if a victim of an emergency to which the employee responded had been infected with the etiologic agent for acquired immune deficiency syndrome, the employee might have been exposed to such etiologic agent; and

"(B) make a request described in subsection (b) if, as indicated by a determination made pursuant to subparagraph (A), the employee might have been exposed to such etiologic agent.

"(3) A notification under this subsection to an emergency response employee shall inform the employee of—

"(A) the fact that the employee may have been exposed to the etiologic agent for acquired immune deficiency syndrome;

"(B) any action by the employee that, as indicated by the guidelines and model curriculum developed by the Secretary under section 2341(a), is medically appropriate; and

"(C) if medically appropriate under such guidelines and model curriculum, the location of the emergency involved and the date and time of such emergency.

"(f) LIMITATION.—Subsections (a)(1) and (b)(1) shall not apply to any determination described in such subsections made with respect to a victim of an emergency after the expiration of the 60-day period beginning on the date that the victim is transported by emergency response employees to a medical facility.

"SEC. 2352. RULES OF CONSTRUCTION.

"(a) TESTING.—Section 2351 may not, with respect to victims of emergencies, be construed to authorize or require a medical facility to test any such victim for infection with the etiologic agent for acquired immune deficiency syndrome.

"(b) CONFIDENTIALITY.—Section 2351 may not be construed to authorize or require any medical facility, any designated officer of emergency response employees, or any such employee, to disclose identifying information with respect to a protected individual.

"SEC. 2353. CIVIL MONEY PENALTY AND CIVIL CAUSES OF ACTION FOR VIOLATION OF PROHIBITION.

"(a) ASSESSMENT OF CIVIL MONEY PENALTY.—

"(1) Any person who intentionally or negligently violates section 2351 shall be liable to the United States for a civil penalty in an amount not to exceed $10,000 for each such violation.

"(2) A civil penalty under paragraph (1) may be assessed by the Secretary only by an order made on the record after opportunity for a hearing in accordance with section 554 of title 5, United States Code. The Secretary shall provide written notice to the person who is the subject of the proposed order informing the person of the opportunity to receive such a hearing with respect to the proposed order. The hearing may be held only if the person makes a request for the hearing before the expiration of the 30-day period beginning on the date such notice is issued.

"(3) The Secretary may compromise, modify, or remit, with or without conditions, any civil penalty assessed pursuant to paragraph (2).

"(4) If the Secretary issues an order pursuant to paragraph (2) after a hearing described in such paragraph, the person who is the subject of the order may, before the expiration of the 30-day period beginning on the date the order is issued, seek judicial review of the order pursuant to section 1331 of title 28, United States Code, and chapter 7 of title 5, United States Code.

"(5) If a person does not request a hearing pursuant to paragraph (2) and the Secretary issues an order pursuant to such paragraph, or if a person does not under paragraph (4) seek judicial review of such an order, the Secretary may commence a civil action in any appropriate district court of the United States for the purpose of recovering the amount assessed and an amount representing interest at a rate computed in accordance with section 1961 of title 28, United States Code. Such interest shall accrue from the expiration of the 30-day period described in paragraph (4). In such an action, the decision of the Secretary to issue the order, and the amount of the penalty assessed by the Secretary, shall not be subject to review.

"(6) The Secretary may not under this subsection commence proceeding against a person after the expiration of the 5-year period beginning on the date on which the person allegedly engaged in the violation of section 2351.

"(b) INJUNCTIVE RELIEF.—The Secretary may, in any court of competent jurisdiction, commence a civil action for the purpose of obtaining temporary or permanent injunctive relief with respect to preventing a violation of section 2351.

"(c) CIVIL CAUSE OF ACTION BY AGGRIEVED INDIVIDUAL.—

"(1) Any emergency response employee who is aggrieved as a result of a violation of section 2351 by any person (other than a violation of subsection (a)(3), (b)(3), or (c)(2) of such section) may, in any court of competent jurisdiction, commence a civil action against such person to obtain appropriate relief, including actual and punitive damages and a reasonable attorney's fee and cost. Such damages shall be not less than the liquidated amount of $2,000.

"(2) An individual described in paragraph (1) may not commence proceedings under such paragraph against a person after the expiration of the 5-year period beginning on the date on which the person allegedly engaged in the violation of section 2351.

"PART D—GENERAL PROVISIONS

"SEC. 2361. ISSUANCE OF CERTAIN GUIDELINES BY SECRETARY.

"Not later than 12 months after the date of the enactment of the AIDS Counseling and Testing Act of 1988, the Secretary shall, after consultation with individuals with expertise, issue guidelines describing circumstances under which an individual infected with the etiologic agent for acquired immune deficiency syndrome can expose other individuals to such etiologic agent. Such guidelines shall include information with respect to—

"(1) the manner in which such etiologic agent is transmitted;

"(2) the probability for transmission of such etiologic agent to other individuals; and

"(3) whether reasonable accommodation to an infection with such etiologic agent can prevent the exposure of other individuals to the infection.

"SEC. 2362. DEMONSTRATION PROJECTS FOR COUNSELING AND MENTAL HEALTH SERVICES TO INDIVIDUALS WITH POSITIVE TEST RESULTS.

"(a) IN GENERAL.—The Secretary may make grants to public and nonprofit private entities for demonstration projects for the development, establishment, or expansion of programs to provide counseling and mental health treatment—

"(1) for individuals who experience serious psychological reactions as a result of being informed that the results of testing for the etiologic agent for acquired immune deficiency syndrome indicate that the individuals are infested with such etiologic agent; and

"(2) for the families of such individuals, and for others, who experience serious psychological reactions as a result of being informed of the results of such testing of such individuals.

"(b) PREFERENCES IN MAKING GRANTS.—In making grants under subsection (a), the Secretary shall give perference to applicants that are based, at, or have relationships with, entities providing comprehensive health services to individuals who are infected with the etiologic agent for acquired immune deficiency syndrome.

"(c) REQUIREMENT OF PROVISION OF INFORMATION ON PREVENTION.—The Secretary may not make a grant under subsection (a) unless the applicant for the grant agrees that counseling provided pursuant to such subsection will include counseling relating to measures for the prevention of exposure to, and the transmission of, the etiologic agent for acquired immune deficiency syndrome.

"(d) AUTHORITY FOR TRAINING.—A grantee under subsection (a) may expend the grant to train individuals to provide the services described in such subsection.

"(e) REQUIREMENT OF IDENTIFICATION OF NEEDS AND OBJECTIVES.—The Secretary may not make a grant under subsection (a) unless the application for the grant submits to the Secretary—

"(1) information demonstrating that the applicant has, with respect to mental health treatment related to the etiologic agent for acquired immune deficiency syndrome, identified the need for such treatment in the area in which the program will be developed, established, or expanded; and

"(2) a description of—

"(A) the objectives established by the applicant for the conduct of the program; and

"(B) the method the applicant will use to evaluate the activities conducted under the program and to determine the extent to which such objectives have been met.

"(f) REQUIREMENT OF APPLICATION.—The Secretary may not make a grant under subsection (a) unless—

"(1) an application for the grant is submitted to the Secretary;

"(2) with respect to carrying out the purpose for which the grant is to be made, the application provides assurances of compliance satisfactory to the Secretary;

"(3) the application contains the information required to be submitted under subsection (e); and

"(4) the application otherwise is in such form, is made in such manner, and contains such agreements, assurances, and information as the Secretary determines to be necessary to carry out this section.

"(g) REQUIREMENT OF MINIMUM NUMBER OF GRANTS FOR FISCAL YEAR 1989.—Subject to the extent of amounts made available in

appropriations Acts, the Secretary shall, for fiscal year 1989, make not less than 6 grants under subsection (a).

"(h) TECHNICAL ASSISTANCE AND ADMINISTRATIVE SUPPORT.—The Secretary, acting through the Director of the National Institute of Mental Health, may provide technical assistance and administrative support to grantees under subsection (a).

"(i) DEFINITION.—For purposes of this section, the term 'mental health treatment'; means individual, family or group services designed to alleviate distress, improve functional ability, or assist in changing dysfunctional behavior patterns.

"(j) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this section, there are authorized to be appropriated such sums as may be necessary for each of the fiscal years 1989 through 1991.

"SEC. 2363. DEFINITIONS.

"For purposes of this title:

"(1) The term 'contact of a protected individual' means any individual whose identity is disclosed by a protected individual during the process of receiving counseling, testing, or health care described in section 2321(b)(1).

"(2) The term 'counseling with respect to acquired immune deficiency syndrome' means such counseling provided by an individual trained to provide such counseling.

"(3) The term 'designated officer of emergency response employees' means an individual designated under section 2351(d) by the public health officer of the State involved.

"(4) The term 'emergency' means an emergency involving injury or illness.

"(5) The term 'emergency response employees' means firefighters, law enforcement officers, paramedics, and other individuals (including employees of legally organized and recognized volunteer organizations, without regard to whether such employees receive nominal compensation) who, in the course of professional duties, respond to emergencies in the geographic area involved.

"(6) The term 'employer of emergency response employees' means an organization that, in the course of professional duties, responds to emergencies in the geographic area involved.

"(7) The term 'exposed to the etiologic agent for acquired immune deficiency syndrome' means to be in circumstances in which there is a significant risk of becoming infected with such etiologic agent.

"(8) The term 'identifying information' means any information—

"(A) relating to the identity of an individual who is a protected individual, or who is a contact of such individual, whichever is indicated by the context of usage; and

"(B) provided in a context indicating that the individual has undergone, is undergoing, or will undergo counseling or testing described in section 2321(b)(1)(A) or in a context indicating whether the individual is infected with the etiologic agent for acquired immune deficiency syndrome.

"(9) The term 'infection with the etiologic agent for acquired immune deficiency syndrome' includes any condition arising from such etiologic agent.

"(10) The term 'person' includes one or more individuals, governments (including the Federal Government and the governments of the States), governmental agencies, political subdivisions, labor unions, partnerships, associations, corporations, legal representatives, mutual companies, joint-stock companies, trusts, unincorporated organizations, receivers, trustees, and trustees in cases under title 11, United States Code.

"(11) The term 'protected individual' means an individual—

"(A) who has undergone, or is undergoing, counseling or testing described in section 2321(b)(1)(A);

"(B) who has, in anticipation of undergoing such counseling or testing, disclosed his or her identity to a person who provides such counseling or testing; or

"(C) who has disclosed identifying information with respect to himself or herself in the course of receiving health care.

"(12) The term 'records' includes electronic recordings and any other method of storing information.

"(13) The term 'routinely test for infection with the etiologic agent for acquired immune deficiency syndrome' means, with respect to the activity in the course of which testing for such infection is required to be conducted pursuant to section 2305—

"(A) to offer and encourage such testing as a regular practice in the course of such activity; and

"(B) to conduct such testing only with the consent of the individual to whom such testing is offered in the course of such activity.

"(14) The term 'State' means each of the several States, the District of Columbia, and the territories of the United States.

"(15) The term 'territories of the United States' means each of the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, the Trust Territory of the Pacific Islands, and any other territory or possession of the United States.

"(16) The term 'testing for infection with the etiologic agent for acquired immune deficiency syndrome' includes any diagnosis of such infection made by a health care provider licensed to make such a diagnosis under the law of the State in which the diagnosis is made.".

SEC. 102. CONFORMING AMENDMENTS.

The Public Health Service Act (42 U.S.C. 201 et seq.) is amended—

(1) in section 305(i), by striking "2313" each place it appears and inserting "2411";

(2) in section 465(f), by striking "2301" and inserting "2401"; and

(3) in section 497, by striking "2301" and inserting "2401".

SEC. 103. EFFECTIVE DATES.

Part B of title XXIII of the Public Health Service Act (as added by section 2 of this Act) shall take effect on the expiration of the 60-day period beginning on the date of the enactment of this Act. Such title (as so added) shall otherwise take effect October 1, 1988, or upon the date of the enactment of this Act, whichever occurs later.

TITLE II—RESEARCH WITH RESPECT TO ACQUIRED IMMUNE DEFICIENCY SYNDROME

SEC. 201. REQUIREMENT OF EXPEDITING AWARDS OF GRANTS AND CONTRACTS FOR RESEARCH.

Section 494 of the Public Health Service Act (42 U.S.C. 289c) is amended by adding at the end the following new subsection:

"(c)(1) The Secretary shall expedite the award of grants, contracts, and cooperative agreements for research projects relating to acquired immune deficiency syndrome (including such research projects initiated independently of any solicitation by the Secretary for proposals for such research projects).

"(2) With respect to programs of grants, contracts, and cooperative agreements described in paragraph (1), any application submitted in response to a solicitation by the Secretary for proposals pursuant to such a program—

"(A) may not be approved if the application is submitted after the expiration of the 3-month period beginning on the date on which the solicitation is issued; and

"(B) shall be awarded, or otherwise finally acted upon, not later than the expiration of the 6-month period beginning on the expiration of the period described in subparagraph (A).

"(3) If the Secretary makes a determination that it is not practicable to administer a program referred to in paragraph (2) in accordance with the time limitations described in such paragraph, the Secretary may adjust the time limitations accordingly.

"(4) With respect to any program for which a determination described in paragraph (3) is made, the Secretary shall—

"(A) if the determination is made before the Secretary issues a solicitation for proposals pursuant to the program, ensure that the solicitation describes the time limitations as adjusted by the determination; and

"(B) if the determination is made after the Secretary issues such a solicitation for proposals, issue a statement describing the time limitations as adjusted by the determination and individually notify, with respect to the determination, each applicant whose application is submitted before the expiration of the 3-month period beginning on the date on which the solicitation was issued.

"(5) The Secretary shall, not less than annually, submit to the Committee on Energy and Commerce of the House of Representatives and the Committee on Labor and Human Resources of the Senate, a report—

"(A) summarizing programs for which the Secretary has made a determination described in paragraph (3), including a description of the time limitations as adjusted by the determination and including a summary of the solicitation issued by the Secretary for proposals pursuant to the program; and

"(B) summarizing applications that—

"(i) were submitted pursuant to a program of grants, contracts, or cooperative agreements referred to in paragraph (2) for which a determination described in paragraph (3) has not been made; and

"(ii) were not processed in accordance with the time limitations described in paragraph (2).".

SEC. 202. ESTABLISHMENT OF PROGRAMS RELATING TO RESEARCH.

The Public Health Service Act (42 U.S.C. 201 et seq.) is amended by inserting after title VIII the following new title:

"TITLE IX—RESEARCH WITH RESPECT TO ACQUIRED IMMUNE DEFICIENCY SYNDROME

"PART A—ADMINISTRATION OF RESEARCH PROGRAMS

"SEC. 901. REQUIREMENTS WITH RESPECT TO PROCESSING OF REQUESTS FOR PERSONNEL AND ADMINISTRATIVE SUPPORT.

"(a) IN GENERAL.—The Director of the Office of Personnel Management or the Administrator of General Services, as the case may be, shall respond to any priority request made by the Administrator of the Alcohol, Drug Abuse, and Mental Health Administration, the Director of the Centers for Disease Control, the Commissioner of Food and Drugs, or the Director of the National Institutes of Health, not later than 14 days after the date on which such request is made. If the Director of the Office of Per-

sonnel Management or the Administrator of General Services, as the case may be, does not disapprove a priority request during the 14-day period, the request shall be deemed to be approved.

"(b) NOTICE TO SECRETARY AND TO ASSISTANT SECRETARY FOR HEALTH.—The Administrator of the Alcohol, Drug Abuse, and Mental Health Administration, the Director of the Centers for Disease Control, the Commissioner of Food and Drugs, and the Director of the National Institutes of Health, shall, respectively, transmit to the Secretary and the Assistant Secretary for Health a copy of each priority request made under this section by the agency head involved. The copy shall be transmitted on the date on which the priority request involved is made.

"(c) DEFINITION OF PRIORITY REQUEST.—For purposes of this section, the term 'priority request' means any request that—

"(1) is designated as a priority request by the Administrator of the Alcohol, Drug Abuse, and Mental Health Administration, the Director of the Centers for Disease Control, the Commissioner of Food and Drugs, or the Director of the National Institutes of Health; and

"(2)(A) is made to the Director of the Office of Personnel Management for the allocation of personnel to carry out activities with respect to acquired immune deficiency syndrome; or

"(B) is made to the Administrator of General Services for administrative support in carrying out such activities.

"SEC. 902. AUTHORIZATION OF ADDITIONAL PERSONNEL.

"(a) IN GENERAL.—Notwithstanding any other provision of law, the Secretary shall, in accordance with the civil service and classification laws, appoint and fix the compensation of not less than 780 employees for the Public Health Service in addition to the number of employees assigned to such Service as of December 31, 1987.

"(b) LIMITATION OF AVAILABILITY OF APPROPRIATIONS.—The requirement established in subsection (a) shall be carried out only to the extent of amounts made available in appropriations Acts for such purpose.

"(c) EXPIRATION OF REQUIREMENT.—Effective October 1, 1989, this section is repealed.

"SEC. 903. ESTABLISHMENT OF CLINICAL RESEARCH REVIEW COMMITTEE.

"The Secretary, acting through the Director of the National Institute of Allergy and Infectious Diseases, shall establish within such Institute an advisory committee to be known as the AIDS Clinical Research Review Committee (hereafter in this section referred to as the 'Committee'). The Committee shall be composed of physicians whose clinical practice includes a significant number of patients with acquired immune deficiency syndrome. The Committee shall—

"(1) advise the Director of such Institute on appropriate research activities to be undertaken with respect to clinical treatment of such syndrome, including advice with respect to—

"(A) research on drugs for preventing or minimizing the development of symptoms or conditions arising from infection with the etiologic agent for such syndrome; and

"(B) research on the effectiveness of treating such symptoms or conditions with drugs that—

"(i) are not approved by the Commissioner of Food and Drugs for the purpose of treating such symptoms or conditions; and

"(ii) are being utilized for such purpose by individuals infected with such etiologic agent;

"(2)(A) review ongoing publicly and privately supported research on clinical treatment for acquired immune deficiency syndrome, including research on drugs described in paragraph (1); and

"(B) periodically issue, and make available to health care professionals, reports describing and evaluating such research;

"(3) conduct studies and convene meetings for the purpose of determining the recommendations among physicians in clinical practice on clinical treatment of acquired immune deficiency syndrome, including treatment with the drugs described in paragraph (1); and

"(4) establish a toll-free telephone number to provide to appropriate health care professionals information developed or obtained by the Committee pursuant to paragraphs (2) and (3).

"PART B—RESEARCH AUTHORITY

"SEC. 911. CLINICAL EVALUATION UNITS AT NATIONAL INSTITUTES OF HEALTH.

"(a) IN GENERAL.—The Secretary, acting through the Director of the National Cancer Institute and the Director of the National Institute of Allergy and Infectious Diseases, shall for each such Institute establish a clinical evaluation unit at the Clinical Center at the National Institutes of Health. Each of the clinical evaluation units—

"(1) shall conduct clinical evaluations of experimental treatments for acquired immune deficiency syndrome developed within the preclinical drug development program; and

"(2) may conduct clinical evaluations of experimental treatments for such syndrome that are developed by any other national research institute of the National Institutes of Health or by any other entity.

"(b) PERSONNEL AND ADMINISTRATIVE SUPPORT.—

"(1) For the purposes described in subsection (a), the Secretary, acting through the Director of the National Institutes of Health, shall provide each of the clinical evaluation units required in such subsection—

"(A)(i) with not less than 50 beds; or

"(ii) with an outpatient clinical capacity equal to not less than twice the outpatient clinical capacity, with respect to acquired immune deficiency syndrome, possessed by the Clinical Center of the National Institutes of Health on June 1, 1988; and

"(B) with such personnel and such administrative support as may be necessary.

"(2) Facilities, personnel, and administrative support provided pursuant to paragraph (1) shall be in addition to the number or level of facilities, personnel, and administrative support that otherwise would be available at the Clinical Center at the National Institutes of Health for the provision of clinical care for individuals with diseases or disorders.

"(c) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this section, there are authorized to be appropriated such sums as may be necessary.

"SEC. 912. USE OF INVESTIGATIONAL NEW DRUGS WITH RESPECT TO ACQUIRED IMMUNE DEFICIENCY SYNDROME.

"(a) ENCOURAGEMENT OF APPLICATIONS WITH RESPECT TO CLINICAL TRIALS.—

"(1) If, in the determination of the Secretary, a new drug has potential effectiveness with respect to the prevention or treatment of acquired immune deficiency syndrome, the Secretary shall, through statements published in the Federal Register—

"(A) announce the fact of such determination; and

"(B) with respect to the new drug involved, encourage applications for an exemption for investigational use of the new drug under regulations issued under section 505(i) of the Federal Food, Drug, and Cosmetic Act.

"(2)(A) The AIDS Clinical Research Review Committee established pursuant to section 903 shall make recommendations to the Secretary with respect to new drugs appropriate for determinations described in paragraph (1).

"(B) The Secretary shall, as soon as is practicable, determine the merits of recommendations received by the Secretary pursuant to subparagraph (A).

"(b) ENCOURAGEMENT OF APPLICATIONS WITH RESPECT TO TREATMENT USE IN CIRCUMSTANCES OTHER THAN CLINICAL TRIALS.—

"(1) In the case of a new drug with respect to which the Secretary has made a determination described in subsection (a) and with respect to which an exemption is in effect for purposes of section 505(i) of the Federal Food, Drug, and Cosmetic Act, the Secretary shall—

"(A) as appropriate, encourage the sponsor of the investigation of the new drug to submit to the Secretary, in accordance with regulations issued under such section, an application to use the drug in the treatment of individuals—

"(i) who are infected with the etiologic agent for acquired immune deficiency syndrome; and

"(ii) who are not participating in the clinical trials conducted pursuant to such exemption; and

"(B) if such an application is approved, encourage, as appropriate, licensed medical practitioners to obtain, in accordance with such regulations, the new drug from such sponsor for the purpose of treating such individuals.

"(2) If the sponsor of the investigation of a new drug described in paragraph (1) does not submit to the Secretary an application described in such paragraph (relating to treatment use), the Secretary shall, through statements published in the Federal Register, encourage, as appropriate, licensed medical practitioners to submit to the Secretary such applications in accordance with regulations described in such paragraph.

"(c) TECHNICAL ASSISTANCE WITH RESPECT TO TREATMENT USE.—In the case of a new drug with respect to which the Secretary has made a determination described in subsection (a), the Secretary may, directly or through grants or contracts, provide technical assistance with respect to the process of—

"(1) submitting to the Secretary applications for exemptions described in paragraph (1)(B) of such subsection;

"(2) submitting to the Secretary applications described in subsection (b); and

"(3) obtaining new drugs with respect to which applications described in subsection (b) have been approved.

"(d) DEFINITION.—For purposes of this section, the term 'new drug' has the meaning given such term in section 201 of the Federal Food, Drug, and Cosmetic Act.

"SEC. 913. EVALUATION OF CERTAIN TREATMENTS.

"(a) ESTABLISHMENT OF PROGRAM.—

"(1) After consultation with the Clinical Research Review Committee established pursuant to section 903, the Secretary,

acting through the Director of the National Institute of Allergy and Infectious Diseases, shall establish a program for the evaluation of drugs that—

"(A) are not approved by the Commissioner of Food and Drugs for the purpose of treatments with respect to acquired immune deficiency syndrome; and

"(B) are being utilized for such purpose by individuals infected with the etiologic agent for such syndrome.

"(2) The program established under paragraph (1) shall include evaluations of the effectiveness and the risks of the treatment involved, including the risks of foregoing treatments with respect to acquired immune deficiency syndrome that are approved by the Commissioner of Food and Drugs.

"(b) AUTHORITY WITH RESPECT TO GRANTS AND CONTRACTS.—

"(1) For the purpose of conducting evaluations required in subsection (a), the Secretary may make grants to, and enter into cooperative agreements and contracts with, public and nonprofit private entities.

"(2) Nonprofit private entities under paragraph (1) may include nonprofit private organizations that—

"(A) are established for the purpose of evaluating treatments with respect to acquired immune deficiency syndrome; and

"(B) consist primarily of individuals infected with the etiologic agent for such syndrome.

"(c) SCIENTIFIC AND ETHICAL GUIDELINES.—

"(1) The Secretary shall establish appropriate scientific and ethical guidelines for the conduct of evaluations carried out pursuant to this section. The Secretary may not provide financial assistance under subsection (b)(1) unless the applicant for such assistance agrees to comply with such guidelines.

"(2) The Secretary may establish the guidelines described in paragraph (1) only after consulting with—

"(A) physicians whose clinical practice includes a significant number of individuals with acquired immune deficiency syndrome;

"(B) individuals who are infected with the etiologic agent for such syndrome; and

"(C) other individuals with appropriate expertise or experience.

"(d) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this section, there are authorized to be appropriated such sums as may be necessary.

"SEC. 914. SUPPORT OF INTERNATIONAL EFFORTS.

"(a) GRANTS AND CONTRACTS FOR RESEARCH.—

"(1) Under section 307, the Secretary, acting through the Director of the National Institutes of Health—

"(A) shall, for the purpose described in paragraph (2), make grants to, enter into cooperative agreements and contracts with, and provide technical assistance to, international organizations concerned with public health; and

"(B) may, for such purpose, provide technical assistance to foreign governments.

"(2) The purpose referred to in paragraph (1) is promoting and expediting international research concerning the development of vaccines and treatments for acquired immune deficiency syndrome.

"(b) GRANTS AND CONTRACTS FOR ADDITIONAL PURPOSES.—After consultation with the Secretary of State, the Secretary, acting through the Director of the Centers for Disease Control, shall under section 307 make grants to, enter into contracts with, and provide technical assistance to, international organizations concerned with public health and may provide technical assistance to foreign governments, in order to support—

"(1) projects for training individuals with respect to developing skills and technical expertise for use in the prevention, diagnosis, and treatment of acquired immune deficiency syndrome; and

"(2) epidemiological research relating to acquired immune deficiency syndrome.

"(c) SPECIAL PROGRAMME OF WORLD HEALTH ORGANIZATION.—Support provided by the Secretary pursuant to this section shall be in furtherance of the global strategy of the World Health Organization Special Programme on Acquired Immunodeficiency Syndrome.

"(d) PREFERENCES.—In providing grants, cooperative agreements, contracts, and technical assistance under subsections (a) and (b), the Secretary shall give preference to activities conducted by, or in cooperation with, the World Health Organization.

"(e) REQUIREMENT OF APPLICATION FOR FINANCIAL ASSISTANCE.—The Secretary may not make a grant or enter into a cooperative agreement or contract under this section unless—

"(1) an application for such assistance is submitted to the Secretary;

"(2) with respect to carrying out the purpose for which such assistance is to be provided, the application provides assurances of compliance satisfactory to the Secretary; and

"(3) the application otherwise is in such form, is made in such manner, and contains such agreements, assurances, and information as the Secretary determines to be necessary to carry out this section.

"(f) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this section, there are authorized to be appropriated such sums as may be necessary for each of the fiscal years 1989 through 1991.

"SEC. 915. RESEARCH CENTERS.

"(a) IN GENERAL.—

"(1) The Secretary, acting through the Director of the National Institute of Allergy and Infectious Diseases, may make grants to, and enter into contracts with, public and nonprofit private entities to assist such entities in planning, establishing, or strengthening, and providing basic operating support for, centers for basic and clinical research into, and training in, advanced diagnostic, prevention, and treatment methods for acquired immune deficiency syndrome.

"(2) A grant or cooperative agreement under paragraph (1) shall be provided in accordance with policies established by the Secretary, acting through the Director of the National Institutes of Health, and after consultation with the advisory council for the National Institute of Allergy and Infectious Diseases.

"(3) The Secretary shall ensure that, as appropriate, clinical research programs carried out under paragraph (1) include as research subjects women, children, hemophiliacs, and minorities.

"(b) USE OF FINANCIAL ASSISTANCE.—

"(1) Financial assistance under subsection (a) may be expended for—

"(A) the renovation or leasing of space;

"(B) staffing and other basic operating costs, including such patient care costs as are required for clinical research;

"(C) clinical training with respect to acquired immune deficiency syndrome (including such training for allied health professionals); and

"(D) demonstration purposes, including projects in the long-term monitoring and outpatient treatment of individuals infected with the etiologic agent for such syndrome.

"(2) Financial assistance under subsection (a) may not be expended to provide research training for which National Research Service Awards may be provided under section 487.

"(c) DURATION OF SUPPORT.—Support of a center under subsection (a) may be for not more than five years. Such period may be extended by the Director for additional periods of not more than five years each if the operations of such center have been reviewed by an appropriate technical and scientific peer review group established by the Director and if such group has recommended to the Director that such period should be extended.

"(d) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this section, there are authorized to be appropriated such sums as may be necessary.

"SEC. 916. INTERNATIONAL DATA BANK.

"(a) IN GENERAL.—The Secretary, acting through the National Library of Medicine, shall establish, maintain, and operate a data bank to be known as the International Acquired Immune Deficiency Syndrome Research Data Bank (hereafter in this section referred to as the 'Data Bank'). The Data Bank shall collect, catalog, store, and disseminate the results of research relating to, and the results of treatment of, acquired immune deficiency syndrome undertaken in any country. Information maintained at the Data Bank shall, to the extent practicable, be available through information systems accessible to the general public, general practitioners, and investigators.

"(b) SCHEDULE OF CHARGES.—The Secretary shall establish a schedule of charges for users of the Data Bank from other countries for information obtained from the Data Bank.

"(c) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this section, there are authorized to be appropriated such sums as may be necessary.

"SEC. 917. ADDITIONAL AUTHORITY WITH RESPECT TO RESEARCH.

"(a) DATA COLLECTION WITH RESPECT TO NATIONAL PREVALENCE.—

"(1) The Secretary, acting through the Director of the Centers for Disease Control, shall, through representative sampling and other appropriate methodologies, provide for the continuous collection of data on the incidence in the United States of cases of acquired immune deficiency syndrome and of cases of infection with the etiologic agent for such syndrome. The Secretary may carry out the program of data collection directly or through cooperative agreements and contracts with public and nonprofit private entities.

"(2) The Secretary shall encourage each State to enter into a cooperative agreement or contract under paragraph (1) with the Secretary in order to facilitate the prompt collection of the most recent accurate data on the incidence of cases described in such paragraph.

"(3) The Secretary shall ensure that data collected under paragraph (1) includes data on the demographic characteristics of the population of individuals with cases described in paragraph (1), including data on specific subpopulations at risk of infection with the etiologic agent for acquired immune deficiency syndrome.

"(4) In carrying out this subsection, the Secretary shall, for the purpose of assuring the utility of data collected under this sec-

tion, request entities with expertise in the methodologies of data collection to provide, as soon as is practicable, assistance to the Secretary and to the States with respect to the development and utilization of uniform methodologies of data collection.

"(5) The Secretary shall provide for the dissemination of data collected pursuant to this section. In carrying out this paragraph, the Secretary may publish such data as frequently as the Secretary determines to be appropriate with respect to the protection of the public health. The Secretary shall publish such data not less than once each year.

"(b) EPIDEMIOLOGICAL AND DEMOGRAPHIC DATA.—

"(1) The Secretary, acting through the Director of the Centers for Disease Control, shall develop an epidemiological data base and shall provide for long-term studies for the purposes of—

"(A) collecting information on the demographic characteristics of the population of individuals infected with the etiologic agent for acquired immune deficiency syndrome; and

"(B) developing models demonstrating the long-term domestic and international patterns of the transmission of such etiologic agent.

"(2) The Secretary may carry out paragraph (1) directly or through grants to, or cooperative agreements or contracts with, public and nonprofit private entities, including Federal agencies.

"(c) LONG-TERM GENETICALLY ORIENTED RESEARCH.—The Secretary may make grants to public and nonprofit private entities for the purpose of assisting grantees in conducting long-term research into treatments for acquired immune deficiency syndrome developed from knowledge of the genetic nature of the etiologic agent for such syndrome.

"(d) SOCIAL SCIENCES RESEARCH.—The Secretary, acting through the Director of the National Institute of Mental Health, may make grants to public and nonprofit private entities for the purpose of assisting grantees in conducting scientific research into the psychological and social sciences as such sciences relate to acquired immune deficiency syndrome.

"(e) AUTHORIZATION OF APPROPRIATIONS.—

"(1) For the purpose of carrying out this section, there are authorized to be appropriated such sums as may be necessary for each of the fiscal years 1989 through 1991.

"(2) Amounts appropriated pursuant to paragraph (1) to carry out subsection (c) shall remain available until expended.

"SEC. 918. DEVELOPMENT OF MODEL PROTOCOLS FOR CLINICAL CARE OF INFECTED INDIVIDUALS.

"(a) IN GENERAL.—

"(1) The Secretary may make grants to public and nonprofit private entities for the establishment of projects to develop model protocols for the clinical care of individuals infected with the etiologic agent for acquired immune deficiency syndrome.

"(2) The Secretary may not not make a grant under paragraph (1) unless—

"(A) the applicant for the grant is a provider of comprehensive primary care; or

"(B) the applicant for the grant agrees, with respect to the project carried out pursuant to paragraph (1), to enter into a cooperative arrangement with an entity that is a provider of comprehensive primary care.

"(b) REQUIREMENT OF PROVISION OF CERTAIN SERVICES.—The Secretary may not make a grant under subsection (a) unless the applicant for the grant agrees that, with respect to patients participating in the project carried out with the grant, services provided pursuant to the grant will include—

"(1) monitoring, in clinical laboratories, of the condition of such patients;

"(2) clinical intervention for infection with the etiologic agent for acquired immune deficiency syndrome, including measures for the prevention of conditions arising from the infection;

"(3) information and counseling on the availability of treatments for such infection approved by the Commissioner of Food and Drugs and on the availability of treatments for such infection not yet approved by the Commissioner;

"(4) support groups; and

"(5) information on, and referrals to, entities providing appropriate social support services.

"(c) LIMITATION ON IMPOSITION OF CHARGES FOR SERVICES.—The Secretary may not make a grant under subsection (a) unless the applicant for the grant agrees that, if the applicant will routinely impose a charge for providing services pursuant to the grant, the applicant will not impose the charge on any individual seeking such services who is unable to pay the charge.

"(d) EVALUATION AND REPORTS.—

"(1) The Secretary may not make a grant under subsection (a) unless the applicant for the grant agrees, with respect to the project carried out pursuant to subsection (a), to submit to the Secretary—

"(A) information sufficient to assist in the replication of the model protocol developed pursuant to the project; and

"(B) such reports as the Secretary may require.

"(2) The Secretary shall provide for evaluations of projects carried out pursuant to subsection (a) and shall annually submit to the Congress a report describing such projects. The report shall include the findings made as a result of such evaluations and may include any recommendations of the Secretary for appropriate administrative and legislative initiatives with respect to the program established in this section.

"(e) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this section, there are authorized to be appropriated such sums as may be necessary for each of the fiscal years 1989 through 1991.

"PART C—RESEARCH TRAINING

"SEC. 921. FELLOWSHIPS AND TRAINING.

"(a) IN GENERAL.—The Secretary, acting through the Director of the Centers for Disease Control, shall establish fellowship and training programs to be conducted by the Centers for Disease Control to train individuals to develop skills in epidemiology, surveillance, testing, and laboratory analysis relating to acquired immune deficiency syndrome. Such programs shall be designed to enable health professionals and health personnel trained under such programs to work, after receiving such training, in national and international efforts towards the prevention, diagnosis, and treatment of acquired immune deficiency syndrome.

"(b) PROGRAMS CONDUCTED BY NATIONAL INSTITUTE OF MENTAL HEALTH.—The Secretary, acting through the Director of the National Institute of Mental Health, shall conduct or support fellowship and training programs for individuals pursuing graduate or postgraduate study in order to train such individuals to conduct scientific research into the psychological and social sciences as such sciences relate to acquired immune deficiency syndrome.

"(c) RELATIONSHIP TO LIMITATION ON NUMBER OF EMPLOYEES.—Any individual receiving a fellowship or receiving training under subsection (a) or (b) shall not be included in any determination of the number of full-time equivalent employees of the Department of Health and Human Services for the purpose of any limitation on the number of such employees established by law prior to, on, or after the date of the enactment of the AIDS Research Act of 1988.

"(d) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this section, there are authorized to be appropriated such sums as may be necessary for each of the fiscal years 1989 through 1991.

"PART D—SPECIAL AUTHORITIES OF THE DIRECTOR OF THE NATIONAL INSTITUTES OF HEALTH

"SEC. 931. ESTABLISHMENT OF AUTHORITIES.

"(a) IN GENERAL.—In carrying out research with respect to acquired immune deficiency syndrome, the Secretary, acting through the Director of the National Institutes of Health—

"(1) shall expand clinical trials of treatments and therapies for infection with the etiologic agent for acquired immune deficiency syndrome;

"(2) shall, for women, infants, children, hemophiliacs, and minorities, develop and expand clinical trials of treatments and therapies for infection with such etiologic agent;

"(3) may establish or support the large-scale development and preclinical screening, production, or distribution of specialized biological materials and other therapeutic substances for research relating to acquired immune deficiency syndrome and set standards of safety and care for persons using such materials;

"(4) may, in consultation with the advisory council for the appropriate national research institute of the National Institutes of Health, support—

"(A) research relating to acquired immune deficiency syndrome conducted outside the United States by qualified foreign professionals if such research can reasonably be expected to benefit the people of the United States;

"(B) collaborative research involving American and foreign participants; and

"(C) the training of American scientists abroad and foreign scientists in the United States;

"(5) may encourage and coordinate research relating to acquired immune deficiency syndrome conducted by any industrial concern that evidences a particular capability for the conduct of such research;

"(6)(A) may, in consultation with such advisory council, acquire, improve, repair, operate, and maintain laboratories, other research facilities, equipment, and such other real or personal property as the Director of the National Institutes of Health determines necessary;

"(B) may, in consultation with such advisory council, make grants for the construction or renovation of facilities; and

"(C) may, in consultation with such advisory council, acquire, without regard to the Act of March 3, 1877 (40 U.S.C. 34) by lease or otherwise through the Administrator of General Services, buildings or parts of buildings in the District of Columbia or communities located adjacent to the District of Columbia for the use of the Nation-

al Institutes of Health for a period not to exceed ten years; and

"(7) subject to section 405(b)(2) and without regard to section 3324 of title 31, United States Code, and section 3709 of the Revised Statutes (41 U.S.C. 5), may enter into such contracts and cooperative agreements with any public agency, or with any person, firm, association, corporation, or educational institution, as may be necessary to expedite and coordinate research relating to acquired immune deficiency syndrome.

"(b) PROJECTS FOR COOPERATION AMONG PUBLIC AND PRIVATE HEALTH ENTITIES.—In carrying out subsection (a), the Director of the National Institutes of Health shall establish projects to promote cooperation among Federal agencies, State, local, and regional public health agencies, and private entities, in research concerning the diagnosis, prevention, and treatment of acquired immune deficiency syndrome.

"(c) REPORT TO SECRETARY.—The Director of the National Institutes of Health shall each fiscal year prepare and submit to the Secretary a report—

"(1) describing and evaluating the progress made in such fiscal year in research, treatment, and training with respect to acquired immune deficiency syndrome conducted or supported by the Institutes;

"(2) summarizing and analyzing expenditures made in such fiscal year for activities with respect to acquired immune deficiency syndrome conducted or supported by the National Institutes of Health; and

"(3) containing such recommendations as the Director considers appropriate.

"PART E—GENERAL PROVISIONS

"SEC. 941. DEFINITION.

"For purposes of this title, the term 'acquired immune deficiency syndrome' includes any condition arising from infection with the etiologic agent for such syndrome.".

SEC. 203. REQUIREMENT OF CERTAIN RESEARCH STUDIES.

(a) MORTALITY RATES.—After consultation with the Director of the National Center for Health Services Research and Health Care Technology Assessment, the Secretary of Health and Human Services, acting through the Director of the Centers for Disease Control, shall conduct a study for the purpose of determining the mortality rates with respect to acquired immune deficiency syndrome among individuals of various groups at risk of such syndrome, among various geographic areas, and among individuals with varying financial resources for the payment of health care services.

(b) PREVENTION OF DEVELOPMENT OF SYMPTOMS IN INFECTED INDIVIDUALS.—The Secretary of Health and Human Services, acting through the Director of the National Institute of Allergy and Infectious Diseases, shall conduct a study for the purpose of determining, with respect to individuals infected with the etiologic agent for acquired immune deficiency syndrome, the consensus among health care professionals on clinical treatments for preventing or minimizing the development of symptoms or conditions arising from infection with such etiologic agent.

(c) USE OF CONSORTIA FOR RESEARCH AND DEVELOPMENT.—The Secretary of Health and Human Services shall request the National Academy of Sciences and other similar appropriate nonprofit institutions to report to the Secretary findings made by such institutions with respect to—

(1) the manner in which research on, and the development of, vaccines and drugs for the prevention and treatment of acquired immune deficiency syndrome and related conditions can be enhanced by the establishment of consortia—

(A) designed to combine and share resources needed for such research and development; and

(B) consisting of businesses involved in such research and development, of nonprofit research institutions, or of combinations of such businesses and such institutions; and

(2) the appropriate participation, if any, of the Federal Government in such consortia.

(d) REPORTS TO CONGRESS.—The Secretary of Health and Human Services shall submit to the Congress a report describing the findings made as a result of each of the studies required or requested in this section. The report for the study required in subsection (a) shall be submitted not later than 18 months after the date of the enactment of this Act. The report for the study required in subsection (b) shall be submitted not later than 1 year after such date. The report for the study requested in subsection (c) shall be submitted not later than 1 year after such date.

TITLE III—NATIONAL COMMISSION ON ACQUIRED IMMUNE DEFICIENCY SYNDROME

SEC. 301. ESTABLISHMENT.

There is hereby established a commission to be known as the National Commission on Acquired Immune Deficiency Syndrome (hereinafter in this title referred to as the "Commission").

SEC. 302. DUTIES.

(a) GENERAL PURPOSE OF COMMISSION.—The Commission shall carry out activities for the purposes of studying and making recommendations for national policy with respect to the acquired immune deficiency syndrome (hereinafter in this section referred to as "AIDS"). Matters considered by the Commission shall include the following:

(1) National policy and priorities with respect to—

(A) AIDS research, including the appropriate role of the Veterans' Administration and other Federal agencies in conducting such research,

(B) testing of individuals (including patients of the Veterans' Administration) for the AIDS virus and confidentiality of such test results,

(C) treatment and care of individuals suffering from AIDS, and

(D) prevention of the transmission of AIDS and education about AIDS.

(2) The appropriate roles of the Federal Government, of State and local governments, and of the private sector in the matters referred to in paragraph (1).

(3) Guidelines for the coordination of United States activities concerning AIDS with those of international health organizations.

(b) HEARINGS.—The Commission shall hold hearings to receive the views of persons and organizations interested in matters relating to the purposes of the Commission as stated in subsection (a), including representatives of appropriate government agencies and responsible representatives of groups principally affected by the AIDS virus.

SEC. 303. MEMBERSHIP.

(a) NUMBER AND APPOINTMENT.—(1) The Commisson shall be composed of 15 members as follows:

(A) Five members appointed by the President, of whom two shall be the Secretary of Health and Human Services and the Administrator of Veterans' Affairs.

(B) Five members appointed by the Speaker of the House of Representatives, of whom two shall be appointed upon the recommendation by the minority leader.

(C) Five members appointed by the President pro tempore of the Senate, of whom three shall be appointed upon the recommendation by the majority leader and two shall be appointed upon the recommendation of the minority leader.

(2) Not fewer than two of the members of the Commission appointed under subparagraph (A) of paragraph (1), and not fewer than three of the members appointed under each of subparagraphs (B) and (C) of that paragraph, shall be appointed from among experts in the scientific and medical communities and in legal and ethical issues are specially qualified to serve on the Commission by reason of their education, training, or experience.

(3) Members of the Commission shall serve for the life of the Commission. A vacancy in the Commission shall be filled in the manner in which the original appointment was made.

(b) CHAIRMAN.—The members of the Commission shall select a Chairman from among the members of the Commission. The selection shall be made not later than 60 days after the date of the enactment of this Act.

(c) QUORUM.—Seven members of the Commission shall constitute a quorum, but a lesser number may hold hearings.

(d) MEETINGS.—The Commission shall hold its first meeting on a date specified by the President which is not later than 60 days after the date of the enactment of this Act. Thereafter, the Commission shall meet at the call of the Chairman or a majority of its members, but shall meet at least three times each year during the life of the Commission.

(e) PAY.—Members of the Commission who are Members of Congress or officers or employees of the United States shall receive no additional compensation by reason of their service on the Commission.

(f) PER DIEM.—While away from their homes or regular places of business in the performance of duties for the Commission, members of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under sections 5702 and 5703 of title 5, United States Code.

(g) DEADLINE FOR APPOINTMENT.—Members of the Commission shall be appointed not later than 45 days after the date of the enactment of this Act.

SEC. 304. REPORTS.

(a) INTERIM REPORTS.—Not later than one year after the date on which the Commission is fully constituted under section 303(a), the Commission shall transmit to the President and to Congress a comprehensive report on its activities to that date. Such report shall include such findings and recommendations as the Commission considers appropriate based on its activities to that date. In addition, the Commission shall transmit such other reports as it considers appropriate.

(b) FINAL REPORT.—The Commission shall transmit a final report to the President and to Congress not later than two years after the date on which the Commission is fully constituted under section 303(a). The final report shall contain a detailed statement of the activities of the Commission and of the findings and conclusions of the Commission, including such recommendations for legisla-

tion and administrative action as the Commission considers appropriate.

SEC. 305. EXECUTIVE DIRECTOR AND STAFF.

(a) EXECUTIVE DIRECTOR.—The Commission shall have an Executive Director who shall be appointed by the Chairman, with the approval of the Commission. The Executive Director shall be paid at a rate not to exceed the maximum rate of basic pay payable for GS-18 of the General Schedule. The Executive Director shall be appointed not later than 30 days after the Chairman of the Commission is selected.

(b) STAFF.—With the approval of the Commission, the Executive Director may appoint and fix the compensation of such additional personnel as the Executive Director considers necessary to carry out the duties of the Commission.

(c) APPLICABILITY OF CIVIL SERVICE LAWS.—The Executive Director and the additional personnel of the Commission referred to in subsection (b) may be appointed without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and may be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates.

(d) CONSULTANTS.—Subject to such rules as may be prescribed by the Commission, the Executive Director may procure temporary or intermittent services under section 3109(b) of title 5, United States Code, at rates for individuals not to exceed $200 per day.

(e) DETAILED PERSONNEL.—Upon request of the Commission, the Administrator of Veterans' Affairs may detail, on a reimbursable basis, any of the personnel of the Veterans' Administration to the Commission to assist the Commission in carrying out its duties under this Act.

(f) SUPPORT SERVICES.—The Administrator of Veterans' Affairs shall provide to the Commission on a reimbursable basis such administrative and support services as the Commission may request.

SEC. 306. DUTIES OF ADMINISTRATOR OF VETERANS' AFFAIRS.

(a) RESEARCH COMPILATION.—In order to assist the Commission in carrying out its duties, the Administrator of Veterans' Affairs shall prepare a detailed compilation and synopsis of all medical research on acquired immune deficiency syndrome that has been carried out, or that is currently being conducted, in the United States and throughout the world. The Administrator shall prepare the compilation as soon as practicable, and not later than three months after the date of the enactment of this Act, and shall submit the compilation to the Commission.

(b) REPORT ON VA ACTIVITIES.—In order to assist the Commission in carrying out its duties, the Administrator shall submit to the Commission a report on all activities and information of the Veterans' Administration relevant to the duties of the Commission, including a detailed report on relevant research conducted by the Veterans' Administration and (subject to all laws and regulations with respect to confidentiality) detailed statistical information on the veterans population as a whole and the population of patients of the Veterans' Administration health system.

SEC. 307. POWERS OF COMMISSION.

(a) HEARINGS.—For the purpose of carrying out this Act, the Commission may hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence, as the Commission considers appropriate. The Commission may administer oaths or affirmation to witnesses appearing before the Commission.

(b) DELEGATION.—Any member or employee of the Commission may, if authorized by the Commission, take any action which the Commission is authorized to take by this section.

(c) ACCESS TO INFORMATION.—The Commission may secure directly from any executive department or agency such information as may be necessary to enable the Commission to carry out this Act. Upon request of the Chairman of the Commission, the head of such department or agency shall furnish such information to the Commission.

(d) MAILS.—The Commission may use the United States mails in the same manner and under the same conditions as other departments and agencies of the United States.

SEC. 308. AUTHORIZATION OF APPROPRIATIONS.

There is hereby authorized to be appropriated for fiscal year 1988 the sum of $2,000,000 to carry out the purposes of this Act. Amounts appropriated pursuant to such authorization shall remain available until expended.

SEC. 309. TERMINATION.

The Commission shall cease to exist 30 days after the date on which its final report is submitted under section 303(b). However, the President may extend the life of the Commission for a period of not to exceed two years.

The SPEAKER pro tempore. Without objection, the motion is agreed to.

Mr. DANNEMEYER. Mr. Speaker, reserving the right to object, I yield to the gentleman from California [Mr. WAXMAN] for an explanation of what this procedurally would achieve.

Mr. WAXMAN. Mr. Speaker, if the gentleman will yield, this is the routine procedure of taking the Senate bill and putting the House-passed bill on that bill so we can go to conference.

Mr. DANNEMEYER. Reserving the right to object, Mr. Speaker, what would the gentleman's intention be with respect to the conference on this bill?

Mr. WAXMAN. We would intend to go to conference.

Mr. DANNEMEYER. And what would be the vehicle the gentleman would be taking to conference?

Mr. WAXMAN. S. 1220, as amended.

Mr. DANNEMEYER. Mr. Speaker, I object.

The SPEAKER pro tempore. The Chair would state that there is nothing really to object to at this point, because House Resolution 520 permits this to be done by motion. The Chair will now put the question on the motion.

The question is on the motion offered by the gentleman from California [Mr. WAXMAN].

The motion was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed.

The title of the Senate bill was amended so as to read: "An act to amend the Public Health Service Act to establish grant programs, and confidentiality protections, relating to counseling and testing with respect to acquired immune deficiency syndrome, to amend such Act with respect to research programs relating to such syndrome, and for other purposes.

A motion to reconsider was laid on the table.

A similar House bill (H.R. 5142) was laid on the table.

MOTION OFFERED BY MR. WAXMAN

Mr. WAXMAN. Mr. Speaker, pursuant to House Resolution 520, I offer a motion.

The Clerk read as follows:

Mr. WAXMAN moves that the House insist on the House amendment to the Senate bill, S. 1220, and to request a conference with the Senate thereon.

The motion was agreed to.

PERMISSION TO HAVE UNTIL MIDNIGHT SUNDAY, SEPTEMBER 25, 1988, TO FILE CONFERENCE REPORT ON H.R. 4784, RURAL DEVELOPMENT, AGRICULTURE, AND RELATED AGENCIES APPROPRIATIONS ACT, 1989

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent that the managers may have until midnight Sunday, September 25, 1988, to file a conference report on the bill (H.R. 4784) making appropriations for rural development, agriculture, and related agencies programs for the fiscal year ending September 30, 1989, and for other purposes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

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CONFERENCE REPORT ON S. 1518, ALTERNATIVE MOTOR FUELS ACT OF 1988

Mr. SHARP. Mr. Speaker, I call up the conference report on the Senate bill (S. 1518) to amend the Public Health Service Act to establish grant programs, and confidentiality protections, relating to counseling and testing with respect to acquired immune deficiency syndrome, to amend such act with respect to research programs relating to such syndrome, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER pro tempore (Mr. STENHOLM). Pursuant to the rule, the conference report is considered as having been read.

(For conference report and statement, see proceedings of the House of September 16, 1988.)

The SPEAKER pro tempore. The gentleman from Indiana [Mr. SHARP] will be recognized for 30 minutes and the gentleman from California [Mr.

MOORHEAD] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Indiana [Mr. SHARP].

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

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

Mr. SHARP. Mr. Speaker, I am pleased to bring to the House of Representatives the conference report on S. 1518, the Alternative Motor Fuels Act of 1988. The report is the compromise between S. 1518 and the House bill, H.R. 3399, which we passed last December.

Both bills encouraged the development of alternative transportation fuels. The compromise takes the best features of two slightly different approaches to alternative transportation fuels and combines them into a single integrated policy. It was approved by the Senate on Tuesday by voice vote.

At the outset, I want to thank and congratulate my colleague from California, Mr. MOORHEAD, the ranking minority member of the Energy and Power Subcommittee, the principal cosponsor of the House bill, and a tireless advocate of alternative fuels. Without his cooperation, we would not be here today.

I also want to acknowledge the help and support of Chairman DINGELL of the Energy and Commerce Committee; Congressman BRUCE, a member of the conference committee and a strong supporter of ethanol throughout the process; Congressman LENT, a member of the conference and ranking minority member of our committee; Congressman ALEXANDER, whose interest in and support for alternative fuels goes back to the U.S. Alcohol Fuels Commission of the late 1970's; Congressman WISE, a tireless advocate of methanol; Congressman DANNEMEYER, the previous ranking minority member of our subcommittee and cosponsor of the bill that passed the House in the last Congress; and many others too numerous to mention.

Credit is also due Senator JAY ROCKEFELLER, who sponsored the bill in the Senate and tirelessly shepherded it through that body, and who worked diligently with us in the conference committee to ensure that our final product was a good one. Those of us who have been working on this issue for 6 years and who saw our bill die for lack of Senate action in 1986 are grateful that Senator ROCKEFELLER took up the cause in this Congress.

Although many in this country are complacent about our energy security because of today's low prices and lack of cohesion in OPEC, we must prepare for the future. World oil demand is steadily rising, oil production in the United States and elsewhere outside of the Persian Gulf is expected to decline, and by the end of the century control of prices may well be back in the hands of a few countries in a very volatile region of the world.

One of the most important actions we can take to remain in control of our own destiny is to reduce our demand for oil.

This bill is an important step in that direction. It offers the prospect of replacing a significant portion of the gasoline and diesel fuel used in America's vehicles with cleaner, more efficient alternative fuels.

It's better to refuel cars in the Midwest than to reflag tankers in the Mideast.

Automobiles use about half of all oil consumed in the United States. Coverting just 10 percent of our vehicles to an alternative fuel would reduce oil demand and oil imports by nearly a million barrels per day.

Automobiles also contribute to air pollution—urban smog in particular—and alternative fuels offer significant air quality benefits. Alcohols burn more efficiently than gasoline or diesel fuel, and per mile traveled they produce less carbon monoxide, particulates, and the regulated hydrocarbons that contribute to ozone formation. Natural gas has the added benefit of producing less carbon dioxide than gasoline, making it a very attractive fuel for adressing the greenhouse effect.

This bill is evenhanded; it does not favor one of these alternatives over another. It allows the market to pick the non-petroleum alternative fuel of the future. Manufacturers and consumers will choose based on performance, cost, and local air quality regulations. Possibly all three alternative fuels will make a contribution.

Although the energy and environmental potential of this bill is huge, I caution my colleagues not to expect too much too soon. This proposal will start to change the decisions that the automobile manufacturers are making now for production in the 1990's, but alternative fuels are not likely to become a major fuel on a national scale until after the year 2000.

We must start today, however, to assure their commercial availability at that time. Time is a resource that can never be recovered, and too often we wait until a crisis is upon us and we must adopt crash programs.

By encouraging voluntary industry adjustments over an extended schedule rather than mandating changes on an arbitrary, forced schedule, we anticipate a smooth and economically efficient transition. We also provide an important option for areas with serious air quality problems. By encouraging manufacturers to build alternative fuel cars, this bill makes possible local programs to accelerate the introduction of cleaner fuels, allowing more rapid compliance with the requirements of the Clean Air Act.

Commercial adoption of alternative vehicle fuels has until now been blocked by the chicken and egg problem. Manufacturers will not produce the cars until consumers will buy them; consumers will not buy them until they can conveniently buy the alternative fuel. Fuel distributors will not supply the fuel until there are cars on the road to use it.

The bill addresses this problem in two ways. The central provision is a CAFE [Corporate Average Fuel Economy] incentive for automobile manufacturers to build methanol, ethanol, or compressed natural gas [CNG] vehicles.

For vehicles that are dedicated to the exclusive use of alternative fuel, the bill calculates their fuel economy based on only the petroleum content of the fuel, which is 15 percent for methanol and deemed to be 15 percent for ethanol and CNG. This yields a high miles-per-gallon rating for these cars, making them an attractive way for manufacturers to achieve the required fleetwide average.

Alternative fuels will not be universally or even widely available, however, when the new vehicles are first available. Except for fleets with a central fueling location many of the early alternative fuel vehicles will need to be capable of running on both the alternative fuel and gasoline. These articles are variously called dual fuel, multifuel, or flexible fuel vehicles. They will not always be operated on the alternative fuels, and therefore the bill does not give them the full CAFE incentive that dedicated vehicles receive.

For CAFE purposes the mileage rating of a dual fuel vehicle will be an average of its rating on the alternative, calculated like that for dedicated vehicles, and its rating on gasoline.

During the House debate on H.R. 3399, some Members raised concerns over the possibility that automobile manufacturers might use these incentives to reduce fleetwide fuel efficiency without increasing the use of alternative fuels. Their worry was that dual fuel cars would run entirely on gasoline.

Although I believed that this was an unlikely event, the concern was real, and the conference compromise responds to it. The compromise includes a provision—the so-called cap—that limits the maximum CAFE credit any manufacturer can receive for dual fuel vehicles to 1.2 miles per gallon in any year.

The bill also requires dual fuel cars to run more efficiently on the alternative fuel than on gasoline, giving consumers an incentive to choose the alternative where it is available.

Because dual fuel cars are seen as a transition to dedicated alterantive fuel vehicles, the CAFE incentive for them is temporary. Manufacturers can re-

ceive this benefit for 12 years beginning in model year 1993. There is also a possible administrative 1 to 4-year extension by rulemaking if the Department of Transportation so recommends.

The CAFE incentive for dedicated vehicles has no time limit or cap associated its use, since the conferees agree that dedicated alternative fuel vehicles will always contribute to energy security by displacing petroleum.

The other major provision of the conference report is the authorization of $18 million over 3 years for the commercial demonstration of alternative fuel cars, trucks, and buses.

First, the bill requires the Government to purchase and test the maximum number practicable of alternative fuel cars and authorizes $12 million for this purpose. These are in place of, not in addition to, cars that would be purchased anyway, and the money is for testing and for the difference in cost between a gasoline car and an alternative or dual fuel car.

This purchase will give manufacturers practical commercial experience before offering the alternative fuel vehicles for sale to consumers, allowing them to make runs of 1,000 or so cars before being expected to convert a production line and make 100,000 or more.

Government purchase and use will allow for identification of potential consumer problems prior to general consumer sale. Additionally, the Government will demonstrate a leadership role in the use of alternative fuels in transportation vehicles.

The conference report also authorizes up to $4 million for commercial distribution and use of alternative fuels in heavy duty trucks and $2 million for participating in tests of urban buses. Both are designed to help heavy duty engine manufacturers develop engines capable of meeting strict new environmental standards scheduled for 1991.

The Department of Transportation recently announced a $38 million program to demonstrate the use of alternative fuels in urban buses. The provision in this bill is not intended to duplicate the DOT program but rather to assure that appropriate and necessary comparative environmental and operational data are available on the use of alternative fuels in buses.

The bill also requires certain fuel information on the labels of alternative fuel passenger and light duty trucks. These labeling requirements are to give consumers sufficient information to understand and compare vehicles.

Another provision of the conference report establishes an Interagency Commission on Alternative Motor Fuels to coordinate the Federal Government's work on alternative fuels, and an Alternative Fuels Council to provide expert advice to the Commission on policy and implementation. A sunset provision is included for these bodies, terminating their existence after submission of a final report to the Congress in 1992.

Finally, two critically important studies are required by the bill. The Environmental Protection Agency is to carry out a broad study of the environmental effects of this bill and the transition to alternative fuels, including any possible impact on global warming.

The Department of Energy is to study various types of methanol production facilities that can use domestic natural gas, including relocatable plants and plants suitable for use by local gas distribution companies to convert surplus gas to methanol.

All in all, I believe this bill is an important and worthwhile step toward energy security and air quality improvement. It is the product of several years' work and bipartisan effort. At minimal expense, without mandating any action by consumers, auto manufacturers or fuel suppliers, it provides major incentives for the commercialization of nonpetroleum fuels.

It is a good bill, and the conference report is a good compromise. I believe it is an improvement over both the House and the Senate bills. I urge my colleagues to support it.

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

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

Mr. Speaker, I rise in strong support of the conference report on the Alternative Motor Fuels Act of 1988.

Enactment of this bill will constitute a significant step forward in our continuing efforts to clean up our Nation's air and strengthen our Nation's energy security. This progress will, moreover, be achieved with minimal cost to the American taxpayer and with absolutely no interference with the workings of the free marketplace.

S. 1518 does not dictate or mandate or allocate—it demonstrates and leads. This bill will prod consumers and suppliers in the transportation market to diversify their choice of fuels and turn toward fuels which burn much more cleanly than gasoline and diesel fuel. This prodding will be applied by the demonstration programs conducted by the Federal Government using Federal fleet vehicles, and by credits against corporate average fuel economy requirements available to automobile manufacturers who build alternative fuel vehicles.

Mr. Speaker, there can be no dispute over the need for this legislation. We face an increasingly acute air quality problem, and a near total dependence upon petroleum to fuel our transportation. Indeed, our transportation market alone consumes more oil than our country can produce. Thus, our health is endangered and our energy security, and therefore our economic security, is threatened.

I am proud that my own State of California has led the way in combating these problems. We have imposed strong air quality standards, demanded advanced energy efficiency techniques in buildings and appliances, and tested, much in the manner of S. 1518, alternative fuels in motor vehicles. California will continue its leadership role. But clean air and energy security are not endangered only in California. These problems are national in scope. It is therefore time for the U.S. Government to become a partner with California in playing a leadership role.

I would like to close by recognizing the cooperation and leadership provided by several of my colleagues, including PHIL SHARP, JOHN DINGELL, NORM LENT, and BILL DANNEMEYER. This legislation is the product of several years work, and I would be remiss to fail to acknowledge the leadership provided in previous years by our former colleague, Jim Broyhill of North Carolina.

Mr. MOORHEAD. Mr. Speaker, I yield such time as he may consume to the gentleman from California [Mr. LAGOMARSINO].

Mr. LAGOMARSINO. Mr. Speaker, I thank the gentleman from California [Mr. MOORHEAD] for yielding time to me. I want to commend the gentleman from California, the other gentleman from California [Mr. DANNEMEYER], the gentleman from New York [Mr. LENT], the gentleman from Indiana [Mr. SHARP], and the gentleman from Michigan [Mr. DINGELL], and others who have worked on this legislation.

Mr. Speaker, as the gentleman from California [Mr. MOORHEAD] has said so eloquently, this is already a program that is well underway in California. I think, as he does, that it is time for the National Government to enter into this partnership as well, and I know it will result in energy savings and more clean air.

Mr. MOORHEAD. Mr. Speaker, I thank the gentleman from California for his comments.

Mr. SHARP. Mr. Speaker, I yield 3 minutes to the gentleman from Michigan [Mr. DINGELL], the distinguished chairman of the Committee on Energy and Commerce.

Mr. DINGELL. Mr. Speaker, I rise in strong support of the conference report on S. 1518, the Sharp-Rockefeller law for the first time, provides a comprehensive approach to encouraging the development and use of alternative transportation fuels, particularly methanol. It is patterned after H.R. 3399 which passed this House by a wide margin. It is sound legislation. It has passed the Senate. I urge its pas-

sage in the House today and I urge that the President approve it.

I want to commend three principal House Members, who for many months have jointly worked hard to enact this legislation in the Congress. One is the distinguished chairman of the Energy Subcommittee, Congressman PHIL SHARP, who has skillfully guided this legislation through many obstacles, including opposition from many quarters. He worked with all interests and crafted a product that is worthy of this House. The two others are the able ranking minority member of the subcommittee, Congressman CARLOS MOORHEAD, and a strong supporter of alternative fuels, Congressman BILL DANNEMEYER. These two members provided strong bipartisan support for this legislation.

These members, together with our other conferees, Congressmen TERRY BRUCE and NORM LENT, were able to convince the other body of the benefits of the House approach.

I should also note that early in the process other committee members, such as Congressman MIKE SYNAR, were also quite helpful. I commend all of them.

I also want to commend the Senate conferees, particularly Senators HOLLINGS, GLENN, ROCKEFELLER, LEVIN, DANFORTH, and ROTH for their cooperation and efforts. It was a joint effort to adopt a pioneer bill that provides measured incentives to encourage alternative fuel development and widespread use. The majority and minority staffs of both Houses, and the House and Senate legislative counsel and their staff, also deserve appreciation for their hard work.

Mr. Speaker, this bill is good from the standpoint of energy security, air quality, and jobs. It is designed to provide sufficient incentives to develop alternative fueled cars, trucks, and buses and through that approach develop the service structure needed to make alternative fuels viable and acceptable to the consumer. It does not require, at the urging of the energy industry, that our energy industry provide alternative fuels at the pump for retail sales to the consumer. However, I think it is fair to say that all of the conferees expect that industry to begin now to work with the auto industry to have such fuel available when the vehicles are available. Indeed, my Subcommittee on Oversight and Investigations will be watching progress by both industries in this regard.

In dollars, the cost of this significant legislation is very modest, less than the House bill and that was conservative. It does not require new agencies with vast numbers of personnel. It will be administered through the existing Federal structure.

As to the fuel economy program, let me say that I preferred the House approach which did not include the various "bells and whistles" of the Senate-passed bill. I felt that the limitations of the Senate bill would have choked or throttled the program and cause great motion, but little success. Fortunately, the conferees on the House side were persuasive. We were able to fashion a compromise that provided reasonable, but not overly intrusive restrictions on achieving the bill's purpose which is to "encourage" one, the development and widespread use of methanol, ethanol, and natural gas as transportation fuels by consumers; and two, the production of methanol, ethanol, and natural gas powered motor vehicles.

The fuel economy amendments add a new section 513 to the existing title V of the Motor Vehicle Information and Cost Savings Act. We, as conferees, did this to help make clear that it was not our intent to change in any way the existing CAFE provisions of the law. Further, we wanted no one to construe this legislation or our intent as any indication of approval or disapproval of any past or future decision of the Secretary of Transportation to change the passenger car standard. We do intend that the Secretary shall not take into account the extent to which manufacturers have produced alternative fueled vehicles whenever the Secretary decides whether to amend the CAFE standard for cars or light trucks. For example, we were aware that the Secretary assesses whether manufacturers have made reasonable effort to meet the applicable standard in making a decision about whether to amend that standard. This legislation does not affect that assessment. It is intended that the Secretary will not take into account in any such assessment the extent to which manufacturers have produced alternative fueled vehicles.

A provision is included in the legislation to ensure that the incentives provided by this bill are not erased by the Secretary's setting the CAFE standard for cars or trucks at a level that assumes a certain penetration of alternative fueled vehicles. The conferees are aware that the statute requires CAFE standards to be set at the "maximum feasible" level, and that DOT traditionally has determined that level in connection with examining the individual fuel economy capabilities of the larger manufacturers. It is intended that this examination will be conducted without regard to the penetration of alternative fuel vehicles in any manufacturer's fleet, in order to ensure that manufacturers taking advantage of the incentives offered by this bill do not then find DOT including those incentive increases in the manufacturer's "maximum fuel economy capability." This, of course, would wipe out the benefits associated with the increases if it resulted in commensurate increases in the CAFE standard.

I should point out that, like the House bill, there are no limitations on dedicated vehicles. The final version begins the inventives for dual fueled vehicles in model year 1993 with carry back forward starting then as well. The program will run over 12 model years which allows the manufacturers to take advantage of it at any time. There are no requirements that they act consecutively, nor do the inventives change during that period. It can be extended, after a study, for an additional 4 model years. The program applies to passenger cars and light trucks.

The bill provides improved definitions of the terms "alcohol," "alcohol powered automobile," "dual energy automobile," and "natural gas powered automobile." It seeks to treat all fuels equally. The definitions in section 513(h)(1) (C) and (D) provide for three tests for a particular model year and not thereafter in accordance with the current authority for testing by the Environmental Protection Agency under the provisions of the Clean Air Act and for no other testing. For passenger cars, new section 513(h)(2) provides that DOT must provide by rule for purposes of the applicable definition only a minimum driving range that could differ among various model lines or types. The DOT has flexibility in devising a rule that can be later changed. The DOT shall take into account the purposes of the bill, consumer, acceptability, economic practicability, technology, environmental impact, safety, driveability, performance, and other relevant factors.

For dual fuel light duty vehicles, there is no driving range requirement.

The conference agreement, unlike the House-passed bill, includes a cap in the case of dual fueled vehicles. I was not a strong supporter of a cap. However, I believe that the final version is a vast improvement over the Senate bill.

Before closing, I want to observe that, at the urging of some Senators, the conferees agreed to an "independent environmental study" because of some concerns about global change. I support the study which I view as related to ongoing studies and the requirements of the Global Climate Protection Act of 1987. I think it is a useful study. However, I want to be sure that the EPA does not forget that climate change is a global problem, not just a U.S. problem and that these fuels are not the sole potential source of the problem.

I urge adoption of this report.

Mr. MOORHEAD. Mr. Speaker, I yield 3 minutes to the gentleman from New York [Mr. LENT], the ranking member of the full Committee on Energy and Commerce.

Mr. LENT. Mr. Speaker, I commend the distinguished chairman of the full committee, the gentleman from Michigan [Mr. DINGELL], and also the chairman of the subcommittee, the gentleman from Indiana [Mr. SHARP], and the gentleman from California [Mr. MOORHEAD], my colleague on the minority side, for their leadership in this particular legislation.

Mr. Speaker, I rise to urge my colleagues to vote for passage of the conference report on the Alternative Motor Fuels Act of 1988.

In December 1987, the House approved H.R. 3399 by an overwhelming vote. That bill, which has been pending before the House for several years, provided for demonstration of alternative fuel vehicles by the Federal motor vehicle fleet and for corporate average fuel requirement incentives for manufacturers of alternative fuel vehicles.

The other body passed legislation earlier this year which contained CAFE incentives, but did not include demonstration programs.

The legislation before the House today contains both CAFE incentives and demonstration programs. It is therefore very similar to H.R. 3399.

Mr. Speaker, I have been very concerned about our Nation's growing dependence on imported oil. This dependence leaves our economy vulnerable to a repeat of the oil and price shocks of the seventies. In addition to these security considerations, there are the undeniable environmental impacts associated with our nearly exclusive reliance upon petroleum in our transportation sector.

Increased use of alternative clean burning fuels by our motor vehicles would enhance our energy and economic security as well as improve the quality of our air. Thus, this step would help us achieve several crucially important policy objectives—objectives which all Members on both sides of the aisle support.

Mr. Speaker, it is clear that we are experiencing a justified resurgence of environmental consciousness in our Nation today. This is rightfully a central topic of debate in the Presidential contest. There are many pieces of legislation pending before this Congress which address the problems which have been identified. Most of these bills may well need to be revisited next year. But we can move forward today on one of these bills, S. 1518.

This is a bipartisan measure. The cost involved is minimal. There is no market regulation. This bill provides leadership and direction through example and demonstration. The goal is to point the way toward a more diverse transportation fuels market. But the ultimate choices are left to the consumer.

I urge my colleagues to vote to pass the conference report on the Alternative Fuels Act of 1988.

Mr. SHARP. Mr. Speaker, I yield 1 minute to the distinguished gentleman from Arkansas [Mr. ALEXANDER] who has been one of the original advocates of this kind of legislation.

Mr. ALEXANDER. Mr. Speaker, 100 billion gallons is a gargantuan market. That's the size of the market for annual consumption of motor vehicle fuels in the United States. America moves on wheels, and the millions of vehicles traveling U.S. highways consume an enormous amount of fuel—100 billion gallons each year.

If the farmers, natural gas producers, and coal miners seize this opportunity to cut in on 10 percent or more of that market, that would create a new 10 billion gallon market that could expand their income and revive the coal, natural gas, and farm economies.

The Alternative Motor Fuels Act addresses the concerns of clean air; the greenhouse effect; overdependence on foreign oil; trade and budget deficits; and would begin to open up that motor fuel market to the farmers, the natural gas producers, and the coal miners of America. I believe the Alternative Motor Fuels Act ranks with the most important legislation of this 100th Congress.

After nearly 8 years of pretending that petroleum will always be clean, cheap, and plentiful, America is slowly awakening to the realization that now is the time to begin the transition to the fuels of the future.

At the beginning of this decade, I served as a member of the National Alcohol Fuels Commission. At long last, some of that Commission's recommendations are about to become law.

The bill calls for the purchase of cars fueled by neat ethanol and methanol, as well as flexible fuel vehicles, for the Federal fleet. Our Commission recommended that in 1981.

The Alternative Motor Fuels Act also modifies the motor vehicle fuel economy requirements to allow for a fair comparison between alcohol fuels and petroleum based fuels. Our Commission recommended that more than 7 years ago, as well.

The bill will doubtless encourage the commercialization of cars that can run on neat ethanol and methanol, as well as "duel-fuel" vehicles that can operate on any mixture of alcohol and gasoline. Once the cars are there, the fuel distribution network will follow.

The recent flurry of congressional interest in alternative motor fuels has, however, raised more questions than it has conclusively answered. These questions can be summed up by asking: What is the best fuel?

What is the best fuel for vehicle performance and consumer satisfaction?

What is the best fuel for creating new markets and opportunities for the agricultural and extractive sectors of the economy?

What is the best fuel for achieving energy independence?

What is the best fuel for helping more than 80 cities meet the national standards for carbon monoxide and ozone pollution?

What is the best fuel for slowing the pace of global warming, which may be the biggest threat to the standard of living we enjoy?

Most importantly, what combination of fuels will help America achieve all of these goals swiftly and at the minimum cost to the economy as a whole, and what kind of national energy policy will take us where we want to go?

While some of these issues have been debated for 15 years, the Alternative Motor Fuels Act recognizes that these questions must be answered. It establishes an Interagency Commission on Alternative Motor Fuels to study these questions, and, from the answers, coordinate efforts in the executive branch to develop and implement a national alternative motor fuels policy. At last, the first step is taken to establish a National Energy Policy.

The bill also establishes the U.S. Alternative Fuels Council, which will be composed of four Members of Congress and 16 experts from State and local governments and the private sector, to assist the Interagency Commission in its search for a national policy.

We can develop the promise of alternative fuels to make our Nation stronger, invigorate the economy, clean the air we breathe and protect this planet—our only home in the cosmos—from the horrors of the greenhouse effect.

But the economic and environmental factors involved are extraordinarily complicated, more complicated than anyone suspected a few years ago. We must make wise choices. There were errors and indecision in the 1970's and 1980's, but in the 1990's there will be no margin for error.

I commend PHIL SHARP, BOB WISE, TERRY BRUCE, CARLOS MOORHEAD, JAY ROCKEFELLER and the other conferees for this legislation, which marks the first step down that long and difficult road. Also, I wish to thank Larry Calvert, Lee Powell, Jack Riggs, and Roger Staiger for their dedication to duty and commitment to the future of America. Each contributed a major part to the Alternative Motor Vehicles Act. I urge my colleagues to support this giant step forward.

Mr. MOORHEAD. Mr. Speaker, I have no further requests for time, and I reserve the balance of my time.

Mr. SHARP. Mr. Speaker, I yield 2 minutes to the gentleman from Illinois [Mr. BRUCE].

Mr. BRUCE. Mr. Speaker, I rise in support of the conference report on

the Sharp-Rockefeller bill. I am proud to be associated with this important piece of legislation. This bill will have a positive impact on our energy independence and the environment. It will encourage scientific inquiry into alternative fuels and provide American farmers and the American auto industry with the opportunity of a whole new line of vehicles and new markets.

Mr. Speaker, I am especially encouraged by the positive impact that the Sharp-Rockefeller bill will have on American farmers. We have all been aware of the many benefits of ethanol. This legislation will encourage its use and production. It is a great opportunity for farmers, one of our Nation's most important resources, to play a major role in developing a a stronger more energy independent America while becoming stronger themselves with new markets and new uses for their crops.

Also, as we begin to contemplate the greenhouse effect, ozone depletion and other climatic challenges, this is an important move in the right direction. It is an example of how solutions can be devised and implemented.

I congratulate my colleagues in the House, Mr. SHARP, and the Senate, Mr. ROCKEFELLER, on their efforts and the diligence and conscientiousness of the staff on both sides who have made this possible.

Mr. SHARP. Mr. Speaker, I yield 2 minutes to the gentleman from West Virginia [Mr. WISE].

Mr. WISE. Mr. Speaker, I certainly express my appreciation to the gentleman from Indiana [Mr. SHARP] for the opportunity to participate in crafting this bill. The bill so ably put before us by the gentleman from Indiana [Mr. SHARP] of the House and Senator ROCKEFELLER of West Virginia, I think really moves this country to a new and affective energy policy, and we certainly have needed to be moving toward an energy policy for a long time.

Mr. Speaker, this bill is driven by some very important facts. For instance, 60 percent of all the oil consumed in this country is by transportation, and now by 1995 we will be 50 percent dependent upon oil, foreign oil that is, coming from foreign oil producers. We have to be moving toward new oil supplies, domestic oil supplies or domestic fuel supplies such as those created in alcohol fuels produced by methanol, ethanol, or natural gas.

We also have to be concerned with cleaner burning because of the greenhouse effect, and once again methanol, and ethanol and natural gas move us that way.

Mr. Speaker, in the case of methanol made from natural gas or coal we see bright futures ahead for those of us from energy producing areas. We see in this bill, for instance, a new program to permit testing of buses with dual-fuel capability that can burn gasoline or diesel fuel, or they can burn methanol or ethanol or natural gas. We see new incentives for car manufacturers to make these dual-fuel cars, and so for the first time we encourage the production of these automobiles as well as setting up a distribution system for methanol.

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I see a bright future because of the passage of this bill in this session of Congress in energy production for areas such as my State. With vast supplies of natural gas and coal, we can make methanol and make it well.

I see alcohol fuel production as a chemical process, and once again for a chemical-producing area like West Virginia that bodes well in creating jobs.

I see increased research in cleaning the environment. Methanol is a clean-burning fuel, and indeed will do much to reduce the greenhouse effect.

Finally and most importantly, perhaps, I see energy security for our country as no longer where we have to depend upon foreign oil suppliers for our fuel. We can burn methanol and that makes a big difference.

Mr. BEILENSON. Mr. Speaker, since many Members have been advised that no further recorded votes are expected today, I won't call for one on this conference report, as I had wanted to do. But I do want to express my grave concerns about this legislation to my colleagues.

Although I support the goal of S. 1518—encouraging the use of nonpetroleum motor fuels—I oppose the means this bill provides for achieving that goal. Undermining the corporate average fuel economy [CAFE] standard, as this bill does, is the worst thing we can do if we are serious about lowering our consumption of oil and combating the environmental degradation caused by automobiles.

S. 1518 gives auto manufacturers an incentive to produce vehicles that either run on alcohol fuels or natural gas, or are dual-fuel—capable of running on either these alternative fuels or gasoline—by allowing such vehicles extra fuel-efficiency credits. Manufacturers will thus be able to offset their low-efficiency conventional vehicles with the artificially high-efficiency ratings of the alternatively powered vehicles. Although there is a limit on the extent to which a manufacturer can take advantage of this offset, the average fuel economy ratings of gasoline-powered vehicles will be allowed to be reduced by as much as 1.2 miles per gallon. Even that relatively small change will cause a significant increase in the amount of petroleum consumed in the United States, and in the amount of pollution caused by the extra gasoline burned.

The price we will be paying for the promotion of alternative motor fuels is an increase in the number of low-efficiency conventional autos—which the automakers want, since they perceive a strong American demand for big, comfortable, gas-guzzling cars. The result will be an increase in gasoline consumption, and thus greater dependence on imported oil. And, it sends exactly the wrong signal. At a time when Congress should be pushing the auto industry to increase fuel efficiency—both to reduce U.S. consumption of oil and to keep that industry competitive with foreign manufacturers—we are essentially rolling back the standards, again. And this time we won't be able to blame the Reagan-appointed Transportation Department.

While in the short run U.S. manufacturers may welcome this easing of the CAFE standard, in the not-too-distant future they will be badly hurt when a tightening of the oil market and rising oil prices again stimulate demand by U.S. consumers for more fuel-efficient cars. Foreign manufacturers are continuing to produce higher and higher mileage vehicles, and will be ready to meet our demand when that day comes. Meanwhile, we in Congress will have discouraged our own industry from producing the higher mileage cars that are the key to their long-term competitiveness in the United States and the world.

Moreover, although this bill is intended to reduce carbon monoxide and ozone caused by auto emissions, the bill has the potential to aggregate, rather than alleviate, our pollution problems. Not only will the higher consumption of gasoline—because of the lower CAFE standard—lead to more emissions, but some alternative fuels will be worse than gasoline in contributing to the greenhouse problem. The combustion of methanol produced from coal releases about twice as much carbon dioxide into the atmosphere as does oil. With the increasing scientific evidence showing that global warming is underway, we cannot ignore the fact that this bill is likely to exacerbate that problem.

Unfortunately, it's very difficult to create a demand for high-efficiency autos while the price of gasoline is as low as it has been for several years now. We don't have a high gasoline tax, as do almost all other industrialized nations, to help generate such demand. Our gas-guzzler tax is so low that it is meaningless. The CAFE standard is really all we have to get U.S. automakers to produce more fuel-efficient cars, as we must do in order to help protect our economic security and reduce the dire threat of global warming. An erosion of these standards—no matter how small—is simply not an acceptable tradeoff for the relatively modest use of alternative motor fuels this bill will promote.

Mr. ANDREWS. Mr. Speaker, at a time when oil imports are at record levels and our environment is showing the strain from transportation emissions I applaud the conference report on the Alternative Motor Fuels Act.

Today, the United States faces a major paradox as a result of its failure to establish a clear, coherent, and rational energy policy. As imports of foreign oil creep toward 50 percent of total U.S. supply we, once again, make ourselves increasingly vulnerable to an oil supply disruption. In addition, we face such serious air quality problems that Congress has been forced to suspend air quality attainment deadlines in order to prevent major economic disruptions in our cities.

Considering these pressing problems I believe that the Federal Government must do what it can to encourage the development and use of alternative, nonpetroleum fuels for

transportation, and the production of motor vehicles powered by these fuels.

Already much has been done in several States to explore the use of alternative motor fuels. For example, the General Land Office in my home State of Texas implemented a project to use compressed natural gas in a portion of their motor vehicle fleet.

This project demonstrates the cost-effectiveness of using compressed natural gas as a primary fuel for State vehicles. With more than 5,700 State vehicles in Austin alone the estimated cost savings from converting only 10 percent of this fleet would result in cost savings to the State in the range of $400,000 to $500,000 per year.

In addition, improved air quality is another benefit of using natural gas as a vehicle fuel. The most recent Environmental Protection Agency analysis of emissions from compressed natural gas powered vehicles indicate a 50-percent reduction in carbon monoxide, a 40-percent reduction in reactive hydrocarbons and a 100-percent reduction in evaporative hydrocarbons.

Natural gas is just one example of an economically feasible alternative motor fuel promoted in this legislation. Other fuels to be promoted include alcohol fuels, methanol, made from coal, natural gas and trash, and ethanol, made from corn and other agricultural products.

This legislation allows us to focus on alternative domestic motor fuels and could potentially create new markets and breath life into many stagnant economies by creating new jobs. I applaud this legislation and ask your support for this important piece of legislation.

Mr. GLICKMAN. Mr. Speaker, I rise today in support of the conference report on S. 1518, the Alternative Motor Fuels Act. This legislation has been a long time coming. Over 7 years ago, on March 5, 1981, I introduced legislation in the House to provide credit for vehicles designed to operate on nonpetroleum based fuels—including alcohol fuels and natural gas—in the calculation of fuel efficiency standards. A major component of this conference report and the bill passed by the House last December embodies that very idea.

Over the years I have served in the House, there has been an ongoing effort to expand supplies of alternative fuels. This legislation wisely looks at the other side of the coin. This bill is designed to assure that the demand exists for these fuels, both through the CAFE standards provisions and though inclusion of these innovative vehicles in Federal fleets. The bill will also help make these types of vehicles viable options for more private owners through the provisions requiring steps be taken to make alcohol and natural gas fuels available to the public at Federal fueling stations.

This legislation is forward looking and reflects the continued commitment of the Congress to energy independence. I want to express my special thanks for the work that Chairman DINGELL and SHARP put into this legislation as well as the others here in the house who persevered to make the idea I have been advocating for over 7 years into a legislative reality. I am confident that this legislation will prove to be a major contribution to reducing our reliance on foreign energy sources and, at the same time, to improving air quality.

Mr. MOORHEAD. Mr. Speaker, I yield back the balance of my time.

Mr. SHARP. Mr. Speaker, I yield back the balance of my time, and I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. SHARP. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the conference report on S. 1518 just agreed to.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

REGULATORY FAIRNESS ACT

Mr. SHARP. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 2858) to provide for refunds pursuant to rate decreases under the Federal Power Act, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Senate amendment: Strike out all after the enacting clause and insert:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Regulatory Fairness Act".

SEC. 2. REFUNDS IN PROCEEDINGS UNDER SECTION 206 OF THE FEDERAL POWER ACT.

Section 206 of the Federal Power Act (16 U.S.C. 824e) is amended as follows:

(1) At the end of subsection (a) insert: "Any complaint or motion of the Commission to initiate a proceeding under this section shall state the change or changes to be made in the rate, charge, classification, rule, regulation, practice, or contract then in force, and the reasons for any proposed change or changes therein. If, after review of any motion or complaint and answer, the Commission shall decide to hold a hearing, it shall fix by order the time and place of such hearing and shall specify the issues to be adjudicated.".

(2) Designate subsection (b) as (d) and insert the following new subsections after subsection (a):

"(b) Whenever the Commission institutes a proceeding under this section, the Commission shall establish a refund effective date. In the case of a proceeding instituted on complaint, the refund effective date shall not be earlier than the date 60 days after the filing of such complaint nor later than 5 months after the expiration of such 60-day period. In the case of a proceeding instituted by the Commission on its own motion, the refund effective date shall not be earlier than the date 60 days after the publication by the Commission of notice of its intention to initiate such proceeding nor later than 5 months after the expiration of such 60-day period. Upon institution of a proceeding under this section, the Commission shall give to the decision of such proceding the same preference as provided under section 205 of this Act and otherwise act as speedily as possible. If no final decision is rendered by the refund effective date or by the conclusion of the 180-day period commencing upon initation of a proceeding pursuant to this section, whichever is earlier, the Commission shall state the reasons why it has failed to do so and shall state its best estimate as to when it reasonably expects to make such decision. In any proceeding under this section, the burden of proof to show that any rate, charge, classification, rule, regulation, practice, or contract is unjust, unreasonable, unduly discriminatory, or preferential shall be upon the Commission or the complainant. At the conclusion of any proceeding under this section, the Commission may order the public utility to make refunds of any amounts paid, for the period subsequent to the refund effective date through a date 15 months after such refund effective date, in excess of those which would have been paid under the just and reasonable rate, charge, classification, rule, regulation, practice, or contract which the Commission orders to be thereafter observed and in force: *Provided*, That if the proceeding is not concluded within 15 months after the refund effective date and if the Commission determines at the conclusion of the proceeding that the proceeding was not resolved within the 15-month period primarily because of dilatory behavior by the public utility, the Commission may order refunds of any or all amounts paid for the period subsequent to the refund effective date and prior to the conclusion of the proceeding. The refunds shall be made, with interest, to those persons who have paid those rates or charges which are the subject of the proceeding.

"(c) Nothwithstanding subsection (b), in a proceeding commenced under this section involving two or more electric utility companies of a registered holding company, refunds which might otherwise be payable under subsection (b) shall not be ordered to the extent that such refunds would result from any portion of a Commission order that (1) requires a decrease in system production or transmission costs to be paid by one or more of such electric companies; and (2) is based upon a determination that the amount of such decrease should be paid through an increase in the costs to be paid by other electric utility companies of such registered holding company: *Provided*, That refunds, in whole or in part, may be ordered by the Commission if it determines that the registered holding company would not experience any reduction in revenues which results from an inability of an electric utility company of the holding company to recover such increase in costs for the period between the refund effective date and the effective date of the Commission's order. For purposes of this subsection, the terms 'electric utility companies' and 'registered holding company' shall have the same meanings as provided in the Public Utility Holding Company Act of 1935, as amended.".

SEC. 3. LIMITATION ON AUTHORITY PROVIDED.

Nothing in subsection (c) of section 206 of the Federal Power Act, as amended (16 U.S.C. 824e(c)) shall be interpreted to confer upon the Federal Energy Regulatory Commission any authority not granted to it elsewhere in such Act to issue an order that (1) requires a decrease in system production

or transmission costs to be paid by one or more electric utility companies of a registered holding company; and (2) is based upon a determination that the amount of such decrease should be paid through an increase in the costs to be paid by other electric utility companies of such registered holding company. For purposes of this section, the terms "electric utility companies" and "registered holding company" shall have the same meanings as provided in the Public Utility Holding Company Act of 1935, as amended.

SEC. 4. EFFECTIVE DATE.

The amendments made by this Act are not applicable to complaints filed or motions initiated before the date of enactment of this Act pursuant to section 206 of the Federal Power Act: Provided, however, That such complaints may be withdrawn and refiled without prejudice.

SEC. 5. STUDY.

No earlier than three years and no later than four years after the date of enactment of this Act, the Federal Energy Regulatory Commission shall perform a study of the effect of the amendments to section 206 of the Federal Power Act made by this Act. The study shall analyze (1) the impact, if any, of such amendments on the cost of capital paid by public utilities; (2) any change in the average time taken to resolve proceedings under section 206; and (3) such other matters as the Commission may deem appropriate in the public interest. Upon completion the study shall be sent to the Committee on Energy and Natural Resources of the Senate and the Committee on Energy and Commerce of the House of Representatives.

Mr. SHARP (during the reading). Mr. Speaker, I ask unanimous consent that the Senate amendment be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

Mr. BRUCE. Reserving the right to object, Mr. Speaker, I rise in support of H.R. 2858, the Regulatory Fairness Act. Two weeks ago the Senate approved this measure with the leadership of Senator BUMPERS.

This legislation will amend the Federal Power Act to ensure that consumers of electric power receive more timely and just relief when their rates have been too high. The way the law is written now, this is not the case. Wholesale power is purchased by small publicly owned utilities or rural cooperatives from large investor-owned utilities. If these consumers seek rate decreases from these large utilities, they must wait for the Federal Energy Regulatory Commission to conduct a long proceeding first. Following this the refund is prospective only, that is they are entitled to no recompense for the excessive rates that were being paid during the course of the proceeding. On the other hand, rate increases are effective immediately while FERC considers the request. Mr. Speaker, this bill is more fair to these consumers because it makes it just as easy to enjoy a refund as it is now to contend with an increase.

This bill is the result of a lot of hard work and delicate compromises. One thousand five hundred local public utilities and rural cooperatives and million of consumers will now enjoy more equitable treatment. I congratulate Mr. SHARP and his excellent staff in preserving the integrity of the bill.

I also commend the Senate energy and natural resources staff and the strong leadership of Senator BUMPERS in making this possible. Millions of rate payers have been well served.

Mr. BRUCE. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

Mr. MOORHEAD. Reserving the right to object, Mr. Speaker, I have no objection to passage of H.R. 2858, as amended by the other body.

The purpose of this legislation is to ensure consistent treatment of rate orders issued by the Federal Energy Regulatory Commission under the Federal Power Act.

Under current law a request for a rate increase by an electric utility may go into effect prior to a final decision approving the rate. On the other hand, a petition to lower an existing rate cannot take effect until after a final decision. H.R. 2858 would correct this inconsistent treatment by providing that a decision approving a rate decrease request may be effective retroactively.

The Senate amendments place limits on the retroactive effect of H.R. 2858. I do not object to these changes. I believe this legislation is still an improvement upon existing law and should be approved.

I would like to acknowledge the cooperation and leadership of subcommittee Chairman SHARP in pushing this bill forward.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

Mr. GEJDENSON. Reserving the right to object, Mr. Speaker, and I will not object, but I rise just to commend the chairman and my colleague, the gentleman from Illinois [Mr. BRUCE], for this important piece of legislation.

There is a legal saying which is "Justice delayed is justice denied." Regulatory response delay is justice denied. Small utilities in my State, municipal cooperatives, have been denied justice for an extended period of time as the result of a process that increases rates rapidly and decreases them very slowly, or not at all.

Mr. Speaker, I would just commend the gentleman from Indiana [Mr. SHARP] on this great work on this energy issue and many others.

Mr. Speaker, I am pleased to rise in support of S. 1567, the Regulatory Fairness Act of 1987, which is similar to H.R. 2858 passed under suspension by the House last October. This legislation will provide refunds for rate decreases for utility customers. This legislation represents an attempt to make the current regulatory process more equitable, giving electric customers the same protections and considerations that supplying utilities currently receive. The regulation of electric utilities should give both consumers and utilities a fair deal. Utilities should receive and consumers should pay, a just and reasonable rate for electricity. When costs are rising, as they were during the late 1960's and 1970's, utilities should be able to recover those costs in a timely fashion and the current regulation provides for this. However, when costs go down, the process is not as fair.

Under current law, consumers are obligated to pay for rate increases shortly after the increase is filed. The regulatory process for rate increases takes about a year, at which time, if the rates are found by the Federal Energy Regulatory Commission [FERC] to be too high, the customer gets a refund. Clearly this system works well for the supplying utilities because they can collect the proposed higher rate during most of the regulatory process. However, if the customer files for a rate decrease, he is taking a gamble. The regulatory process takes twice as long as for increases and the cost of litigation is often more expensive than the potential savings from the decrease. During the process, the customer never sees the benefits of the rate reduction. The customer can only see the benefits of a rate reduction prospectively, after the whole regulatory process is completed.

Given the dramatic changes in economic conditions that we have seen since the early 1980's and the decline in the cost of oil, it is obvious that the regulatory process for wholesale electricity rate reductions is not fair. This amendment to the Federal Power Act gives the Federal Energy Regulatory Commission the power to return the balance and fairness to the regulatory process, a power that they currently do not have.

Mr. Speaker, allow me to give my colleagues an example from my own State. In January 1987, the Connecticut Consumer Counsel filed a complaint with the Federal Energy Regulatory Commission claiming that Connecticut Light and Power's rate of return for wholesale power was too high. And though the Federal Energy Regulatory Commission issued their decision expeditiously, Consumer Counsel James Meehan nonetheless estimates that customers lost upwards of $1.8 million during the regulatory process from overcharges while the decision was being made. This is money that there is no prospect of ever seeing, even though rates were determined to have been excessive.

The Regulatory Fairness Act will provide wholesale electric customers refund protection. Under this legislation the Federal Energy Regulatory Commission would set a refund effective date so that any decrease in wholesale rates would cover the overcharge. S. 1567 does not change the rate setting standards, nor does it change the current regulatory process. This legislation simply ensures that rate decrease proceedings are handled in the same manner and afforded the same consid-

eration as rate increases. This legislation would not only give the consumers more control over electric rates that they are being charged but it will make it easier for the customer utilities to charge lower, more economically responsive utility rates and will give the consumers the same advantages that supplying utilities have when requesting a change in rates.

Mr. SHARP. Mr. Speaker, will the gentleman yield?

Mr. GEJDENSON. I am happy to yield to the gentleman from Indiana.

Mr. SHARP. Mr. Speaker, I am pleased to take up again H.R. 2858, the Regulatory Fairness Act, which the House passed last October and which the Senate took up, in amended form, just 2 weeks ago.

This bill corrects a 50-year-old gap in the Federal Power Act. As we know, when an interstate utility applies for a rate increase before the Federal Energy Regulatory Commission, that increase goes into effect almost immediately, subject to refund only if the utility does not prevail in the rate proceeding.

By contrast, if a wholesale customer of that utility applies for a rate decrease, he can recover the overcharge only from the date of the decision by FERC, which may take 2 years. In other words, that entire 2 years of overcharges would never be recovered.

The Regulatory Fairness Act corrects this disparity by ensuring that a customer who wins his rate decrease case at FERC will get refunds dating back to the date he filed his application. This simple fix means lower rates for wholesale and ultimately for retail customers. It also ushers in, as the name implies, a measure of regulatory fairness in the procedures governing the way our Nation's wholesale electric rates are set.

The Senate has amended the House-passed bill in several ways, the most important one being that retroactive refunds are limited to 15 months from the "refund effective date" unless the utility has been dilatory. I hope that FERC will monitor closely the average duration of rate refund proceedings and report back to Congress on this issue in the study called for in section 5 of the amended bill.

I commend the gentleman from Illinois [Mr. BRUCE] for his leadership in sponsoring and championing this bill; Mr. MOORHEAD for his vigorous support; and Mr. GEDJENSON for his initiative and input. I also commend the American Public Power Association for its massive efforts to cure a statutory defect that has been on the books for half a century.

Mr. GEJDENSON. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

The SPEAKER pro tempore. Is there objection to the initial request of the gentleman from Indiana?

There was no objection.

A motion to reconsider was laid on the table.

UNIFORM REGULATORY JURISDICTION ACT OF 1988

Mr. SHARP. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 2884) to assure uniformity in the exercise of regulatory jurisdiction pertaining to the transportation of natural gas and to clarify that the local transportation of natural gas by a distribution company is a matter within State jurisdiction and subject to regulation by State commissions, and for other purposes, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Senate amendment:

Strike out all after the enacting clause and insert:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Uniform Regulatory Jurisdiction Act of 1988".

SEC. 2. JURISDICTION OVER TRANSPORTATION OF NATURAL GAS.

Section 7 of the Natural Gas Act (15 U.S.C. 717f) is amended—

(a) by redesignating section "7(f)" as section "7(f)(1)";

(b) by striking the period at the end thereof and inserting "; and"; and

(c) by adding a new section 7(f)(2) to read as follows:

"(2) If the Commission has determined a service area pursuant to this subsection, transportation to ultimate consumers in such service area by the holder of such service area determination, even if across State lines, shall be subject to the exclusive jurisdiction of the State commission in the State in which the gas is consumed. This section shall not apply to the transportation of natural gas to another natural gas company.".

SEC. 3. EFFECTIVE DATE.

The provisions of this Act shall become effective one hundred and twenty days after the date of enactment.

Mr. SHARP (during the reading). Mr. Speaker, I ask unanimous consent that the Senate amendment be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

Mr. MOORHEAD. Reserving the right to object, Mr. Speaker, I have no objection to passage of this legislation by unanimous consent.

This bill is simply intended to reform an anomaly in the jurisdiction over certain local gas distribution companies. These companies happen to sell gas, at retail, to customers in more than one State. This fact makes them technically subject to the authority of the Federal Energy Regulatory Commission.

Local gas service has always been subject to State public utility regulation. All local gas companies—except the few companies covered by H.R. 2884—are therefore regulated by one, local body. There is no reason why the companies who serve customers in more than one State—so long as this service is a local, retail service—should be treated differently.

I thank Congressman SHARP for working with me on making enactment of this regulatory reform possible.

I urge passage of H.R. 2884.

Mr. SHARP. Mr. Speaker, will the gentleman yield?

Mr. MOORHEAD. I yield to the gentleman from Indiana.

Mr. SHARP. Mr. Speaker, as my colleague may know, this is a noncontroversial natural gas bill which has been cleared on both sides.

It affects only 8 of the 1,000 local gas utilities in our Nation. These utilities have for decades been subject only to State rate regulation, like all other local utilities. FERC has never before regulated their rates.

But these few gas companies operate on the borders of two or more States: Washington Gas Light, with interconnected operations in Virginia, DC, and Maryland, is an example.

This accident of geography and recent changes in gas industry transportation rules, has turned local gas flows through the small pipes of these eight companies into "interstate transportation," which FERC controls.

This bill merely restores local control over the rates, terms, and conditions of local transportation service.

The House approved it unanimously earlier this year.

The Senate made a modest amendment to our bill, to limit its reach to only two of the three Iowa utilities covered by the House bill. I believe this is acceptable to the gentleman from Iowa [Mr. TAUKE]. Besides, the uncovered third Iowa utility will be covered by the Senate amendment if it gets a local service area ruling from FERC.

This is fair. After all, the bill applies the same prerequisite to the other eight companies.

Mr. MOORHEAD. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

The SPEAKER pro tempore. Is there objection to the initial request of the gentleman from Indiana?

There was no objection.

A motion to reconsider was laid on the table.

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PERMISSION FOR COMMITTEE ON AGRICULTURE TO FILE REPORT ON H.R. 5056, AGRICULTURAL RESEARCH ACT OF 1988

Mr. DE LA GARZA. Mr. Speaker, I ask unanimous consent that the Committee on Agriculture may have until midnight tonight, September 23, 1988, to file the report on H.R. 5056, the Agricultural Research Act of 1988.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

AUTHORIZING THE CLERK TO INCLUDE TEXT OF AMENDED BILL IN ENGROSSMENT OF H.R. 4748, RAILROAD DRUG ABUSE PREVENTION ACT OF 1988

Mr. THOMAS A. LUKEN. Mr. Speaker, I ask unanimous consent that in the engrossment of the bill, H.R. 4748, the Railroad Drug Abuse Prevention Act of 1988, which was passed by the House last Tuesday, September 20, 1988, the Clerk be authorized to include the text of the amended bill that the managers handling the bill understood was at the desk, as follows:

H.R. 4748

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 "Railroad Drug Abuse Prevention Act of 1988".

SEC. 2. NATIONAL POLICY.

The Congress hereby declares it to be the national policy of the United States to eliminate the threat to railroad transportation safety posed by drug and alcohol use.

SEC. 3. DRUG AND ALCOHOL TESTING.

Section 202 of the Federal Railroad Safety Act of 1970 (45 U.S.C. 431) is amended by adding at the end the following new subsection:

"(1)(1) The Secretary shall, in the interest of railroad safety and the protection of the privacy of railroad employees, issue regulations within 90 days after the date of the enactment of this subsection to establish a program which requires rail carriers, at the carriers' expense, to conduct testing—

"(A) of employees holding jobs covered by the Act of March 4, 1907, commonly referred to as the Hours of Service Act, and employees holding other positions the Secretary determines to be safety-sensitive (including supervisory and management positions) whose performance can directly and immediately cause serious physical injury, for impairment by alcohol or for the unlawful use of a controlled substance; and

"(B) of applicants for such jobs and positions, and applicants for reinstatement or return from furlough with respect to such jobs and positions, for impairment by alcohol or for the unlawful use of a controlled substance.

"(2) Regulations issued under this subsection shall provide that testing of applicants and employees shall be required in the following circumstances:

"(A) Applicants shall be tested prior to employment as part of a pre-employment screening process.

"(B) Employees shall be tested—

"(i) on a random, nondiscriminatory basis;

"(ii) as part of all employer-required physical examinations for individuals out of service more than 90 days;

"(iii) as part of scheduled, routine employer-required physical examinations for a primary purpose other than drug or alcohol testing, but not more frequently than annually, and only upon reasonable notice in accordance with regulations issued by the Secretary to assure that all employees are treated on a uniform and nondiscriminatory basis;

"(iv) upon return from illness or injury which requires an absence of more than 30 days;

"(v) immediately following a railroad accident or incident involving loss of human life, serious bodily injury requiring medical attention, or property damage in excess of $50,000 in value (except for a grade crossing or trespassing accident which does not involve a violation of an operating rule of a railroad), if the employee is a part of the crew of a train involved in the accident or incident or may otherwise be involved and there is a reasonable basis to believe the employee may bear some responsibility for the accident or incident;

"(vi) when prescribed as part of a rehabilitation program; and

"(vii) following successful completion of a rehabilitation program, as required in paragraph (4).

"(C) Employees whose job performance the employer reasonably and in good faith suspects is being or is about to be impaired by the influence of alcohol or a controlled substance shall be tested immediately. For purposes of this subparagraph, reasonable suspicion must be based on specific personal observations that at least two supervisory employees can articulate in writing concerning the appearance, speech, behavior, or body odors of the employee. At least one such supervisory employee must have at least 8 hours of training in the recognition of drug and alcohol impairment in accordance with training standards established by the Secretary. For purposes of this subparagraph, the following violations of a major operating rule of a railroad shall constitute grounds for reasonable suspicion:

"(i) Occupancy of a block or other segment of track to which entry was not authorized.

"(ii) Failure to clear a track to permit opposing or following movement to pass.

"(iii) Moving across a railroad crossing at grade without authorization.

"(iv) Passing an absolute restrictive signal or passing a restrictive signal without stopping (if required).

"(v) Failure to protect a train as required by a rule consistent with regulations issued by the Secretary.

"(vi) Operation of a train at a speed that exceeds the maximum authorized speed by at least 10 miles per hour or by 50 percent of such maximum authorized speed, whichever is less.

"(vii) Alignment of a switch in violation of a railroad rule or operation of a switch under a train.

"(viii) Failure to apply or stop short of derail as required.

"(ix) Failure to secure a hand brake of failure to secure sufficient hand brakes.

"(x) In the case of a person performing a dispatching function of block operator function, issuance of a train order or establishment of a route that fails to provide proper protection for a train.

No employee or job applicant, whether or not described in paragraph (1), shall be required to undergo drug and alcohol testing except in accordance with the procedures provided in this subsection. Drug and alcohol testing of an employee described in paragraph (1) may be carried out only as provided in this subsection.

"(3) In issuing the regulations required under this subsection, the Secretary, after consultation with the Secretary of Health and Human Services, shall provide—

"(A) that each employer shall notify all employees and applicants covered by this subsection of—

"(i) the employer's policy on the use of alcohol and controlled substances;

"(ii) the rights and obligations of the employer, employee, and applicant under this subsection and regulations issued under this subsection;

"(iii) the procedures used by the employer in conducting tests (including the manner in which notice will be provided, the amount of time between notice and testing, the types of tests used, the substances being tested for, the chain of custody the sample will pass through, and the identity of the laboratory used to perform the test);

"(iv) the quantified level of alcohol which constitutes impairment, and the quantified level of controlled substances which constitutes a positive finding, such levels to be established by the Secretary;

"(v) the right of the employee or applicant to challenge the accuracy of test results;

"(vi) notice of sanctions associated with positive tests; and

"(vii) rights to rehabilitation and the identity of personnel an employee may contact to obtain rehabilitative help in resolving a problem with the use of alcohol or a controlled substance;

"(B) that whenever an employer is required by this paragraph to act in accordance with the mandatory guidelines for Federal workplace drug testing programs promulgated on April 11, 1988, by the Alcohol, Drug Abuse, and Mental Health Administration (53 Fed. Reg. 11970) (hereafter in this subsection referred to as the 'ADAMHA guidelines') the employer shall be treated as though it were an agency under such guidelines;

"(C) that each employer shall be required to employ or retain a qualified licensed physician to serve as a medical review officer as required by the ADAMHA guidelines;

"(D) that each employer shall afford the employees and applicants being tested the opportunity to inform the medical review officer of any medication or other legal substance the employee or applicant is using or has used, ingested, or been exposed to, or any medical condition, that might affect the outcome of the test;

"(E) that each employer shall assure that urine samples are collected in accordance with the ADAMHA guidelines and are analyzed by a medical laboratory meeting the requirements of subparagraph (K), and shall compensate the employee for any time lost and for reasonable travel expenses in order to provide the specimen;

"(F) that time lost in order to provide a urine, breath, or other sample required by regulations issued under this subsection shall not be counted as time off duty or

time on duty for purposes of the Hours of Service Act;

"(G) that each employer shall assure that an unbroken chain of custody sufficient to protect the sample from tampering and to verify the identity of each sample and test result is maintained for specimen samples and that each sample is kept in a separate container for confirmation and retesting;

"(H) that any positive initial test shall be confirmed by the most scientifically reliable test available, as prescribed by the ADAMHA guidelines;

"(I) that the medical review officer of each employer shall interpret and verify each confirmed positive test result as prescribed by the ADAMHA guidelines, discounting for any medication, substances, or medical condition disclosed under subparagraph (D) and any chemical or other substances to which the applicant or employee is or has been exposed, with any doubt as to the outcome resolved in favor of a negative finding;

"(J) that the medical review officer of each employer shall notify each applicant or employee who is tested of the results of the test within five working days after the medical review officer receives, interprets, and verifies such results, and shall furnish the applicant or employee an explanation of the results and notice of the availability of the independent reconfirmation test procedures provided by subparagraphs (O) and (P);

"(K) that each employer shall retain an independent laboratory, not affiliated directly or indirectly with any rail carrier, which shall be certified by the Secretary of Health and Human Services under subpart C of the ADAMHA guidelines for the performance of all initial urine tests and confirmation tests; and which shall be requried to comply with subpart B of the ADAMHA guidelines, except that notwithstanding the quality assurance and quality control provisions in section 2.5 and subpart C of the ADAMHA guidelines, the Secretary shall not permit any laboratory to continue to perform tests for purposes of this subsection which has incorrectly reported the presence of a controlled substance in any blank sample submitted to it in external blind proficiency testing during any 90-day period referred to in the ADAMHA guidelines;

"(L) that following each quarterly blind proficiency test described in subparagraph (k), each employer shall provide a report to the Secretary of any false positive result referred to in subparagraph (k), which shall be reviewed by the Secretary for purposes of disqualification of the laboratory under such subparagraph;

"(M) that each employer shall assure that any sample which produces a positive result in a confirmation test is retained by the medical laboratory in properly secured long-term frozen storage for at least 365 days;

"(N) that is the case of a laboratory disqualified under subparagraph (k), each of the tests performed by such laboratory within the 90 days perceding the false positive result which formed the basis for disqualification shall be reanalyzed as though it were an untested sample;

"(O) that each employer shall afford an applicant or employee whose confirmation test results are positive the opportunity to have a portion of the sample assayed by a confirmation test done independently, at the applicant's or employee's expense (subject to reimbursement by the employer if the results are negative) at a laboratory meeting the requirements of subparagraph (k) if the applicant or employee requests the independent test within 30 days of being advised of the results of the confirmation test;

"(P) that in the event of a discrepancy between the test results of the railroad's laboratory and the laboratory chosen by the applicant or employee, the sample shall be retested at a third qualified laboratory selected by the applicant or employee, at the employer's expense, and that finding shall be conclusive;

"(Q) that each laboratory shall, unless the applicant or employee provides written consent or unless the laboratory receives valid compulsory process, assure that the results of the test are kept confidential from all persons (other than the applicant or employee) except that the laboratory may so notify the medical review officer of the employer of any test result other than an unconfirmed positive test for controlled substances;

"(R) that each medical review officer shall, unless the applicant or employee provides written consent or unless the medical review officer receives valid compulsory process, assure that the results of the test and any information disclosed under subparagraph (D) are kept confidential from all persons, other than the applicant or employee, except that such officer may notify those supervisory or managerial personnel of the employer who have a compelling need for the information to carry out the employer's policies, and the medical personnel in any rehabilitiation program in which the applicant or employee is enrolled;

"(S) that the personnel to whom the results of a test are reported under subparagraph (R) shall, unless the applicant or employee provides written consent or unless the employer receives valid compulsory process, keep the results of the test confidential from all persons (other than the applicant or employee);

"(T) that each employer shall provide an applicant or employee, or the employee's exclusive representative who is processing a grievance on behalf of the employee, the right to receive upon request, at no charge, within five working days, copies of all documents held by the employer or employer's agent (including the laboratory conducting the test) relating to the testing of the individual for the prohibited use by the individual of alcohol or controlled substances;

"(U) that the provisions of subparagraphs (Q), (R), and (S) requiring the confidentiality of test results shall not apply to confirmed positive test results for employees tested pursuant to paragraph (2)(B)(v), to the extent such test results are required for use by the Secretary, other Federal agencies, and law enforcement agencies in official investigations and reports;

"(V) that employees tested under paragraph (2) (B)(v) or (C) shall be suspended from duty with pay until the results of a test performed under regulations issued under this subsection are received; and that any employee discharged from employment or suspended without pay following a confirmed positive test shall be reinstated with back pay if a retest is made under subparagraph (P) and the result of such retest is negative;

"(W) that no employee shall be tested for alcohol or drugs under paragraph (2) (B)(v) or (C) after eight hours have passed from the triggering event; and

"(X) that any employee required to provide a urine sample under paragraphs (2) (B)(v) or (C) shall be afforded the opportunity to provide, in addition, a blood sample for testing, which shall be considered by the employer's medical review officer under subparagraph (I), together with all other available information.

"(4)(A) Regulations issued under this subsection shall further provide that each rail carrier shall establish and maintain a rehabilitation program which is approved by the Secretary and at a minimum provides for the identification and opportunity for treatment of employees described in paragraph (1)(A).

"(B) Any employee who voluntarily enters such a rehabilitation program within one year after the date of the enactment of this subsection due to drug or alcohol dependence shall be removed from any safety sensitive position. Such an employee shall continue to receive pay if he accepts and performs alternative duties which do not conflict with any applicable collective bargaining agreement, or if he is precluded from performing such duties by the requirements of the rehabilitation program. An employee shall not be considered to have acted voluntarily under this paragraph if such employee enters a rehabilitation program after receiving notification that he will be tested or the occurrence of an event giving rise to such testing, whichever occurs first, and before the results of such test are verified by the medical review officer under paragraph (3)(I).

"(C) Any employee for whom a test conducted and confirmed under this subsection, or under regulations issued under this subsection, establishes that the employee has used alcohol or a controlled substance in violation of the rules of the rail carrier shall be suspended from duty without pay and referred to the rehabilitation program.

"(D) Such regulations shall provide that any employee referred to a rehabilitation program who fails to successfully complete the program or who tests positive following successful completion of the program shall be discharged from employment. Such regulations shall provide that an employee shall be subject to drug and alcohol testing as frequently as daily for 3 years following the successful completion of a rehabilitation program. Such regulations shall provide that a rail carrier may also make such program available to its employees not referred to in paragraph (1)(A).

"(E) Nothing in this paragraph shall preclude any rail carrier from establishing a program under this paragraph in cooperation with any other rail carrier. Nothing in this subsection shall supersede the provisions of any collectively bargained or company provided rehabilitation program which does not conflict with the requirements of this subsection, and which meets or exceeds the minimum requirements imposed by the Secretary in regulations issued under this subsection.

"(5) A person—

"(A) other than the applicant or employee being tested, who, other than as specifically provided by this subsection, discloses the results of a test performed under this subsection;

"(B) who alters the results of any alcohol or controlled substance testing performed under this subsection or who falsely reports such results;

"(C) who performs or causes to be performed on a specimen taken pursuant to this subsection a test for any substance, drug, or medical condition other than alco-

hol or a controlled substance as provided in this subsection;

"(D) who is an employer and who disciplines, discharges, or discriminates against an employee on the basis of a positive result that has not been verified by a confirmatory test performed in accordance with this subsection;

"(E) who is an employer and who disciplines, discharges, or discriminates against an employee on the basis of a positive result that has been verified by a confirmatory test performed in accordance with this subsection, unless the employee (i) refuses to undertake or fails to complete a rehabilitation program described in paragraph (4), or (ii) has undertaken or completed such rehabilitation program;

"(F) who is an employee who attempts to avoid or avoids being tested pursuant to this subsection, including by leaving the scene of an accident or by leaving his or her appropriate place of duty, without proper authorization, unless injury or other urgent circumstances so warrant; or

"(G) who is an employer who fails to administer the drug and alcohol testing as prescribed by this subsection.

shall be subject to penalties as provided in paragraph (6).

"(6) A person who violates paragraph (5) shall be subject to one or more of the following sanctions:

"(A) Assessment by the Secretary of a civil penalty of not less than $1,000 nor more than $10,000.

"(B) Where the violation is committed knowingly, imprisonment for not more than 3 years, or a fine under title 18, United States Code, or both.

"(7) An applicant or employee who is tested or whose test results are handled in violation of, or is deprived of rights under, this subsection may institute a civil action in any Federal district court of competent jurisdiction for appropriate legal and equitable relief. The costs of suit, including a reasonable attorney's fee, shall be allowed to the prevailing party in the manner in which attorney's fees are allowed under the last sentence of section 722 of the Revised Statutes (42 U.S.C. 1988). It shall not be a defense to such an action that the employee has waived the rights provided for in this subsection, except as provided in paragraph (3) (Q), (R), and (S), or has otherwise consented to a violation of this subsection, or that the defendant acted in good faith. No action may be instituted under this paragraph after the expiration of two years from the date the applicant or employee discovers the violation or deprivation.

"(8) No State or local government shall adopt or put into effect any law, rule, regulation, ordinance, standard, or order that is inconsistent with this subsection, except that this subsection shall not be construed to preempt provisions of State criminal law which impose sanctions for reckless conduct leading to actual loss of life, injury, or damage to property, whether the provisions apply specifically to employees of a rail carrier or to the general public.

"(9) For the purposes of this subsection, the term 'controlled substance' means any substance defined as such under section 102(6) of the Controlled Substances Act (21 U.S.C. 802(6)) whose use the Secretary has determined poses a risk to transportation safety.

"(10) If any provision of this subsection, or the application of that provision to any person or circumstance, is held invalid, the remainder of this subsection shall be considered valid.

"(11) Nothing in this subsection limits the authority of the Secretary to impose sanctions otherwise authorized under this Act.

"(12) Nothing in this subsection affects the authority of a rail carrier to suspend, discipline, or discharge an employee for reasons other than the use of alcohol or a controlled substance in violation of the rules of the rail carrier.".

SEC. 4. REPORTS.

The Secretary of Transportation shall require each rail carrier performing testing under section 202(1) of the Federal Railroad Safety Act of 1970 to report annually to the Secretary on their drug and alcohol testing programs. Each such report shall include, at a minimum, for the 12-month reporting period—

(1) the number and kinds of tests performed;

(2) the number of positive results;

(3) the number of challenged tests and the outcome of the challenges;

(4) the number of employes who voluntarily and involuntarily entered the rail carrier's rehabilitation program;

(5) the number of employees successfully tested in the rail carrier's rehabilitation program and returned to service;

(6) the number of employees dismissed or otherwise disciplined as a result of testing;

(7) the average length of time spent in rehabilitation and a statement of the range of lengths of time and the general distribution within such range; and

(8) the cost to the rail carrier of administering each category of testing and of providing a rehabilitation program.

The Secretary shall submit to the Congress an annual report compiling and analyzing information received under this section.

The SPEAKER pro tempore. The gentleman from Ohio [Mr. THOMAS A. LUKEN] is recognized to explain his request.

Mr. THOMAS A. LUKEN. Mr. Speaker, the bill, H.R. 4748, as amended, was passed by the House this past Tuesday, under suspension. However, it was later discovered that a clerical error had been made in the official copy of the bill, and certain changes which had been agreed to by the majority and the minority had not been included.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

MINING AND MINERAL RESOURCES RESEARCH INSTITUTE ACT

Mr. RAHALL. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 3977) to authorize appropriations for the Mining and Mineral Resources Research Institute Act for fiscal years 1990 through 1993, with a Senate amendment thereto, and concur in the Senate amendment with an amendment.

The Clerk read the title of the bill.

The Clerk read the House amendment to the Senate amendment, as follows:

House amendment to the Senate amendment: Strike the Senate amendment to the text of the House bill and insert:

SECTION 1. REFERENCES.

Any reference in this Act to the "Mining and Mineral Resources Research Institute Act of 1984" is a reference to the Act of August 29, 1984, entitled "To establish a State Mining and Mineral Resources Research Institute program, and for other purposes." (30 U.S.C. 1221 through 1230)

SEC. 2. ALLOTMENT GRANTS AUTHORIZATION PERIOD; LIMITATION.

Section 1(a)(1) of the Mining and Mineral Resources Research Institute Act of 1984 (30 U.S.C. 1221(a)(1)) is amended by striking "$300,000 for the fiscal year ending September 30, 1985, and $400,000 to each participating State for each fiscal year thereafter for a total of five years" and inserting in lieu thereof the following: "$400,000 for each of the fiscal years ending September 30, 1990, through September 30, 1994".

SEC. 3. MATCHING FUNDS REQUIREMENTS.

Section 1(a)(2)(A) of the Mining and Mineral Resources Research Institute Act of 1984 (30 U.S.C. 1221(a)(2)(A) is amended to read as follows:

"(A) Funds appropriated under this section shall be made available for grants to be matched on a basis of no less than 2 non-Federal dollars for each Federal dollar.".

SEC. 4. RESEARCH SUBJECT.

The second sentence of section 1(b) of the Mining and Mineral Resources Research Institute Act of 1984 (30 U.S.C. 1221(b)) is amended by inserting "fuel and nonfuel" immediately after "production of".

SEC. 5. RESEARCH GRANTS AUTHORIZATION PERIOD.

Section 2(a) of the Mining and Mineral Resources Research Institute Act of 1984 (30 U.S.C. 1222(a)) is amended as follows:

(1) The first sentence is amended to read as follows: "There is authorized to be appropriated to the Secretary not more than $15,000,000 for each of the fiscal years ending September 30, 1990, through September 30, 1994, which shall remain available until expended.".

(2) The second sentence is deleted.

(3) In the third sentence, strike "institutes" and insert "an institute or to institutes participating in a generic mineral technology center".

SEC. 6. ADMINISTRATION.

The first sentence of section 4(a) of the Mining and Mineral Resources Research Institute Act of 1984 (30 U.S.C. 1224(a)) is amended by inserting ", acting through the Director of the Bureau of Mines," immediately after "The Secretary".

SEC. 7. ADMINISTRATIVE EXPENSES.

Section 6(d) of the Mining and Mineral Resources Research Institute Act of 1984 (30 U.S.C. 1226(d)) is amended to read as follows:

"(d)(1) There is authorized to be appropriated to the Secretary $450,000 for each of the fiscal years ending September 30, 1990, through September 30, 1994, to administer this Act. No funds may be withheld by the Secretary for administrative expenses from those authorized to be appropriated by sections 1 and 2 of this Act.

"(2) There are authorized to be appropriated to the Secretary such sums as are necessary for the printing and publishing of

the results of activities carried out by institutes and generic mineral technology centers under this Act, but such appropriations shall not exceed $550,000 in any single fiscal year.".

SEC. 8. ADVISORY COMMITTEE.

Section 9(a)(7) of the Mining and Mineral Resources Research Institute Act of 1984 (30 U.S.C. 1229(a)(7)) is amended by striking "six" in the first and last sentences and inserting in lieu thereof "7", and by striking "section 301 of the Surface Mining Control and Reclamation Act of 1977, two" and inserting in lieu thereof "this Act, 3".

SEC. 9. PLAN UPDATE.

Section 9(e) of the Mining and Mineral Resources Research Institute Act of 1984 (30 U.S.C. 1229(e)) is amended by striking "update the plan annually thereafter" in the second sentence and inserting in lieu thereof "submit an annual update of such plan by January 15 of each calendar year".

SEC. 10. ELIGIBILITY.

Section 10(b) of the Mining and Mineral Resources Research Institute Act of 1984 (30 U.S.C. 1230(b)) is amended to read as follows:

"(b)(1) Notwithstanding the provisions of subsection (a), those colleges or universities which, on the date of enactment of the Mining and Mineral Resources Research Institute Amendments of 1988, have a mining or mineral resources research institute program which has been found to be eligible pursuant to this Act shall continue to be eligible subject to review at least once during the period authorized by the Mining and Mineral Resources Research Institute Amendments of 1988, under the provisions of subsection (a). The results of such review shall be submitted by January 15, 1992, pursuant to section 11(a)(2) of the Mining and Mineral Resources Research Institute Amendments of 1988.

"(2) Generic mineral technology centers established by the Secretary under this Act are to be composed of institutes eligible pursuant to subsection (a). Existing generic mineral technology centers shall continue to be eligible under this Act subject to at least one review prior to January 15, 1992, pursuant to section 11(a)(3) of the Mining and Mineral Resources Research Institute Amendments of 1988.".

SEC. 11. REPORTS.

(a) REPORT ON PROGRAMS.—The Committee on Mining and Mineral Resources Research established under section 9 of the Mining and Mineral Resources Research Institute Act of 1984 (30 U.S.C. 1229) shall submit a report by January 15, 1992, to the Committee on Interior and Insular Affairs of the United States House of Representatives and the Committee on Energy and National Resources of the United States Senate on the programs established under that Act. Such report may be submitted in conjunction with the annual plan update required by section 9(e) of such Act (30 U.S.C. 1229(e)) and shall include, but not necessarily be limited to, each of the following:

(1) A review of the activities of the institutes and generic mineral technology centers established under the Mining and Mineral Resources Research Institute Act of 1984.

(2) A review of each institute's eligibility pursuant to section 10 of the Mining and Mineral Resources Research Institute Act of 1984 (30 U.S.C. 1230).

(3) A review of each generic mineral technology center's eligibility. In conducting such review the committee shall consider the following criteria:

(A) Relevance and effectiveness of the research conducted.

(B) Need for further research in the generic area.

(4) Recommendations on establishing a mechanism by which new generic mineral technology centers can be established and existing centers can be phased-out or consolidated upon the completion of their mission.

(b) REPORT ON PROPOSAL FOR CENTER.—The committee shall submit a proposal to establish a Generic Mineral Technology Center on Strategic and Critical Minerals 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 by January 15, 1990.

SEC. 12. SHORT TITLE OF ACT.

Mining and Mineral Resources Research Institute Act of 1984 is amended by inserting the following new section after section 10:

"SEC. 11. SHORT TITLE OF ACT.

"This Act may be cited as the Mining and Mineral Resources Research Institute Act of 1984.".

SEC. 13. SHORT TITLE OF AMENDMENTS.

This Act may be cited as the Mining and Mineral Resources Research Institute Amendments of 1988.

Mr. RAHALL (during the reading). Mr. Speaker, I ask unanimous consent that the House amendment to the Senate amendment be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from West Virginia?

Mr. CRAIG. Reserving the right to object, Mr. Speaker, I yield to the gentleman from West Virginia to explain what is involved in this measure.

Mr. RAHALL. Mr. Speaker, as the ranking minority member is aware, this legislation would reauthorize the Mining and Mineral Resources Research Institute Act which expires at the end of fiscal year 1989.

The act authorizes an allotment grant program which provides support to Mineral Institutes located at 32 colleges and universities throughout the Nation.

In addition, it authorizes a research grant program to support the work of a number of generic mineral technology centers. These centers are comprised of university consortia which pool their resources in a specific area of research.

The House passed this legislation on May 23 of this year. The Senate made some modifications and sent it back to us on August 11.

We have negotiated the differences and the amendment before us has been agreed to by all interested parties.

There are three basic differences this amendment would make to the original House passed bill.

The amendment adopts the Senate's 5-year reauthorization period.

It also deletes one of the reporting requirements the Advisory Committee would have to make to the Congress.

Finally, it contains language that would require the Advisory Committee to review the eligibility of the generic centers at least once during the reauthorization period.

In all other respects, the House position has been maintained. I would add that the gentleman from Idaho's input into this legislation has been of great value and I thank him.

Mr. CRAIG. Mr. Speaker, I thank my colleague, and continuing my reservation, I rise in support of the House amendment to the Senate amendments to H.R. 3977, a bill to reauthorize the Mining and Mineral Resources Research Institutes.

I wish to thank the chairman of the Mining and Natural Resources Subcommittee for his leadership on this piece of legislation that is so important in assuring that the mineral resources of our country remain a strong part of the Nation's economy.

The provisions in this bill will allow technology and training in the area of mining resources to move into the 21st century and the United States to remain a leader in the area of mineral use.

I urge support of H.R. 3977, as amended.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

The SPEAKER pro tempore. Is there objection to the initial request of the gentleman from West Virginia?

There was no objection.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. RAHALL. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the amendment just concurred in.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

AUTHORIZING PRINTING OF A HISTORY OF THE COMMITTEE ON WAYS AND MEANS

Mr. JONES of Tennessee. Mr. Speaker, I ask unanimous consent that the Committee on House Administration be discharged from further consideration of the concurrent resolution (H. Con. Res. 350) authorizing the printing of a history of the Committee on Ways and Means, and ask for its immediate consideration in the House.

The Clerk read the title of the concurrent resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Tennessee?

Mr. FRENZEL. Reserving the right to object, Mr. Speaker, I yield to the distinguished gentleman from Tennessee to explain the resolution.

Mr. JONES of Tennessee. Mr. Speaker, I thank my colleague for yielding. This resolution authorizes the printing of a history of the Committtee on Ways and Means, which will celebrate the 100th anniversary of its creation of July 24, 1989. If the gentleman will withdraw his reservation, I have an amendment at the desk which makes no substantial changes to the resolution. The amendment simply makes some technical and grammatical changes.

Mr. FRENZEL. Further reserving the right to object, Mr. Speaker, I agree with the gentleman's explanation. I support his amendment and ultimate passage, and I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

The Clerk read the concurrent resolution, as follows:

H. CON. RES. 350

Resolved by the House of Representatives (the Senate concurring), That there shall be printed, for the use of the Committee on Ways and Means of the House of Representatives, 7,500 copies of a history of the Committee on Ways and Means which shall be prepared under the supervision of the Committee on Ways and Means. Such history shall be printed with illustrations and suitable binding.

AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. JONES OF TENNESSEE

Mr. JONES of Tennessee. Mr. Chairman, I offer an amendment in the nature of a substitute.

The Clerk read as follows:

Amendment in the nature of a substitute offered by Mr. JONES of Tennessee: Strike out all after the resolving clause and insert in lieu thereof the following:

That a bicentennial history of the Committee on Ways and Means of the House of Representatives, commemorating the creation of that committee on July 24, 1789, shall be printed as a House document, with illustrations and suitable binding. The document shall be prepared under the supervision of the Committee on Ways and Means.

SEC. 2. In addition to the usual number, 7,500 copies of the document, of which 1,500 copies shall be casebound, shall be printed for the use of the Committee on Ways and Means.

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Mr. JONES of Tennessee (during the reading). Mr. Speaker, I ask unanimous consent that the amendment in the nature of a substitute be considered as read and printed in the RECORD.

The SPEAKER pro tempore (Mr. STENHOLM). Is there objection to the request of the gentleman from Tennessee?

There was no objection.

The SPEAKER pro tempore. The question is on the amendment in the nature of a substitute offered by the gentleman from Tennessee [Mr. JONES].

The amendment in the nature of a substitute was agreed to.

The SPEAKER pro tempore. The question is on the concurrent resolution.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

PRINTING A REVISED EDITION OF "OUR FLAG"

Mr. JONES of Tennessee. Mr. Speaker, I ask unanimous consent that the Committee on House Administration be discharged from further consideration of the concurrent resolution (H. Con. Res. 361) to print a revised edition of "Our Flag," and ask for its immediate consideration.

The Clerk read the title of the concurrent resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Tennessee?

Mr. FRENZEL. Mr. Speaker, reserving the right to object, I yield to the distinguished gentleman from Tennessee [Mr. JONES].

Mr. JONES of Tennessee. Mr. Speaker, I thank the gentleman for yielding.

This resolution authorizes the printing of a revised edition of the booklet "Our Flag."

If the gentleman will withdraw his reservation, I also have an amendment to this resolution which has no substantial changes. It simply makes technical and grammatical corrections.

Mr. FRENZEL. Mr. Speaker, further reserving the right to object, no Member in his right mind would object to the printing of the booklet "Our Flag," and we are not intending to embarrass any other candidate by the printing of this, and I support the amendment which the gentleman will shortly offer. I support the passage of the bill.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

The Clerk read the concurrent resolution, as follows:

H. CON. RES. 361

Resolved by the House of Representatives (the Senate concurring), That there be printed as a House document a revised edition of "Our Flag", revised under the direction of the Joint Committee on Printing.

SEC. 2. In addition to the usual number of copies, there shall be printed two hundred and seventy-eight thousand additional copies, of which two hundred and twenty-one thousand five hundred copies shall be for the use of the House of Representatives, fifty-one thousand five hundred copies shall be for the use of the Senate, and five thousand copies shall be for the use of the Joint Committee on Printing.

AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. JONES OF TENNESSEE

Mr. JONES of Tennessee. Mr. Speaker, I offer an amendment in the nature of a substitute.

The Clerk read as follows:

Amendment in the nature of a substitute offered by Mr. JONES of Tennessee: Strike out all after the resolving clause and insert in lieu thereof the following:

That the booklet entitled "Our Flag", as revised under the direction of the Joint Committee on Printing, shall be printed as a House document. In addition to the usual number, 278,000 copies of the document shall be printed, of which 221,500 copies shall be for the use of the House of Representatives, 51,500 copies shall be for the use of the Senate, and 5,000 copies shall be for the use of the Joint Committee on Printing.

Mr. JONES of Tennessee (during the reading). Mr. Speaker, I ask unanimous consent that the amendment in the nature of a substitute be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

The SPEAKER pro tempore. The question is on the amendment in the nature of a substitute offered by the gentleman from Tennessee [Mr. JONES].

The amendment in the nature of a substitute was agreed to.

The SPEAKER pro tempore. The question is on the concurrent resolution.

The concurrent resolution was agreed to.

TITLE AMENDMENT OFFERED BY MR. JONES OF TENNESSEE

Mr. JONES of Tennessee. Mr. Speaker, I offer an amendment to the title.

The Clerk read as follows:

Title amendment offered by Mr. JONES of Tennessee: Amend the title so as to read: "Concurrent resolution authorizing the printing of the booklet entitled 'Our Flag'."

The title amendment was agreed to.

A motion to reconsider was laid on the table.

AUTHORIZING PRINTING OF BOOKLET ENTITLED "BLACK AMERICANS IN CONGRESS"

Mr. JONES of Tennessee. Mr. Speaker, I ask unanimous consent that the Committee on House Administration be discharged from further consideration of the concurrent resolution (H. Con. Res. 367) authorizing printing of the booklet entitled "Black Americans in Congress," and ask for its immediate consideration.

The Clerk read the title of the concurrent resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Tennessee?

Mr. FRENZEL. Mr. Speaker, reserving the right to object, I yield to the distinguished gentleman from Tennessee [Mr. JONES].

Mr. JONES of Tennessee. Mr. Speaker, I thank the gentleman for yielding.

This resolution authorizes the printing of the booklet entitled "Black Americans in Congress."

Mr. FRENZEL. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

The Clerk read the concurrent resolution, as follows:

H. CON. RES. 367

Resolved by the House of Representatives (the Senate concurring), That the booklet entitled "Black Americans in Congress" (as revised by the Office for the Bicentennial of the House of Representatives) shall be printed as a House document, with illustrations and suitable binding. In addition to the usual number, five thousand copies of such booklet shall be printed for the use of the Office for the Bicentennial of the House of Representatives.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

AUTHORIZING PRINTING OF BOOKLET ENTITLED "WOMEN IN CONGRESS"

Mr. JONES of Tennessee. Mr. Speaker, I ask unanimous consent that the Committee on House Administration be discharged from further consideration of the concurrent resolution (H. Con. Res. 368) authorizing printing of the booklet entitled "Women in Congress," and ask for its immediate consideration.

The Clerk read the title of the concurrent resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Tennessee?

Mr. FRENZEL. Mr. Speaker, reserving the right to object, I yield to the distinguished gentleman from Tennessee [Mr. JONES].

Mr. JONES of Tennessee. Mr. Speaker, I thank my distinguished friend, the gentleman from Minnesota [Mr. FRENZEL] for yielding.

Mr. Speaker, this resolution authorizes the printing of the booklet entitled "Women in Congress."

Mr. FRENZEL. Mr. Speaker, further reserving the right to object, the minority supports the motion and hopes that it will be promptly passed.

Mr. Speaker, I personally connot let this moment go by without reminding this body that this may be the last printing resolution brought to us by the distinguished subcommittee chairman, the gentleman from Tennessee [Mr. JONES], who will be retiring this year after a number of years of distinguished service in this body.

Those of us who have served with him are more aware of his dedicated commitment and service and of his abilities than perhaps those who only see what he does from afar. At this point I would like to express my gratitude to him for his wonderful service, for his many courtesies to me and for being an excellent subcommittee chairman.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

The Clerk read the concurrent resolution, as follows:

H. CON. RES. 368

Resolved by the House of Representatives (the Senate concurring), That the booklet entitled "Women in Congress" (prepared by the Office for the Bicentennial of the House of Representatives) shall be printed as a House document, with illustrations and suitable binding. In addition to the usual number, five thousand copies of such booklet shall be printed for the use of the Office for the Bicentennial of the House of Representatives.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

AUTHORIZING USE OF ROTUNDA OF U.S. CAPITOL ON JANUARY 20, 1989, IN CONNECTION WITH INAUGURATION CEREMONIES

Ms. OAKAR. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate concurrent resolution (S. Con. Res. 141) authorizing the rotunda of the U.S. Capitol to be used on January 20, 1989, in connection with the proceedings and ceremonies for the inauguration of the President-elect and the Vice President-elect of the United States, and ask for its immediate consideration.

The Clerk read the title of the Senate concurrent resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Ohio?

Mr. FRENZEL. Mr. Speaker, reserving the right to object, I yield to the distinguished gentlewoman from Ohio [Ms. OAKAR].

Ms. OAKAR. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, Senate Concurrent Resolution 141 authorizes the use of the rotunda of the U.S. Capitol on January 20, 1989, in connection with the proceedings and ceremonies for the inauguration of the President-elect and Vice President-elect of the United States of America. This resolution will ensure that in case of emergency or inclement weather, as was the case in the last inauguration, on Inauguration Day, the rotunda of the Capitol would be available for the swearing-in of the President-elect and the Vice President-elect.

Mr. FRENZEL. Mr. Speaker, further reserving the right to object, the minority does not intend to invite Hurricane Gilbert or King Boreas to the next inauguaration, but we realize that one or the other may appear.

We support the passage of the bill.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

The Clerk read the Senate concurrent resolution, as follows:

S. CON. RES. 141

Resolved by the Senate (the House of Representatives concurring), That the rotunda of the United States Capitol is hereby authorized to be used on January 20, 1989, by the Joint Congressional Committee on Inaugural Ceremonies in connection with the proceedings and ceremonies conducted for the inauguration of the President-elect and the Vice President-elect of the United States. Such Committee is authorized to utilize appropriate equipment and the services of appropriate personnel of departments and agencies of the Federal Government, under arrangements between such Committee and the heads of such departments and agencies, in connection with such proceedings and ceremonies.

The Senate concurrent resolution was concurred in.

A motion to reconsider was laid on the table.

AUTHORIZING INDIAN AMERICAN FORUM FOR POLITICAL EDUCATION TO ESTABLISH A MEMORIAL TO MAHATMA GANDHI

Ms. OAKAR. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 3455) to authorize the Indian American Forum for Political Education to establish a memorial to Mahatma Gandhi in the District of Columbia, and ask for its immediate consideration.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Ohio?

Mr. FRENZEL. Mr. Speaker, reserving the right to object, I yield to the distinguished gentlewoman from Ohio [Ms. OAKAR].

Ms. OAKAR. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, H.R. 3455 was originally introduced by my colleague, the gentleman from California [Mr. DYMALLY].

Mr. Speaker, H.R. 3455, as amended in the nature of a substitute, authorizes the Indian American Forum for

Political Education to establish a memorial on Federal land in the District of Columbia or its environs to honor Mahatma Gandhi.

Forty years after his tragic death, people around the globe continue to be inspired by Gandhi's use of nonviolent means to achieve peace and justice. His own teachings and beliefs remain universal symbols of dignity, compassion, justice, and peace for people from all walks of life and every ethnic background. The civil rights movement of the 1960's, headed by Dr. Martin Luther King, used nonviolence as its motivating force.

Congress has recognized Gandhi's contributions in the past. In 1949, a memorial to Mahatma Gandhi was authorized by the 81st Congress. However, sufficient funds were not raised for the memorial and the authorization lapsed.

Mr. Speaker, the amendment in the nature of a substitute makes it clear that this memorial will be established in full compliance with the Commemorative Works Act. The United States will not pay any expense for the establishment of this memorial.

I would like to commend my colleague from California, MERVYN DYMALLY, for introducing this legislation.

Mr. DYMALLY. Mr. Speaker, I would like to extend my warmest appreciation for the gentlelady from Ohio, chairwoman of the Subcommittee on Libraries and Memorials for her diligent work on H.R. 3455, a most important and symbolic bill which seeks to reauthorize the establishment of a memorial to Mohandas Gandhi in the District of Columbia. As you know, a previous authorization had been agreed to by the 81st Congress, back in 1949. At that time, the relatively new Indian-American community was unable to raise funds for the statue's construction prior to the expiration of that authorization. On this occasion, Congress seeks to reinvest the responsibility of building the memorial to the Indian American Forum for Political Education, a tax-exempt national organization founded for the sole purpose of assisting American citizens and residents of Asian-Indian origin in understanding our political process. In addition to this, the forum is committed to raising the necessary private funds for building the memorial so that no expense will be incurred by U.S. taxpayers. Mr. Speaker, at the time when Congress decided to send a powerful message in support of Mahatma Gandhi and his renowned pacifism, by authorizing the statue back in 1949, the Indian-American community numbered less than 10,000. Since then, the Indian-American community has grown to a considerable size estimated at over 600,000 people.

Although Gandhi was not a native American, his legacy and contribution to world peace, has touched upon the lives of many groups. Perhaps, the most compelling replica of those who adopted the ideals and principles of nonviolence during periods of great social change occurred during the civil rights movement and antiwar demonstrations in the United States. As George C. Marshall once said, "Mahatma Gandhi was a spokesman for the conscience of all mankind." Indeed, he is a major figure symbolizing peace in this century and rightly so deserves a memorial, both for his ideas of nonviolence and for his courageous translation of these ideas into action. Gandhi was deeply inspired by Henry David Thoreau's "Civil Disobedience," the Bible, specifically the Sermon on the Mount, and the works of Ralph Waldo Emerson. These provided the basis of Gandhi's philosophy on nonviolence. As I pointed out earlier, Gandhi's legacy influenced us during the sixties in the peaceful execution of a powerful civil rights movement. As Martin Luther King, Jr., so aptly said, ". . . if humanity is to progress, Gandhi is inescapable. We may ignore him at our own risk."

Mr. Speaker, as you can see from the long list of cosponsors of this bill, this is an issue that enjoys bipartisan support in Congress and public interest throughout the United States. Mr. Speaker, I would like to end by saying that the Gandhi memorial is very important to our children and future generations in understanding and appreciating the great legacy of this man. At a time when ethnic strife is rampant in many parts of the world, and nations continue to spend significant amounts of their wealth on armaments, the preservation of Gandhi's spirit and message has become a mandate of the people and continues to be of utmost importance to those who choose peace over violence.

In conclusion, I quote Dr. Martin Luther King:

> After reading Rauschenbusch I turned to a serious study of the social and ethical theories of the great philosophers. During this period I had almost desparied of the power of love in solving social problems. The "turn the other cheek" philosophy and the "love your enemies" philosphy are only valid, I felt, when individuals are in conflict with other individuals; when racial groups and nations are in conflict a more realistic approach is necessary. Then I came upon the life and teachings of Mahatma Gandhi. As I read his works I became deeply fascinated by his campaigns of nonviolent resistance. The whole Gandhian concept of satyagraha (saya is truth which equals love, and graha is force; satyagraha thus means truth-force or love-force) was profoundly significant to me. As I delved deeper into the philosophy of Gandhi my skepticism concerning the power of love gradually diminished, and I came to see for the first time that the Christian doctrine of love operating through the Gandhian method of nonviolence was one of the most potent weapons available to oppressed people in their struggle for freedom. At this time, however, I had a merely intellectual understanding and appreciation of the position, with no firm determination to organize it in a socially effective situation.

Mr. FRENZEL. Mr. Speaker, further reserving the right to object, the minority, not wanting to be left out in the pursuit of peace, hope, and justice, applauds the bill and hopes that it is promptly passed.

Mr. Speaker, further reserving the right to object, I yield to the ranking member of the Committee on Foreign Affairs, the gentleman from Michigan [Mr. BROOMFIELD].

Mr. BROOMFIELD. Mr. Speaker, I offer my strong support for the bill before us. As an original cosponsor of H.R. 3455, I believe we have a great opportunity to commemorate a man whose life continues to inspire people around the world. This bill would also show the growing Indian community in the United States that 20th-century America can remain true to the ideas and ideals of its European settlers, and at the same time be receptive to the people and traditions of the world's other great cultures.

Mahatma Gandhi's ideas and passions grew out of his upbringing in India, but they also resonate around the world. He was one of the two or three most powerful figures of the 20th century. His power rested not on his ability to lead great armies or build great enterprises, but on his personal probity, his moral vision, and his dedicated and active patriotism. He was a man who put his entire life, mind, and soul, at the service of his ideals—and at the service of mankind.

Americans should be proud to have this opportunity to commemorate his life and achievements. I am sure that those most appreciative of this commemoration will be the small but active Indian community in the United States. There are only 600,000 Indians in this country today. But many of them are highly skilled professionals—doctors, teachers and scientific researchers. Indians are few in number here, but they are great in the impact they are having on America's future.

Every time I visit a college or university campus I never fail to be impressed with how many Indians are represented on the faculty and student body, all of them contributing to the intellectual life of America and the world.

This official commemoration has its strongest advocates among Gandhi's admirers in the Indian-American community, particularly the Indian American Forum for Political Education. But Americans of all backgrounds should be appreciative as well. I'd like to think that Gandhi's life of moral integrity, of tolerance and concern for all men and women is a legacy that will speak to all mankind through all generations.

Mr. ROE. Mr. Speaker, I rise today to add my voice to the voices of my colleagues who are strong supporters of H.R. 3455, legislation to authorize the Indian American Forum for Political Education to establish a memorial on Federal land in the District of Columbia or its environs to honor Mahatma Gandhi.

Mr. Speaker, I am among those cosponsoring this important legislation because I believe it is important that we have an everlasting reminder of Gandhi the man, his historic accomplishments, and the peaceful means he used to achieve those historic accomplishments. At a time when we are living in an especially turbulent world fraught with violence, this memorial will be an extremely important reminder to nations around the globe of how much can be accomplished through peace instead of war, through respect for life and human dignity instead of bloodletting.

It was the example set by Mahatma Gandhi which formed the groundwork for the American civil rights movement, and which can now send a message everywhere that there are viable alternatives to violence available to nations worldwide as they seek to fulfill their own destinies and move toward their own self-determination.

Toward this end, I offer my strongest support to H.R. 3455, and urge my colleagues to do the same.

Mr. MFUME. Mr. Speaker, I rise to give my unequivocal support for H.R. 3455, a bill to establish a memorial to Mohandas K. Ghandi in the District of Columbia. Mahatma, or "Great Soul," is the name that was duly bestowed upon Mohandas K. Ghandi for his selfless dedication to the Indian people, international peace and all of humankind.

The entire free world is greatly indebted to this man, whom I believe to be the father of modern day pacifism. Mahatma Ghandi's epic nonviolent struggle showed the world that faith, hope, and love can surely topple colonial oppression and exploitation.

Mahatma Ghandi's civil disobedience philosophy was deeply inspired by the works of Henry David Thoreau and Ralph Waldo Emerson. Ghandi's personal conviction to Hindu spiritualism and his belief in the power of absolute truth, galvanized the masses of the Indian population in South Africa and in India to adopt the Mahatma's peaceful technique of satyagraha, which enabled the people to hold on to their principles of freedom, and refrain from violent reactionary encounters with the repressive authorities.

Mr. Speaker, Mahatma Ghandi's nonviolent philosophy for social change had a monumental effect on America's civil rights movement of the 1950's and 1960's. The Reverend Dr. Martin Luther King, Jr., fashioned his nonviolent campaign on the model provided to him by Mahatma Ghandi. Dr. King and the many courageous civil rights leaders, forced the defiant South to fulfill its obligation to all of America's citizens regardless of their race, religion, creed, national origin, sex, or color.

During this difficult period the United States and the rest of the world looked on in horror as the civil rights demonstrators were beaten with clubs, attacked by dogs, and doused with fire hoses, without ever returning a single retaliatory blow in anger. African-Americans, Jewish-Americans, and other freedom loving Americans showed this Nation that a society's attitude and anger can be changed and subdued via nonviolent means.

In closing, Mr. Speaker, the world is indeed a better place because one man decided to take a principled and moral stance against thuggery and brutality, and chose to lead his people and all of mankind down a disciplined road toward reconciliation and peace.

As Dr. King himself said of Mr. Ghandi, "If humanity is to progress, Ghandi is inescapable—we may ignore him at our own risk."

Mr. FRENZEL. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

The Clerk read the bill, as follows:

H.R. 3455

Be it enacted by the Senate and House of Representatives of the United State of America in Congress assembled,

SECTION 1. AUTHORITY TO ESTABLISH MEMORIAL.

(a) IN GENERAL.—

(1) Subject to subsection (b), the Indian American Forum for Political Education is authorized to establish a memorial to Mahatma Gandhi in the District of Columbia and its environs in accordance with the Act entitled "An Act to provide standards for placement of commemorative works on certain Federal lands in the District of Columbia and its environs, and for other purposes", approved November 14, 1986 (40 U.S.C. 1001, et. seq.).

(2) For purposes of paragraph (1), the term 'the District of Columbia and its environs' has the meaning given to such term by section 2(e) of such Act.

(b) NO EXPENSE TO THE UNITED STATES.—The United States shall not pay any expense of the establishment of the memorial under subsection (a).

COMMITTEE AMENDMENT IN THE NATURE OF A SUBSTITUTE

The SPEAKER pro tempore. The Clerk will report the committee amendment in the nature of a substitute.

The Clerk read as follows:

Committee Amendment in the nature of a substitute: Strike out all after the enacting clause and insert in lieu thereof the following:

SECTION 1. ESTABLISHMENT OF MEMORIAL.

(a) IN GENERAL.—The Indian American Forum for Political Education is authorized to establish a memorial on Federal land in the District of Columbia or its environs to honor Mahatma Gandhi.

(b) COMPLIANCE WITH STANDARDS FOR COMMEMORATIVE WORKS.—The establishment of the memorial shall be in accordance with the Act entitled "An Act to provide standards for placement of commemorative works on certain Federal lands in the District of Columbia and its environs, and for other purposes", approved November 14, 1986 (40 U.S.C. 1001 et seq.).

SEC. 2. PAYMENT OF EXPENSES.

The United States shall not pay any expense of the establishment of the memorial.

Ms. OAKAR (during the reading). Mr. Speaker, I ask unanimous consent that the committee amendment in the nature of a substitute be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

The SPEAKER pro tempore. The question is on the committee amendment in the nature of a substitute.

Ms. OAKAR. Mr. Speaker, the amendment in the nature of a substitute is technical in nature and makes it clear that this memorial will be established in full compliance with the Commemorative Works Act, an act that the gentleman from Minnesota [Mr. FRENZEL] and the gentleman from Minnesota [Mr. VENTO] and I and others worked very hard on.

The United States will not pay any of the expenses for the establishment of this memorial, and it is simply a passing on of the Federal land which will be designated in the future.

The committee amendment in the nature of a substitute was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title of the bill was amended, so as to read: "A bill to authorize the Indian American Forum for Political Education to establish a memorial on Federal land in the District of Columbia or its environs to honor Mahatma Gandhi."

A motion to reconsider was laid on the table.

AUTHORIZING VIETNAM WOMEN'S MEMORIAL PROJECT, INC., TO CONSTRUCT A STATUE AT THE VIETNAM VETERANS' MEMORIAL

Ms. OAKAR. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 2042) to authorize the Vietnam Women's Memorial Project, Inc., to construct a statue at the Vietnam Veterans' Memorial in honor and recognition of the women of the United States who served in the Vietnam conflict, and ask for its immediate consideration.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Ohio?

Mr. FRENZEL. Mr. Speaker, reserving the right to object, I yield to the distinguished gentlewoman from Ohio to explain the bill which she has worked so hard on.

Ms. OAKAR. Mr. Speaker, S. 2042, as amended in the nature of a substitute, authorizes the Vietnam Women's Memorial Project, Inc., to establish a memorial on Federal land in the District of Columbia or its environs to honor women of the Armed Forces of the United States who served in the Republic of Vietnam during the Vietnam era.

To commemorate the dedication and sacrifice that so many women offered our Nation is a noble and worthwhile cause. Over 10,000 women served in Vietnam, and through their efforts, our wounded were nursed back to health, our dying were comforted, and our soldiers' morale was kept high. There is little doubt that the wall of the Vietnam Veterans' Memorial would list thousands of more names if these women had not chosen to serve. Their willingness to aid our Nation in its time of need deserves to be recognized.

However, while seeking to honor those who served, we also have the duty of upholding the Commemorative Works Act of 1986. This law sets forth certain guidelines for the placement of monuments and memorials, and its enforcement is essential to preserving the integrity of the District's landscape.

The amendment in the nature of a substitute makes it clear that this memorial will be established in full compliance with the Commemorative Works Act. It is the sense of Congress that it would be most appropriate for this commemorative to be located within the 2.2 acres surrounding the Vietnam Veterans' Memorial, and this sense is expressed in the legislation. However, in its site and design selection, the group must proceed with the full approval of the National Capital Memorial Commission. The United States shall not pay any expense for the establishment of this memorial.

I am pleased that we have been able to work out a compromise that is acceptable to all those who are involved. I would like to thank my distinguished colleagues, Mr. FRENZEL, Mr. GEJDENSON, and Mr. MONTGOMERY for their hard work in developing this consensus.

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Mr. FRENZEL. Further reserving the right to object, Mr. Speaker, I yield to the distinguished gentleman from Connecticut [Mr. GEJDENSON], who is the principal author and promoter of this bill, and who has given us no peace as it has moved through our committee.

Mr. GEJDENSON. Mr. Speaker, I thank the gentleman, my friend from Minnesota, Mr. FRENZEL, and the gentlewoman from Ohio, Chairman OAKAR, for their yoeman's effort in pulling together both process and goal. The process of how we establish memorials in this area is a critical one, but that process should not be used to thwart the clear will of the people.

I would like to thank the committee staff and the gentlewoman for her great efforts, as well as the gentleman from Mississippi, Mr. MONTGOMERY, and Senator DURENBERGER and Senator CRANSTON for their efforts, but most of all I would like to thank Linda Schwartz of Stonington, CT, a town in my district, who first came to me with this concern. I think as I stand here today seeing the passage of this bill, of the important role the gentlewoman from Ohio has played and the ranking minority members and the Senators, I also think that there is no one more important than the veterans themselves. These women gave this greatest sacrifice as did Linda Schwartz. It is her effort that moved me forward at times when it was difficult. I want to thank her publicly for his great idea and also to take a moment to thank the gentlewoman from Ohio [Ms. OAKAR], chairwoman of this subcommittee, for the great effort she has made in this regard and for the work she is doing for recognition of all women veterans at the Arlington National Cemetery. For so long we have forgotten to pay homage to the women who have made such a great effort in all our wars, from the Revolutionary War on. There comes a time when their recognition is long overdue. This is that time.

I want to thank the gentlewoman from Ohio again for her efforts. I am confident that this bill, once it is signed into law, will retain the basic goal of the women who brought forward this tremendous idea; a statute for women at that site.

I also want to thank the ranking minority member, Mr. FRENZEL, for his diligence and valuable input, who, along with Mr. SWIFT, has made some important comments concerning the scope and purpose of this bill. Specifically, I am referring to the committee's report which emphasizes the desire of the committee—and I believe the 222 Members of this body who cosponsored my original bill—that "every effort be made to implement the original design of the memorial as originally conceived by the Vietnam women's memorial project." The committee also urges that with the addition of this memorial, the Vietnam Memorial will be complete. I am sure my colleagues are aware that my earlier proposals would have ensured that a statute would be placed at an appropriate place on the Vietnam Memorial site. A statute is what the Vietnam women's memorial project has worked for.

However, concerns were raised that the process for approving memorials established in the Commemorative Works Act had not been followed. We responded to these concerns and I am now willing to support the bill as amended by the distinguished chairwoman of the subcommittee because I believe that the intent the original legislation—to place a statue at the Vietnam Memorial—will be implemented. I am confident that when the House approves this piece of legislation today, the remaining authorities involved in this process will, in turn, consider this memorial with objectiveness and integrity and without undue delay.

While we are all aware of the considerable effort that we in Washington have devoted, I would like to read a letter sent to a founder of the Vietnam women's memorial project which demonstrates the strong sentiment that backs this memorial.

DEAR MS. EVANS: Having lost a relative in Vietnam, and my husband and I wear POW bracelets, we had the opportunity to see the moving wall last night. It was very awesome and special. These young men and women gave so much for us, and I thank their sacrifices. * * * My father served in the second world war * * * was wounded and for that he received the purple heart * * * As I look back he gave so much for me his only child to be free. I would like in his memory to donate that medal to be melted down for the women's statue. It would be a lasting memory to him who gave.

This is, of course, only one of thousands of letters which the Vietnam women's memorial project receives, but I believe that it demonstrates that this entire effort would not be possible without the spirit of giving and sacrifice that this project has evoked. While we work to gain recognition for those who have sacrificed their lives, these people continue to sacrifice their time, their money, and their family treasures to make this memorial a reality. I am pleased that we can match their actions by approving this resolution today.

Mr. FRENZEL. Mr. Speaker, further reserving the right to object, I yield to the distinguished gentleman from Mississippi [Mr. MONTGOMERY]. chairman of the Committee on Veterans' Affairs, without whose approbation and enthusiasm nothing of this kind can ever get through the Congress.

Mr. MONTGOMERY. Mr. Speaker, I thank the gentleman from Minnesota [Mr. FRENZEL] for yielding, and I appreciate his very kind remarks.

Mr. Speaker, I rise in strong support of S. 2042 which when enacted would establish a memorial in the District of Columbia to honor women who served in the Armed Forces in the Republic of Vietnam during the Vietnam era.

This legislation would express the sense of the Congress that an appropriate memorial honoring nurses who served in Vietnam be placed on the Vietnam Veterans Memorial site.

I would like to commend the gentlewoman from Ohio, MARY ROSE OAKAR, for her strong support and guidance as chairwoman of the Subcommittee on Libraries and Memorials and the efficient staff.

Her great efforts during the hearing and subsequent subcommittee action on this legislation provided the necessary momentum for this project to gain the recognition it so richly deserves.

I would also like to thank the gentlelady for her outstanding endeavors to acknowledge all veterans who served in our Armed Forces.

I want to thank my distinguished colleague from Illinois, FRANK ANNUNZIO, chairman of the Committee on House Administration and BILL FRENZEL of Minnesota, ranking minority member of the committee for allowing this measure to be brought to the floor for consideration.

Their support is greatly appreciated by myself and the supporters of this legislation.

I would also like to applaud the efforts of SAM GEJDENSON of Connecticut for his strong support of the Vietnam Women's Memorial project.

Mr. Speaker, to place a statue of a woman at the Vietnam War Memorial would give full honor and glory to the more than 10,000 women who so bravely participated in Vietnam.

Through many hardships of battle, these women provided key support and assistance to our troops. I went to Vietnam eight times during the Vietnam conflict and saw the great job women were doing for our Nation, by serving in Vietnam.

Therefore, I strongly believe that a statue or memorial would provide a much needed balance to the existing Vietman Memorial.

I would like to commend the members of the Vietnam Women's Memorial project for organizing a very effective national network of volunteers which showed tremendous interest in recognizing the merits of this legislation.

Mr. Speaker, I would like to stress the importance of placing the statue at the Vietnam War Memorial.

However, I do believe that the Congress should follow the Commemorative Works Act of 1986 (Public Law 99-652), legislation which the gentlelady from Ohio so diligently worked on.

This act requires that certain standards be applied to the placement of memorials on the mall and surrounding areas.

The act requires the Commission of Fine Arts and the National Capital Planning Commission to approve the site and design of any memorial to be placed on the Mall.

I believe the Commemorative Works Act should be followed in the site selection for this particular monument as it indeed has been followed by other recent legislation such as the Vietnam Memorial itself and the Korean War Memorial.

I was pleased by Interior Secretary Hodel's endorsement of the Vietnam Women's Memorial project when it was first suggested.

I was very disappointed with the decision of the Fine Arts Commission not to approve the project, particularly the remark that adding the nurse statue "will have the appearance of an afterthought."

I don't buy that argument.

Mr. Speaker, in my opinion, the most proper place for the nurse statue is on the 2.2 acre site on the Mall.

I think the Fine Arts Commission should understand that Congress feels strongly about this proposed memorial, should keep an open mind while reconsidering their decision and should work with the Vietnam Women's Memorial project to accomplish our goal.

Mr. Speaker, if the decision by the Commission is to uphold its original position, then the Commission can be sure that we will be back before the next Congress in order to bestow homage to these brave women who served our country during a great time of need.

I hope that this will not be necessary and I urge the Fine Arts Commission to come up with a proposal that will satisfy all parties concerned.

I most respectfully urge my colleagues to consider favorably this legislation.

Mr. FRENZEL. Mr. Speaker, further reserving the right to object, I yield to the distinguished gentleman from Alabama [Mr. HARRIS].

Mr. HARRIS. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, it is with deep pride that I rise today in support of Senate Resolution 2042. Earlier this year I testified before the Subcommittee on Libraries and Memorials about my concerns about a very special project, the Vietnam Women's Memorial Project, Inc. This nonprofit organization has been raising funds for the past several years to pay for the commission and establishment of a Vietnam Women's Memorial.

S. 2042 would provide for the establishment of a Vietnam Women's Memorial within the environs of the District of Columbia. I am very pleased to see the deliberations on this bill have been completed. In my home State of Alabama, I have received numerous inquiries about the proposed statue to recognize the valiant efforts made by female veterans during the Vietnam war.

I believe the provisions of this measure will adequately address the concerns of all of the parties involved. I would like to bring to the attention of my colleagues the details of this proposal. First, this bill would preserve the compliance with the standards for Commemorative Works Act, meaning that all parties will be given an opportunity to approve the establishment of the memorial. Second, this legislation will not cost the U.S. Government any funds. Finally, this measure will recommend that the statue be placed somewhere within the present 2.2-acre site of the Vietnam War Memorial.

I believe that this compromise bill represents a viable, reasonable approach to the problem. I am especially pleased that Chairman OAKAR was able to work out this compromise in such a timely manner. I am hopeful that the Senate will act quickly to approve this legislation before adjournment.

Women veterans deserve the admiration and recognition of the America public. I am confident that this statue will both educate our citizens and properly memorialize the effort or these soldiers.

Mr. FRENZEL. Mr. Speaker, further reserving the right to object, I yield to the distinguished gentlewoman from Kansas [Mrs. MEYERS].

Mrs. MEYERS of Kansas. Mr. Speaker, I rise in support of S. 2042, to authorize the construction of a statue at the site of the Vietnam War Memorial in honor of the women who served in the Vietnam war. I am proud to be a cosponsor of H.R. 3628, similar House legislation. This honor is overdue, and much deserved.

Over 10,000 women served in Vietnam during the war. They served in many capacities: Administration; helping maintain the logistical pipeline that supplied our soldiers; communications; and perhaps most importantly, serving in the Medical Corps. The women who served as nurses and medical technicians helped staff a medical service that was the best in military history. A wounded American solider in Vietnam who was still alive when he reached the hospital stood a 90-percent chance of survival. The work of these women was a factor in achieving this amazing record. The planned statue of an Army nurse looking at the Wall is especially appropriate, because it was the work of these women that insured that more names would not be chiseled into that Wall.

This new memorial will complete the effort to honor the Americans who served their country in Vietnam. It will help heal the wounds in this country caused by the war, just as the women memorialized by it helped heal the wounds of the brave soldiers who served.

For women who served in all capacities—I'm proud to support this legislation.

Mr. FRENZEL. Mr. Speaker, further reserving the right to object, I would like to invite the House's attention to the committee report on page 4 pertaining to site and design. The distinguished gentlewoman from Ohio [Ms. OAKAR], chairman of the subcommittee, and I remain wholly devoted to that act which provides for a process by which memorials are approved and their design is approved and they are finally erected and maintained. The subcommittee could not direct under that process where this memorial would go, nor could we direct the style and type of memorial.

However, the subcommittee has spoken strongly in its committee report and has talked to several of the boards whose approval is required. We believe that it is appropriate that the memorial be placed on the 2.2-acre site of the current memorial and, as the distinguished gentlewoman from Ohio has indicated, to be the last possible addition.

Second, we believe that the memorial already selected by the women who have put the group together that is

sponsoring the memorial is a wholly appropriate one, and we hope that it or something very much like it will be accepted.

Mr. Speaker, I hope the bill is promptly passed.

Mrs. BOXER. Mr. Speaker, it is with both immense relief and pleasure that I join my honorable colleagues in support of the establishment of a Vietnam Women's Memorial to be included at the site of the Vietnam Veterans Memorial. It is important that we fulfill our mandate laid out in Public Law 96-297 "to honor and recognize the men and women who served in the armed forces of the United States in the Vietnam War." Only with the addition of the proposed Women's Memorial can we fulfill this mandate and give the public a more complete picture of that conflict.

This truly is a long overdue recognition of the courageous efforts of some 260,000 women who served their country valiantly during the Vietnam era. These women served their country in a variety of capacities in the military and civilian organizations. They included nurses, doctors, the USO, the Red Cross, correspondents, administrators, and others. Nearly all of those women who served volunteered. It is time we paid them the respect that they deserve and need. Although the healing process and readjustment for combat veterans has been assisted through support groups designed to bring fellow veterans together, the women veterans of that conflict have, sadly, often been ignored.

Mr. Speaker, I would like now to call your attention to the recent news release from the National Women's Memorial project, and the cover article of the California Nursing Review, volume 5, No. 5, which graphically describe some of the incredible circumstances under which these women served on a daily basis. The numerous instances of posttraumatic stress disorder that these women have experienced points to their need of recognition, understanding, and assistance. The shameful lack of recognition by the American Government and public to their plight has added to the problems these veterans have experienced in readjusting to civilian life.

Indeed, Mr. Speaker, the Vietnam era saw the youngest group of nurses ever to serve in a conflict; a conflict which distinguished itself by the severity of injuries caused by weapons of mutilation designed to remove as many enemy soldiers from active service as possible. Due to advances in technology, the wounded were transported from the field to hospital quicker than ever before. Hence many of the wounded who arrived for treatment would have died in previous wars. The number and severity of these injuries were handled with skill and professionalism by courageous young nurses.

The women who served in Vietnam were also exposed to greater danger than their predecessors. The nature of guerrilla warfare meant that, in Vietnam, unlike other wars, there were no front lines behind which civilians and hospitals could be protected.

Mr. Speaker, because of their unique circumstance that required extraordinary demands, both emotionally and physically, and the hardships they have endured due to our indifference, we owe them this tribute and much more. Let us show our appreciation now by allowing them to take their rightful place beside the memorial to the men with whom they served so courageously.

Ms. SNOWE. Mr. Speaker, I rise in support of S. 2042, which authorizes the Vietnam Women's Memorial project to establish a memorial in this city to honor the women who served in Vietnam. This legislation is the result of the tireless efforts of the members of the project over the last 4 years, and I would like to take this opportunity to commend them for their dedication.

I would also like to extend my thanks to Congressman GEJENDSEN for introducing the original House bill on this issue, H.R. 3628, which I cosponsored.

Mr. Speaker, the Vietnam Veterans' Memorial has 58,156 names etched into its polished black granite wall. The memorial is dedicated "to honor the men and women of the Armed Forces of the United States who served in the Vietnam war." That is why, among the 58,156 names are those of the eight servicewomen who died in Vietnam. It is appropriate that these women are listed beside the men with whom they served.

The memorial, however, exists not only to honor those who died. It exists to honor all who served in Vietnam, men and women alike. The statue of the three soldiers whose gaze falls upon the Wall movingly symbolize this. But it should be made complete; with the statue of a woman gazing at the names of her fallen comrades, and those who come to pay tribute to them.

In 1982, with the dedication of the Vietnam Veterans' Memorial, the long overdue homecoming was held for the men who served in Vietnam. By passing this legislation, we will be extending that same welcome home to the estimated 10,000 women who served in Vietnam, as well.

I urge my colleagues to join me in support of S. 2042.

Ms. PELOSI. Mr. Speaker, today I rise in support of Representative OAKAR'S amendment to S. 2042 authorizing the Vietnam Women's Memorial project. Throughout consideration of this legislation, a number of concerns about maintaining the esthetic integrity of the Vietnam Veterans Memorial have been raised. This amendment addresses these concerns by allowing flexibility in the design and location of the Women's Memorial. This memorial will honor the valiant women who served our country during the strife of the Vietnam war.

Approximately 10,000 women answered the call of duty and served in the Vietnam war; the United States had women serving in the Army, Air Force, Navy, and Marine Corps. A majority of the women serving in Vietnam were nurses who provided emergency care to our soldiers. Other American women also served in Vietnam attached to the American Embassy, as participants in the U.S. military civilian work force, as Foreign Service Officers, administrative personnel, librarians, and Red Cross and USO volunteers. All of these women experienced the pain and suffering of the war.

It is time we recognize these women and thank them for their courageous deeds, for their willingness to serve our country, and for their dedication. I believe the Women's Vietnam Memorial would be an appropriate and a long overdue thank you to the many women Vietnam veterans. I urge my colleagues to support Congresswoman OAKAR'S amendment and express their appreciation to these women.

Mr. DONNELLY. Mr. Speaker, I rise today in support of H.R. 3628, legislation which would establish a statue in honor of those women of the U.S. Armed Forces who served in the Vietnam war.

I would like to first thank Congresswoman OAKAR for providing my colleagues and I with this opportunity to show our support for this important bill. I would also like to commend her and the other members of the Subcommittee on Libraries and Memorials for their fine efforts on this legislation.

We are all aware of the dreadful toll that the Vietnam war took on this country, both in the number of young men and women killed, wounded, or listed as missing, and in the way we look at ourselves as a nation. The Vietnam war tore at the moral fabric of this country, and it left scars on all of us.

But it is the men and women who served in Vietnam, many of whom never came home, and their families, who bear the deepest scars. While the controversy that surrounded that war made many of us forget the courage of those young people, in time we came to realize that our questions about the war could not diminish the bravery and sacrifice of these men and women. With that understanding came a further realization of the needs, both physical and emotional, of these returning veterans and their families. We set out to repay out debt, and to express our gratitude for the sacrifices they made for our country.

Today, the Vietnam Memorial honors those Americans who returned from Vietnam, and stands as a moving reminder of those who did not. The memorial is a tangible statement of this country's recognition of the efforts and sacrifices made by these brave Americans. Few who have been to the Vietnam Memorial are unmoved by its stark beauty and deep symbolic significance.

Vietnam veterans are quick to point out the tremendous importance of the monument in helping them to readjust to life in this country. The monument's popularity has at last made veterans feel accepted in a country which initially rejected them, and helped them to better understand their own feelings about the war. Through the monument, veterans have rediscovered their won worth, and know that their sacrifices will be remembered.

One group of Vietnam veterans remains excluded from this acknowlegement. The women veterans of the Vietnam war still await recognition by the people of this country. While the men who served with them are loud in their praises, most Americans are largely unaware of the important contributions made by these brave women.

Some 10,000 women, both civilians and active duty personnel, were stationed in Vietnam during the war. Ninety percent of these were nurses, many of whom served at or near the front. Women also served as doctors, officers, administrators, and volunteers in all branches of the service, the Red Cross, and a

variety of other agencies. More than 250,000 women were involved in the war either here or overseas.

As a nation, it is important for us to honor these courageous women, so many of whom were devoted to caring for the wounded. Each day they were witnesses to the horrors of war, and suffered extremes of stress, fatigue, and disease. Yet through these and innumerable other hardships they remained dedicated to their task, and it is largely through their efforts that the list of names on the Vietnam Memorial isn't longer. But the contributions of these women go far beyond mere numbers. They gave a tremendous boost to the morale not only of the wounded, but to all our men overseas. It is fitting that the women who served so bravely and who touched the lives of so many of these young men should be honored alongside their comrades-in-arms.

Many share this view with me. A majority of my colleagues in the House have joined me in cosponsoring H.R. 3628. The Senate is expected to be unanimous in its support for its version of this legislation when it comes up for a vote sometime in the next week. Finally, the Women's Memorial project has the support of every major veterans group in the country, including the American Legion, the Disabled American Veterans, the Veterans of Foreign Wars, and the Vietnam Veterans of America.

Mr. Speaker, I would like to again commend Congresswoman OAKAR and the other members of her subcommittee for their efforts on this important issue. America's recognition of the sacrifices of the women veterans of Vietnam is long overdue, and I urge my colleagues both here and in the Senate to act quickly in approving this legislation honoring these brave women. Thank you.

Mr. ROE. Mr. Speaker, I rise in strongest support of S. 2042, legislation authorizing the establishment of a memorial to honor the women of the Armed Forces who served during the Vietnam war. I believe that recognition for the great sacrifice and service of American women who served in Vietnam is not only deserved, but past due. Indeed, their contribution cannot be overstated. It is for this reason that I am a cosponsor of this important legislation.

I believe the site of the current Vietnam Veterans' Memorial is the most fitting place for a memorial to the women who served in Vietnam. For far too long, women's contributions to saving American lives in Vietnam have gone unrecognized. There are thousands of fewer names on the Wall memorial today as a result of the nursing efforts of American women in Vietnam.

Women performed their duties with heroism and, like their male counterparts, came back to a country that did not understand their experience. America, as a nation, has made great strides in recent years to make up for the long period of mistreatment and underappreciation of male Vietnam veterans. I feel that the Vietnam Women's Memorial will accomplish the same goal for American women veterans.

I urge my colleagues to give their strong support to this long overdue legislation.

Mr. HAMMERSCHMIDT. I rise in support of the amendment in the nature of a substitute to, Senate bill 2042, concerning the Vietnam Women's Memorial project.

As the former ranking member of the House Veterans' Affairs Committee, I wish to express my sincere appreciation to Congresswoman MARY ROSE OAKAR, Congressman BILL FRENZEL, and many others who have earned our Nation's gratitude for their diligence in this endeavor.

Women veterans who served in Vietnam made valiant contributions to the efforts there, and they richly deserve lasting recognition by all of our citizens.

Mr. Speaker, Congressman SAM GEJDENSON said it best, "There are thousands fewer names carved into the Wall of the Vietnam Memorial today as a result of the nursing efforts of American women in Vietnam."

It is of utmost importance that we continue to recognize the contributions of the American women who served in Vietnam.

A memorial dedicated to these courageous women is a fitting way for current and future American generations to pay their tribute.

Mr. RINALDO. Mr. Speaker, I am pleased to join with my colleagues in expressing support for S. 2042, a bill authorizing the Vietnam women's memorial project to establish a memorial in the District of Columbia to honor women of the Armed Forces who served in Vietnam during that war.

There is no question this honor is merited, and it is unfortunate that it has taken until now for us to recognize the tremendous contributions our Nation's women made in this conflict.

They were no less courageous, no less willing to serve their Nation, and they have earned the right to be recognized by our Nation's citizens.

I am a cosponsor of legislation introduced in the House accomplishing this goal, and I urge my colleagues to join me in assuring swift enactment of this bill.

I commend the women, from all walks of life and from every region of the country, who served during the Vietnam war, and I salute them for their leadership.

Mr. RAHALL. Mr. Speaker, I am very pleased today to express my support of the Vietnam Women's Memorial. War creates many casualties, both direct and indirect. The casualties from the Vietnam war may well stand out in the annals of history as the most confusing and unjustifiable. Those direct casualties—the lives of so many young men and women—will live on in the memories of friends and families. But the indirect casualties—the survivors of the conflict—will wrestle daily with the nightmares and trauma of so much wasted youth.

This memorial is obviously a great victory for the women who served in Vietnam, as it will stand as a constant reminder of their brave service. But it is also a victory for their male comrades who depended on their comfort, courage, and skill. The Vietnam Women's Memorial will stand as another distinct reminder of all men and women who suffered and all those who continue to suffer from that senseless war.

Mr. Speaker, I commend my distinguished colleague, Chairwoman OAKAR, for her diligence and effort on behalf of the Vietnam Women's Memorial and am very happy to rise in strong support of the bill.

Mr. DAVIS of Illinois. Mr. Speaker, I am proud to be a veteran of the United States Armed Forces, and I am proud to have this opportunity to rise in support of S. 2042, honoring some 10 thousand women veterans who served in the combat theater of operations in Vietnam.

It is important for all of us to remember that it was both women and men who made up the over 2½ million Americans who left our Nation's shores to carry the ideals of our country to Vietnam. It is important for all of us to remember that the names of both women and men are etched into the black wall of the Vietnam Veterans Memorial to honor those who lost their lives. It is, indeed, important for us all to remember this.

This legislation, S. 2042, authorizes the Vietnam Women's Memorial Project, Inc. to establish a memorial to honor the women of the Armed Forces who served in Vietnam. This memorial is a tribute long overdue. As well as being a tribute, though, it will help us all remember now and in the years to come.

Just as every American veteran has, the women who served in Vietnam have earned our tribute and our remembrance. This memorial will be a symbol of our thanks, and a promise of our commitment to the American ideals for which these women served, and for which brave women and men stand ready to defend today.

The reward * * * and the suffering * * * of loyalty, service and sacrifice knows no gender, race, nor religion. Let honor be given where honor is due; and great honor is due to all of those who have answered our Nation's call and "have borne the battle."

Mr. FRENZEL. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore (Mr. STENHOLM). Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 2042

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. AUTHORITY FOR CONSTRUCTION OF A STATUE HONORING WOMEN WHO SERVED IN THE VIETNAM CONFLICT.—(a) Subject to subsections (b) and (c), the Vietnam Women's Memorial Project, Inc., a nonprofit corporation authorized to operate in the District of Columbia, is authorized to construct a statue of a woman Vietnam veteran on public grounds within the 2.2 acre Vietnam Veterans Memorial site in the District of Columbia in honor and recognition of the women of the United States who served in the Vietnam conflict.

(b)(1) The Secretary of the Interior (hereinafter referred to as the "Secretary"), in consultation with the Vietnam Women's Memorial Project, Inc., and the Veterans' Memorial Fund, Inc., is authorized and directed to select, with the approval of the Commission of Fine Arts and the National Capital Planning Commission, a suitable site for the statue within the 2.2 acre Vietnam Veterans Memorial site in the District of Columbia.

(2) The design and plans for the statue shall be subject to the approval of the Secretary, the Commission of Fine Arts and the National Capital Planning Commission. Not later than thirty days after the submission of the design and plans to the Secretary, the Secretary shall decide whether or not to approve the design and plans and, if the Secretary approves them or takes no action to approve or disapprove them (in which case his approval shall be deemed to have been given), shall submit the design and plans to each of the Commissions forthwith. If either Commission fails to report its approval of or specific objection to such design and plans within ninety days after the submission of the plans, the approval of the Commission in question shall be deemed to be given.

(3) Neither the United States nor the District of Columbia shall be put to any expense in the construction of the statue.

(c) The authority conferred pursuant to this section shall lapse unless (1) the construction of the statue is commenced within five years from the date of the enactment of this section, and (2) prior to groundbreaking for actual construction on the site, funds are certified available in an amount sufficient in the judgment of the Secretary based upon the approved design and plans for the statue, to ensure completion of the construction of the statute.

(d) The maintenance and care of the statue constructed under the provisions of this section shall be the responsibility of the Secretary.

SEC. 2. It is the sense of the Congress that—

(1) it is most fitting and appropriate that this statue in honor and recognition of the women of the United States who served in the Vietnam conflict be constructed at the site of the Vietnam Veterans Memorial to help complete the process of recognition and healing, for the men and women of the Armed Forces of the United States who served in the Vietnam conflict, that was undertaken with the establishment of the Memorial;

(2) the Secretary and each of the Commissions should, in evaluating the plan and design for the statue, give weighty consideration to the sense of the Congress expressed in this section that a statue of a woman Vietnam veteran should be constructed at the Vietnam Veterans Memorial site; and

(3) after the addition of a statue of a woman Vietnam veteran, the Vietnam Veterans Memorial will be complete, and no further additions or alterations to the site shall be authorized or undertaken.

SEC. 3. (a) Not later than ninety days after the date of enactment of this Act, the Secretary and the Administrator of the General Services Administration shall jointly prepare and transmit to the Energy and Natural Resources Committee of the Senate and the Committees on Interior and Insular Affairs and House Administration of the House of Representatives, a list and a description of those commemorative works which have been completed and are located in the District of Columbia and its environs. The Secretary and the Administrator shall update the list from time to time as new commemorative works are completed and transmit such an updated list to the Committees.

(b) No significant modification to any completed commemorative work located in the District of Columbia and its environs may be undertaken unless specifically authorized by Act of Congress.

(c) As used in this section, the terms "commemorative work" and "District of Columbia and its environs" have the same meanings as provided in the Act of November 14, 1986 (40 U.S.C. 1002).

COMMITTEE AMENDMENT IN THE NATURE OF A SUBSTITUTE

The SPEAKER pro tempore. The Clerk will report the committee amendment in the nature of a substitute.

The Clerk read as follows:

Committee amendment in the nature of a substitute: Strike out all after the enacting clause and insert in lieu thereof the following:

SECTION 1. ESTABLISHMENT OF MEMORIAL.

(a) IN GENERAL.—The Vietnam Women's Memorial Project, Inc. is authorized to establish a memorial on Federal land in the District of Columbia or its environs to honor women who served in the Armed Forces of the United States in the Republic of Vietnam during the Vietnam era.

(b) COMPLIANCE WITH STANDARDS FOR COMMEMORATIVE WORKS.—The establishment of the memorial shall be in accordance with the Act entitled "An Act to provide standards for placement of commemorative works on certain Federal lands in the District of Columbia and its environs, and for other purposes", approved November 14, 1986 (40 U.S.C. 1001 et seq.).

SEC. 2. PAYMENT OF EXPENSES.

The United States shall not pay any expense of the establishment of the memorial.

SEC. 3. SENSE OF THE CONGRESS.

It is the sense of the Congress, with respect to location of the memorial in accordance with the Act referred to in section 1(b), that it would be most fitting and appropriate to place the memorial within the 2.2 acre site of the Vietnam Veterans Memorial in the District of Columbia.

Ms. OAKAR (during the reading). Mr. Speaker, I ask unanimous consent that the committee amendment in the nature of a substitute be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

Ms. OAKAR. Mr. Speaker, the amendment in the nature of a substitute to S. 2042 makes it clear that this memorial will be established in full compliance with the Commemorative Works Act. It is the sense of Congress that it would be most fitting and appropriate for this commemorative to be located within the 2.2 acres surrounding the Vietnam Veterans' Memorial, and this sense is expressed in the legislation. However, in its site and design selection, the project must proceed with the full approval of the National Capital Memorial Commission. The United States will not pay any expense for the establishment of this memorial.

Mr. Speaker, I would like to take this opportunity to commend my colleagues, Mr. SAM GEJDENSON, Mr. SONNY MONTGOMERY, and my distinguished minority chairman, Mr. FRENZEL, for their countless hours of hard work in developing a compromise that was satisfactory to all with respect to this legislation before us today.

□ 1515

It is the sense of Congress that it would be most fitting and appropriate for this commemorative to be located within the 2.2 acres surrounding the Vietnam Veterans' Memorial and that this is the sense that is expressed in the legislation. However, in its site and design selection, the project must proceed with the full approval, which we have every hope of getting, of the National Capital Memorial Commission.

The United States will not pay any expense for the establishment of this memorial.

Mr. Speaker, once again I want to take this opportunity to commend my colleagues, Mr. GEJDENSON, Mr. MONTGOMERY, Mr. HARRIS and certainly my distinguished minority chair, Mr. FRENZEL and his staff and my staff for the countless hours, literally that they put in, in developing this compromise that would make sure that this legislation was conforming.

Finally, Mr. Speaker, I think most Americans knew or had heard of or loved a number of the 57,000 Americans who were killed in Vietnam. I think the fact that we are once again making this memorial even more perfect, it seems to me, just attempts to achieve the reconciliation that we all want with respect to the Vietnam war.

Mr. Speaker, I want to thank everyone again.

Mr. SPEAKER pro tempore (Mr. STENHOLM). The question is on the committee amendment in the nature of a substitute.

The committee amendment in the nature of a substitute was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed.

The title of the bill was amended so as to read: "A bill to authorize the Vietnam Women's Memorial Project, Inc., to establish a memorial on Federal land in the District of Columbia or its environs to honor women of the Armed Forces of the United States who served in the Republic of Vietnam during the Vietnam era."

A motion to reconsider was laid on the table.

GENERAL LEAVE

Ms. OAKAR. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the three bills considered, H.R. 3455; the Senate concurrent resolution, S. Con. 141; and the Senate bill, S. 2042.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

NATIONAL AMERICAN INDIAN HERITAGE WEEK

Ms. OAKAR. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the Senate joint resolution (S.J. Res. 322) to designate the week of September 23-30, 1988, as "National American Indian Heritage Week," and ask for its immediate consideration.

The Clerk read the title of the Senate joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Ohio?

Mr. FRENZEL. Mr. Speaker, reserving the right to object, I yield to the distinguished gentlewoman from Ohio.

Ms. OAKAR. Mr. Speaker, this resolution designates the week of September 23 through 30, 1988, as "National American Indian Heritage Week," acknowledging a very important culture in American society.

Mr. FRENZEL. Mr. Speaker, further reserving the right to object, the distinguished gentlewoman from Maryland [Mrs. MORELLA] has told me to say nothing other than that she approves of the bill, and that the committee does too.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

S.J. RES. 322

Whereas American Indians were the original inhabitants of the territories that now constitute the United States of America;

Whereas American Indians and their desendents have made many essential contributions to our nation;

Whereas the citizens of the United States should be reminded of the assistance given to our founding fathers by the native Americans;

Whereas the citizens of the United States should be aware of the present relationship between the American Indians and the United States; and

Whereas the last week in September begins the harvest season in the United States: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week of September 23-30, 1988, is designated as "National American Indian Heritage Week". The President is authorized and requested to call upon Federal, State, and local governments, interested groups and organizations, and the people of the United States to observe such week with appropriate programs, ceremonies, and activities.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, a motion to reconsider was laid on the table.

GENERAL LEAVE

Ms. OAKAR. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous matter in Senate Joint Resolution 322, the Senate joint resolution just considered and passed.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

LIVES OF DEMOCRATIC OPPOSITION IN NICARAGUA JEOPARDIZED

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

Mr. LAGOMARSINO. Mr. Speaker, throughout the years of debate on aid to the Contras, critics have argued that military aid should be prohibited in order to give the unarmed democratic opposition in Nicaragua a chance to push for democratic reforms.

As the Washington Post, in an editorial today, points out those critics have argued, as the Sandinistas themselves do, that the Nicaraguan civil opposition is a legal, legitimate opposition demonstrating the pluralism that exists in Nicaragua. While we may disagree as to the degree the civic opposition is able to function, until now there has been no disagreement that the opposition had legitimate grievances against the repressive Sandinista regime.

Now, the speaker has made statements that the Sandinistas say shows those civic opposition leaders in Nicaragua are not acting out of their dedication to liberty, freedom, and human rights and that they are nothing more than CIA agents. This jeopardizes their lives and their commitment, and ours, to peace, freedom, and justice.

[From the Washington Post, Sept. 23, 1988]

JIM WRIGHT AND THE CIA

Here are the preliminary results of House Speaker Jim Wright's statement that the CIA has testified that it ginned up anti-Sandinista protests in Nicaragua in order to provoke the Sandinistas into an oppressive overreaction that would kick back on the Sandinistas:

First, the statement is a savage blow to the Nicaraguan civic opposition—the *legal political* opposition—and especially to the 38 Nicaraguans who were arrested in a peaceful protest at Nandaime last July 10 and who are now facing trial. The worst political thing that can befall an opposition figure there is to be accused of being a CIA agent rather than a self-starting democrat. You will recall that Mr. Wright and others of his persuasion successfully defunded the contras, reducing the military option of the resistance to the near-disappearing point, precisely to give a chance to a democratic political process.

The statement has further implications for American efforts to extend a hand to local democratic forces elsewhere. It becomes easier in say, South Africa, Poland and Chile for unrepresentative governments, to embarass citizen challengers with even the slightest and most innocuous contacts with foreign well-wishers.

The statement may also inflict damage on the pending bill to tighten the terms of executive notice to Congress of covert operations—a bill (supported by the Speaker) that the executive branch and conservatives have fought on grounds that Congress can't keep secrets.

Mr. Wright suggests that, when he spoke, the Nicaraguan resistance and The Washington Times were already putting the allegation of a CIA hand into the public domain and that other news organizations had made similar reports earlier. But this explanation fails to take into account either the particular confidentiality obligations of an elected official or the crucial authority that a congressional figure can add by his confirmation.

Mr. Wright dates his abhorrence of CIA "destabilization" from the case of Salvador Allende in Chile in 1973. His likening of the Sandinistas to an "elected government" that represents "the choice . . . of the people," however, is laughable, or would be if the effects of his intervention were not so serious.

That leaves the factual question of whether the CIA actually did gin up that July 10 opposition rally at Nandaime, something it would have been incredibly stupid to do. The U.S. government stands on a customary and necessary refusal to be drawn into confirming or denying such charges. Public testimony in Congress absolves the U.S. government. Mr. Wright has his own view.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had passed with an amendment in which the concurrence of the House is requested, a concurrent resolution of the House of the following title:

H. Con. Res. 351. Concurrent resolution to correct errors in the enrollment in the bill S. 328.

The message also announced that the Senate agrees to the amendment of the House to the bill (S. 328) entitled "An act to amend chapter 39 of title 31, United States Code, to require the Federal Government to pay interest on overdue payments, and for other purposes."

JAMAICAN RELIEF

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan [Mr. CROCKETT] is recognized for 5 minutes.

Mr. CROCKETT. Mr. Speaker, when confronted with the misfortunes of our neighbors around the world, this Nation has already justifiably prided itself on the compassion and generosity with which it responds. Whether it is the drought in Africa, or an earthquake in Italy or Mexico, or floods in Bangladesh, our Government and our citizens respond quickly

and generously to preserve the lives of our fellow human beings.

Last week, the people of Jamaica, one of our closest neighbors in the Caribbean, suffered devastating losses as a result of Hurricane Gilbert. This storm, judged by many to be the worst hurricane of this century, caused hundreds of millions of dollars in damage and destroyed the homes and the livelihoods of the majority of inhabitants of that small island nation. It was a loss that could destroy that nation's capacity to sustain itself.

We need to respond as we have historically, and lend a helping hand to our neighbors.

Today, along with more than 25 of my colleagues, I am introducing legislation to authorize $100 million in relief to the people of Jamaica. This bill is simple in intent: It seeks to help the Jamaican people in their time of greatest need—to rebuild their homes, their businesses, their nation. We have Members from both sides of the aisle on this legislation, and it is our hope that through the authorization and appropriations process we can move expeditiously to get the money in the pipeline.

I urge those of my colleagues who have not already joined us to lend their names as cosponsors of this legislation.

CALIFORNIA CONGRESSMEN URGE STAMP TO COMMEMORATE VOYAGE OF CABRILLO

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. STARK] is recognized for 5 minutes.

Mr. STARK. Mr. Speaker, on behalf of Mr. COELHO and 33 other members of the California delegation, I am pleased to rise today to introduce a concurrent resolution expressing the sense of the Congress that the Postmaster General should provide and sell a postage stamp to commemorate the 450th anniversary of the discovery of Alta California by the Portuguese explorer John Rodrigues Cabrillo.

As we all know, in 1992 this country will be celebrating the quincentennial celebration of the discovery of eastern America by one of Europe's great explorers and navigators, Christopher Columbus. It is with the spirit of this celebration that I, along with 34 of my California colleagues, feel that we must also honor the 450th anniversary of the discovery of California by another of Europe's great navigators and explorers, John Rodrigues Cabrillo.

It was on Thursday September 28, 1542, that the armada led by Cabrillo entered a port they named San Miguel (now San Diego) and commended the history of modern California. Cabrillo battled frequent dangerous storms, heavy winds, and violent seas as he navigated the coast of California up to present Humboldt County, CA.

Cabrillo displayed the extreme courage and a determined will to succeed that we associate with the early American explorers and settlers. In an act of unparalleled bravery and selflessness Cabrillo ordered his chief pilot Bartolome Ferrer to continue the voyage as Cabrillo lay suffering from complications of leg injury which led to his death during the voyage. Cabrillo was put to rest on American soil, in the Channel Islands off the coast of Santa Barbara.

I would note, Mr. Speaker, that the Portuguese spelling, which is also used, is Joao Rodrigues Cabrilho. For purposes of this speech and the resolution I am using the spelling used by the excellent Cabrillo Civic Clubs of California.

I know that the Committee on Post Office and Civil Service traditionally has declined to address stamp issues. But what is at issue here is more than a postage stamp. At issue is recognition of the discovery of our Nation's largest State and the inclusion of that State, California, and the entire west coast in the celebration of the discovery of America. It is time that we recognize the great Portuguese explorer, John Rodrigues Cabrillo, for his huge contributions to America. This commemoration will help make the festivities in 1992 truly a celebration of the discovery of America—all of America.

I hope the Citizens Stamp Advisory Committee will consider the introduction of this bill as representative of our strong desire to see Cabrillo recognized on a postage stamp. Mr. COELHO and I would like to thank the following California members for their support: GLENN ANDERSON, JIM BATES, ANTHONY C. BEILENSON, HOWARD L. BERMAN, DOUGLAS H. BOSCO, BARBARA BOXER, GEORGE E. BROWN, Jr., WILLIAM E. DANNEMEYER, JULIAN C. DIXON, ROBERT K. DORNAN, MERVYN M. DYMALLY, DON EDWARDS, VIC FAZIO, ELTON GALLEGLY, DUNCAN HUNTER, ERNEST KONNYU, ROBERT J. LAGOMARSINO, RICHARD H. LEHMAN, MEL LEVINE, JERRY LEWIS, ALFRED A. MCCANDLESS, MATTHEW G. MARTINEZ, ROBERT T. MATSUI, GEORGE MILLER, NORMAN Y. MINETA, CARLOS J. MOORHEAD, RON PACKARD, LEON E. PANETTA, CHARLES PASHAYAN, Jr., NANCY PELOSI, EDWARD R. ROYBAL, ESTEBAN EDWARD TORRES, HENRY A. WAXMAN.

DISCLOSURE OF CREDIT CARD TERMS NEEDED

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. ANNUNZIO] is recognized for 5 minutes.

Mr. ANNUNZIO. Mr. Speaker, credit cards have evolved from being a convenient substitute for cash to becoming a virtual necessity of life. I have mentioned on numerous occasions that I am concerned about the attitude which many people have developed toward credit. The problem of individual debt burden in this country cannot be denied. Far too many people have accumulated debts so large that years may be needed to repay them. It is only fair that consumers be thoroughly informed of all terms affecting the cost of using credit cards.

Lenders spend a lot of money and expend great effort to convince people to use credit cards. The proliferation of "affinity cards" is a perfect example of how creditors lure consumers into utilizing credit. Special logos on cards, rewards for making purchases and other such gimmicks are designed to entice people to charge more and more on their cards without warning from the creditor about the actual costs involved.

I do not deny that the use of credit can be very helpful, and in some instances necessary, to consumers. However, I firmly believe that individuals must be made aware of all aspects of a credit agreement. For all the money spent by creditors to convince people to apply for affinity cards and the like, some effort should be required on the part of the creditor to inform the consumer about terms which can drastically affect the cost of using credit cards. H.R. 515, the Fair Credit Card Disclosure Act, addresses the need to disclose specific information about interest rates, fees, and other terms which apply to credit cards on applications and in telephone solicitations.

When the House considered H.R. 515, I introduced an amendment which would have placed a floating cap on interest rates at a level 8 points above the yield on 1-year Treasury securities. The rate would have been adjusted quarterly, and if it were in effect today, the maximum interest rate that could be charged on a credit card would be 15.40 percent. I strongly believe that this amendment was in the best interest of the consumer, and consumer groups from around the country agreed with me. There is no reason, other than greed on the part of the credit issuers, that credit card interest rates should remain high when other interest rates fluctuate with trends in the economy.

While I believe that H.R. 515 does not protect the interests of the consumer as well as it could have, I do believe that the bill has merit and should become law as quickly as possible. The following article which appeared in the Christian Science Monitor, August 10, 1988, aptly describes the need for disclosing the terms of credit cards. I hope that when conferees are appointed to consider H.R. 515, they will keep these comments in mind, and that my colleagues in the House will do the same when the conference report comes before them for a vote.

H.R. 515 is very important to the financial condition of individual consumers, and I am encouraged by the support that it received when considered by the House and Senate. I look forward to the consideration of this legislation by a conference committee.

[From the Christian Science Monitor, Aug. 10, 1988]

INFORMED CHOICE ON CREDIT CARDS

An envelope arrives in the mail: Your credit rating is so good that the First National Bank of South Overshoe is offering you a MasterCard with a sky-high credit limit. No annual fee for the first year. And bonus points, good for merchandise, accumulate each time you use the card.

But search that notice for the interest rate you'll be charged, and all too often it won't be there. Yet that information is arguably more vital to a family budget than bonus points and a year's breather on fees.

Credit cards are not licenses to splurge. But many people do face unexpected expenses that force them to make minimum payments for a time. The monthly interest levied may look puny next to the outstanding balance; but it can account for a hefty chunk of the minimum payment, stretching the time it takes to trim the balance.

In the interest of informed choice—and more competitive interest rates—House-Senate conferees are working on a compromise bill that would require prominent dis-

play of interest rates and other fees in all credit card solicitations. It deserves passage.

When interest rates started to fall earlier this decade, people expected competition among card issuers to bring down credit-card interest rates, too. That happened to some extent. But the 10 largest issuers of Visas and MasterCards still charge rates between 17.5 and 20 percent. In the meantime, these megabanks' share of the credit-card business has grown from about one-third to one-half of the market. Not much price competition there. With low inflation during the last few years, the "real" cost of using those cards (the difference between the listed interest rate and inflation) has grown. That's money in the bank—for the banks.

One can always return a card after looking at the rates on the agreement that comes with the plastic. But listing those rates on solicitations gives consumers a chance to compare rates between accepting a card. Disclosure up front could also allow consumers to shift their card accounts to a bank with lower rates. The opportunity to choose wisely becomes even more important now: Interest rates are rising and by 1991 taxpayers will no longer be able to deduct interest on consumer loans and credit cards from federal income taxes.

To their credit, more banks are including interest rates on solicitations, in anticipation that Congress will pass a disclosure bill. But the legislation is still useful. Call it, if you will, a little extra incentive for banks to do what they should have been doing all along.

THE AMERICAN FAMILY ACT

The Speaker pro tempore. Under a previous order of the House, the gentleman from Indiana [Mr. COATS] is recognized for 60 minutes.

Mr. COATS. Mr. Speaker, today I introduced into the House the American Family Act, which is legislation designed to address the needs of our families and our children.

It consists of 21 separate pieces of legislation. Four of those pieces of legislation were ideas generated by other Members of this body and they have consented to my including them in the American Family Act.

I will be discussing them at a later time.

Seventeen of those initiatives were introduced today.

Those are initiatives that result from 1½ years of work by myself and our Select Committee on Children, Youth, and Families minority staff.

Since I became Republican leader of the House Select Committee on Children, Youth, and Families in January 1985, I have been working toward developing a vision of how to promote strong families in this Nation. At the Select Committee we have held many hearings since our formation in 1983 and it has been a continual frustration to all of us in the minority in Congress that the agenda is tightly controlled by the majority party. This is not only true on the floor of the House, as evidenced by the fact that as Republicans we often cannot get recorded votes on our proposals or are limited to just one amendment or an alternative, but it is also generally the case in our Select Committee on Children, Youth, and Families.

Hearings are generally scheduled in that committee to meet the political goals of the majority party and Republicans generally get only a few witnesses to counter whatever agenda item has been set for promotion.

In the family committee we have been treated more fairly than in some of the other committees but nevertheless we are still limited to one-fourth to one-third of the witnesses. We get slightly less than one-third of the staff dollars and are sometimes excluded from staff reports that appear to be committee documents rather than Democrat staff documents.

Mr. Speaker, I yield to the gentleman from California [Mr. LEWIS].

Mr. LEWIS of California. Mr. Speaker, I apologize to the gentleman for interrupting his discourse. I want to take a moment to express to those who may be listening to his discussion the fact that he has provided really an unusually, outstandingly fine leadership in this field. The reason that the minority may be receiving a little different attention or a different level of success in this effort is specifically because of his diligence. If people come to Congress to make a difference, clearly he is one of those Members who has. His work on behalf of the American family, and of children, is most important. He has raised this subject area to a level of quality and attention long deserved but clearly one that was not receiving the kind of thought and work that he has allowed us to participate with him in and about.

If we have success at making a significant difference relative to policy as it affects the family through congressional action, it will largely be due to his efforts here as a very, very outstanding Congressman from his home State.

Mr. COATS. I thank the gentleman from California who has been a great ally in this whole process and who in fact has authorship of one of the significant pieces of legislation included in our package. I also thank him as leader of the policy committee for the work that he and his staff has done in assisting our staff in reviewing these proposals, in bringing these before the Republican leadership, in securing the endorsement of the Republican leadership and I believe we have a package here of proposals that will provide an agenda for our legislative process in the next Congress and beyond for the next administration. Certainly the gentleman will be a part of all that. I appreciate his efforts and his help and his support and, most of all, his deep commitment to the idea of family, to strengthening the family and children in our society.

I certainly thank the gentleman for his efforts.

Mr. LEWIS of California. I want the gentleman to know, and for the RECORD I want the public to know, that I am very, very appreciative of his work and his leadership. He is doing a fantastic job here. I hope all of the people out there in America understand the effort that he is about.

Mr. COATS. I thank the gentleman.

Going back a little bit more on the history now, how we got to be where we are, what we have found often on the floor of Congress and in committee, it appears that Republicans are only fiddling at the edges of problems. We must be, because of our minority status here in the House and in committee, reactive by nature. We have little other choice. If the majority determines which bills are heard then often we are limited to offering changes within their proposals rather than offering a vision or an agenda for the future.

If the majority party determines the hearing topic and controls two-thirds or more of the witnesses, obviously it is difficult for us within that one-third that we are allowed to bring forth the kind of efforts necessary to outline our vision.

Furthermore, since often the legislation or hearing topics have a decided liberal, big government bias, we often must concentrate on the urgency of the immediate. That is, striking out the really bad ideas. As a result, we focus on amendments that highlight controversy, the section on which the parties disagree most directly. But it often leaves us as Republicans looking as though our entire framework is a series of things that we do not like about the Democrats or about the liberal agenda.

Furthermore, it is tempting when confronted with years of Democrat dominance in the House of Representatives just to sit back and tend to cut the best deal you can for yourself. Making waves is not popular, but political retaliation is.

So we could just sit back, offer expected amendments and kind of coast along.

When I was elected to Congress in 1980, I came here with the hope of making a difference.

When I joined the Select Committee on Children, Youth, and Families, I did so because I wanted to have a positive impact on families across this country. When I became the Republican leader of the Select Committee on Children, Youth, and Families, I did so with a goal of offering leadership in the family area.

We, the Republican Members of the select committees, have attempted to offer such leadership through the wit-

nesses we have selected; but that was primarily trying to bring balance to an often biased discussion. We have issued strong dissents, additional views and occasional support to various committee reports but once again our response has been, by necessity, mostly reactive.

□ 1530

In 1985 and 1986, I, along with Congressman FRANK WOLF and then Congressman Bill Cobey of the Select Committee, as well as Democrat Congressman EARL HUTTO of Florida, developed the family strengths project with a number of private sector organizations and family researchers in an attempt to promote family strengths.

I also, along with other Republican Children, Youth, and Family Committee members and interested House colleagues, led the fight to insist upon the $2,000 personal exemption in the Tax Reform Act, undoubtedly the most profamily aspect of the 1986 Tax Reform Act.

In 1987, I decided that this was still not enough, and, I directed the Republican staff of the Family Committee to begin drafting a more comprehensive vision of what we as Republicans stood for in the family issues area with specific alternatives that we could introduce in Congress. As an outgrowth of the research prior to the beginning of this project, and that done directly for this project, we have developed many in-depth reports with specific action plans.

Working with Congressman LEWIS and his staff on the Policy Committee, we have translated this research into a package of 21 bills, including the 17 new pieces of legislation which I introduced today and mentioned earlier. This package was unanimously endorsed in late July by the House Republican Policy Committee.

We have also developed much of a second American Family Act, the specifics of which we hope to announce within the next few weeks.

As we can clearly see by now, this American Family Act is not something developed in a rush just because some pollster indicated that family issues were becoming important. This is not a patchwork quilt of issues thrown together to assuage political demands within my district or anyone else's district. We have too much of that in the social issue area already, just like we do in the business and defense areas. Decisions often do not seem to be made on the merits of the issue but are often based upon who has the most political clout.

This may be something rare, especially something that appears right in the middle of a hot election campaign; that is, it is a collection of legislative bills committee to enduring values rather than political opportunism. We hope that by putting forth what we feel is right, the American people will also elect more Congressmen who share this vision, but the primary purpose is to offer a vision to empower families.

Up until now, so-called "family initiatives" seem to be divided into basically two groups: First, including Republican efforts primarily aimed at blocking the government from harming families—a noble goal but a limited one, such as promoting a child's right to life, stopping pornography and its impact on our families, attempting to restore voluntary prayer in public schools, and so forth.

The second group of initiatives are primarily Democrat efforts aimed at replacing the family with a big government involvement.

The Republicans have shown leadership in assisting families in the tax code, as well as in some areas of education. Both parties have supported some Federal programs such as prenatal care and Head Start. But by and large, the Democrats have proposed replacing the family or local community or State with a Federal program, and the Republicans have attempted to limit the harm of the Federal Government.

With the American Family Act, we as Republicans, have moved into this vacuum. How can we strengthen families without having Uncle Sam or the Federal Government running our lives?

We make several assumptions. Strong families are preferable, and indeed strengths can be defined and families can be defined. We also assume that promoting character is a legitimate goal, and that it can be defined. Furthermore, we assume that responsibility is worth promoting, and that we can differentiate between responsibility and irresponsibility.

These may seem like logical assumptions, but not to many Democrats. Defining anything is a big problem because of a fundamental belief in relativism. Most people, including many Democrats, do not have this problem. For example, many communities have formulated education principles with little or no dissension, but the very word often scares Washington liberals.

The Democrats on the California Family Task Force have defined the family so generally that many workplace offices or college dorms could probably qualify as a family. Words like "responsibility" and "obligation" are condemned as guilt-inducing or, worse yet, from a liberal perspective which also shows our basic disagreement, labeled "value judgments."

Another basic disagreement is that while we highlight State and local initiatives and through the Federal Government try to encourage them, the Democrats, who indeed may like some of the ideas, would like to have the Federal Government take them over. That is a big difference. For example, we believe that many of the projects are successful because of how they started, because of the sweat equity and local investment, because of local control, and because of the empowerment of individuals and families. Often the Democrats think the programs are intrinsically successful because of good design or they just need better execution, thus, as business consultant Tom Peters would say, "They miss the magic." It is not just what is done; it is how it is done that is important.

In 1976 and 1980, then Presidential contender Ronald Reagan first began sounding the concerns of grassroots Americans about the breakdown of the family, the moral decay and the decline of the quality of education. As we leave the Reagan era and head toward the 1990's and beyond, the Republicans continue to communicate a vision for the future of children and families. However, it is not enough for Republicans to simply point out that Democratic proposals have not worked. We are stepping forward as the party of ideas and are offering our proposals on children and family issues.

Many of these new ideas are innovative. They provide an alternative vision of how Government can help strengthen the American family. We do not claim these ideas are silver bullets or magic wands that will suddenly cause all of American's social problems to disappear. Rather, we put forth that the Federal Government must foster initiative and foster innovative changes, with some risk and at some cost, if we are to reverse the erosion of the family foundation of our Nation.

Creative and effective family initiatives are being offered at the State and local level across this Nation. Direct involvement with the obstacles confronting the family has led to a wide range of experimentation. The American Family Act provides support for the most promising of these State and local initiatives. We have likened this to "kicking a snowball downhill." Facilitation by the Federal Government, together with moderate financial support, will encourage the spread of these programs.

The American people are a generous people, people that generally want the best for all children and families in this country. But the lack of sensitivity to parental concerns or community beliefs, the assumption that only Washington knows what is best, the decline of time-tested values, and a feeling of simply throwing money at a problem without concrete results have led to a justified skepticism of the Federal response. Yet both parents and nonparents realize the social foundations of our Nation are crumbling,

and they know something needs to be done.

The Democrats are doing a lot of talking about helping families, but when examined closely, it just looks like a return to the old liberal days of throwing large sums of money at social problems. "Family" seems more like a buzzword attached to the old Democrat ideas, rather than a substantive recognition that past policies have not worked. In fact, when probed, most Democrat leaders would say that past policies did not fail, that we just did not spend enough money or give enough time.

It is frightening to me to think that we could be heading into the next decade led by people who seem to have learned little or nothing as our core family structure has eroded and our social problems have soared. Americans may differ on defense spending priorities, on how our Government should handle Central American dictators, or what to do in the Middle East, but most Americans are not going to be deceived by simplistic arguments that our social programs can all be blamed on General Noriega and spending for MX missiles.

Our debate in Congress continues to be dominated by emotion, not reason. Partly because of this, laws passed by the majority who control this Congress continue to reflect the latest crisis rather than investing in long-term prevention. Thus we throw increasing amounts of money at the consequences rather than solving actual problems.

Scholar William Schambra has written that the Democrat vision is of "national community," a theme illustrated in the statements of Governor Cuomo of New York. The Republican vision is that of a "nation of communities," a phrase frequently used by House Republican leader, BOB MICHEL of Illinois.

American diversity is greater than it ever was, and it is increasing. Yet the Democratic Party acts as though we are a homogeneous nation that could be responsive to an all-wise iron hand out of Washington. Michael Dukakis at times seems to be in the running for "national nanny" rather than for President of united communities in the United States.

Perhaps the most frightening thing of all is the reluctance, if not the resistance, of the Democratic leadership to acknowledge that the most critical problems we face involve the need to strengthen American families, to build character, and to foster individual and family responsibility. We need initiatives in health, in education, in housing, in combating the problems of drugs and gangs, and in many other areas. I applaud the initiatives of some in this body on both sides of the aisle in advancing these proposals. But if there is anything we have learned, it is that unless we strengthen families, build character, and increase responsibility, most Government spending is ultimately doomed to failure.

We are not claiming that this act will solve all America's social problems, but many of the initiatives we are featuring are making exciting breakthroughs. These proposals help point the direction in which we need to head. They empower parents, encourage States, and provide financial assistance. The American Family Act No. 1, when viewed as a comprehensive package, clearly highlights the differences between the Republicans and the Democrats. It offers innovative action for families, rather than recycled discredited programs attractively wrapped in family rhetoric.

The American Family Act is the first part of our vision for children and families in America. We believe, when implemented, it will respond to the goals we have suggested. The American Family Act No. 1 builds stronger families, it helps to promote responsibility, it promotes character, it offers family choices, it encourages experimentation and diversity, it promotes prevention, not just intervention, it targets the needy, and it addresses some of our most pressing problems.

This package is only the first step. We are continuing to look at a wide range of family proposals for future initiatives. But the American Family Act No. 1 addresses three of the most crucial problem areas: Education, family support and stability, and "at risk" children.

Now, if I could, I would like to explain a few of the initiatives contained in the American Family Act. I will not go through all 17, but I think by highlighting a few of the initiatives that we have placed in this act, we will be able to get a better grasp of what we are attempting to do.

In our education section we offer a bill designed to institute a program of school-based management. This legislative initiative will fund up to $50 million, with no more than one grant per State, based on the number of school-age children in that State for school-based/shared decisionmaking initiatives. Proposals would be submitted to the Department of Education and awarded on that basis.

The reason we advance this initiative is because we have found that in many areas it sometimes appears that school systems have become sometimes like the structures that undermine our Nation's railroads—inflexible and stagnant. Inflexible rules and regulations have resulted in a dinosaur-type structure at the very same time America has been going through dramatic changes in its workplace. Most experts have come to the agreement that present structures cannot respond to the demands being placed upon public education today.

John Chubb and Prof. Terry Moe of Stanford University suggest from their research that—and here I quote—

> While real school expenditures, the educational achievement of teachers, class sizes, and other assumed influences on student achievement improved substantially, test scores steadily declined. Student performance could not be tied closely to anything in particular that the schools did. The Nation must understand how tightly school performance may be bound up with school organization and control, for those ties bear directly on the promise of school reform, however it is pursued.

□ 1645

Drawing upon their research, that of the influential Carnegie reports on education and other effective school research, we have concluded that the first priority in education must be a restructuring of our school systems.

Albert Shanker, president of the American Federation of Teachers, said about the Dade Country, FL, changes, "Dade County is starting to do things that schools across America have not even thought about."

Mr. Speaker, we went down and examined the nationally acclaimed and innovative Miami, FL, area school system, key elements in school-based management including allowing individual schools the flexibility to extend budgets and curriculum to teachers and school administrators to give them a major role in managing the school, schools that are allowed to choose to increase class size or decrease class size, and, if additional funds result, to provide a multiple, innovative way of addressing educational problems that they face. They are allowed to emphasize certain subjects such as science or math, and they are allowed to hire part-time specialists ranging from classical music instructors to Creole language teachers, and there are many other innovative approaches designed to address the problems that each local individual school system faces.

If I can stress one major recurring theme throughout this American family act that is reflected over and over again in the initiatives that are contained here, it is flexibility and choice for those that are involved directly in the program to make decisions regarding the way in which that program will be administered, to make decisions in how services will be provided to children and families in need. It is in stark contrast to the generally recognized manner in which Federal programs are administered. That is from top down with page after page after page of regulation with mandates from the Federal level for State and local communities and institutions to follow.

Mr. Speaker, our programs are built from the bottom up. They are innovative, local programs designed specifi-

cally to address the local needs of families and children. And so they begin from the bottom and percolate, and what we are attempting to do with this American family act is spread the good news by providing information and demonstrations grants by targeting it to areas that need it and providing a Federal role and a Federal hand in spreading the success of these programs.

Mr. Speaker, our education section also includes a legislative initiative promoting open enrollment because it is clear that while most Americans believe that choice promotes quality alternatives in public education, parents have simply not been offered choices. The lack of choice tends to encourage stagnation rather than creativity, and, therefore, over time it tends to discourage innovation among teachers and parental environment, both key ingredients to effective schools.

As Sy Fliegel, deputy superintendent of school district No. 4 in Harlem and director for that district's alternative schools said: "If you have kids who have selected your school, and their parents selected your school, and the teachers selected that school, there is a sense of ownership. That school is going to do better than a school where you had to go or had no choice."

Since it is clear that significant educational gains can be made through greater parental involvement in education decisions and activities, we are proposing in this American family act an initiative to spend $50 million to stimulate unrestricted enrollment programs within school districts throughout America. We have earmarked in this act $450 million for bootstrap schools. While we are disappointed in public school performance in general, nothing is more disheartening than the incredibly poor performance in the low-income minority areas where education is so essential to long-term success.

So, Mr. Speaker, we have earmarked up to $450 million for schools which have predominantly low-income students. This money would be distributed to the States based upon the percentage of eligible children. State educational agencies would select applicants that most effectively meet the criteria including parental choice, and school based management and shared decisionmaking processes that I described earlier.

While innovations such as school based management and parental choice are essential, financial resources currently are insufficient, and, therefore, we are committing a good chunk of money out of this act to boost this particular program.

The American family act also includes under its educational section initiatives regarding character education, directing of funds to disseminate information and to promote teaching of innovative character education programs that have been started in a number of parts of this country and tested for success and deemed important to the successful application of educational principles.

Mr. Speaker, we are including a college savings bond act which was introduced by our late colleague, John Duncan of Tennessee, that has a number of sponsors in this House and provides a basis on which parents can begin to save money for that all-important college education.

Will only the rich and poor be able to attend college? We want to maintain in this Nation the ability of all income levels to maintain college, and the college savings bond act together with an initiative that I introduced many years ago, the education savings act, is a step in the right direction.

Section 2 of the act involves family support and stability, and one of the most important components of that section is our family impact statement. Because we have in place environmental impact statements, it appears to me that often we know more about the life of snail darters and the impact of Federal regulations on relatively obscure environmental species than we do on our children and our families. Family impact statements would require that we attempt to apply criteria to legislative iniatives and regulatory iniatives out of our agencies that determine what the impact of that legislation or regulation will have on the family.

We have worked with a number of people in this area and throughout the country in developing a framework by which we can apply family impact analyses to our laws and to our regulations. Government often knows no more about legislation and regulation that affects everyone other than the family than the family and children themselves.

Mother Teresa is someone whom we are all familiar with, and she says that family life depends on unity. We cannot be together unless there is intimate love with the father and mother between the children and parents, and today, when we are so busy with so many things, we have not the time to smile at a child. The child comes home, and there is no one to receive the child, and the child goes back to the street, and there are many things in the streets, drugs and other things, that are destroying the love of the child and that will destroy the love of being loved and cared.

For most Americans life is a fabric of helping hands, and good neighbors, bedtime stories and shared prayers, lovingly packed lunchboxes, and household budget balancing, tears wiped away, a precious heritage passed along. It is hard work to put a little away for the future.

Mr. Speaker, no government commands these things, and no government can replicate them. In a culture that emphasizes living for the moment and for one's self, the family affirms an older, more lasting set of priorities. Given this critical and important role of the family, should we not at least know what the impact of legislation or regulations will be on that family before it is enacted into law or promulgated into a regulatory fashion?

Our family support and stability act also includes a concept which I helped develop along with the gentleman from Iowa [Mr. TAUKE] which is called choice in child care. Choice in child care is the result of a task force headed by the gentleman from Iowa [Mr. TAUKE] and is supported by a number of Republicans. It is the result of more than 6 months of work, of considerable effort, and discussion and compromise to fashion a proposal which will better address the needs of child care in this Nation. It is a direct response to the alternatives for better child care which we feel is a seriously flawed piece of legislation. Choice in child care retargets the existing child care tax credit to direct those funds to where they are needed most—by working mothers, single parent mothers, by mothers in low income, to parent families where child care is not a discretion, but a necessity.

Mr. Speaker, often the choice is welfare or work. Work for a single mother means child care. Work for a low-income mother of a two-parent family means child care. But that child care should not be Government-dictated child care or child care only supported through the efforts to support Government-regulated day care centers.

No one knows better than the mother who should take care of her child and how that child should be looked after. We provide in choices in child care, we provide the mother with the choice of who will take care of her children. We provide a basis on which we do not discriminate against that mother who chooses to stay at home and raise her children, and, therefore, our refundable tax credit goes to all mothers with children under 6 whether or not they are at home. There should be no difference in supporting a mother who happens to choose child care and a mother who happens to provide that child care herself.

Mr. Speaker, many experts say that especially for infants of young age, child care at home by the mother of the child is an important factor in the psychological, and physical, and spiritual and emotional development of that child. We know that many mothers do not have that choice, and, therefore, we are providing this choice for child care, a refundable tax credit to those that have children under the age of 6.

We also target funds to lower and lower middle income families by means of a certificate given to the mother distributed through the State that she can use to select the child care facility of her choice. Many, in fact most, choose child care outside of a child care center. In fact, only 23 percent of our Nation's mothers have chosen to place their children in child care centers. Many prefer relative care. Many prefer neighbor care. Many prefer family day care, neighborhood day care, church day care, or other means of providing day care.

Mr. Speaker, child care should not be Government's choice. That should be the parents' choice, those who are in the best position to know what is best for their children and to monitor the kind of care their children are getting. Our legislation provides certificates to those parents so that they can make the choice, not Government.

We also provide assistance to States to improve the quality of child care education, and we provide incentives to employers to provide onsite day care.

Another critical factor in issue in our family support and development and stability section is the child support enforcement and custody provisions. One of the tragedies of our Nation today is the fact that little over one-third of parents charged by the courts with providing child support for their children provide that support. Two-thirds, nearly two-thirds, for one reason or another do not provide the court-ordered support for those children, and as a result Federal, State, and local programs have to try to pick up the pieces, and often the funds are not available or the pieces are not picked up.

Mr. Speaker, we provide through this legislative initiative child support enforcement and custody orders ordering automatic wage withholding at the inception of the child's support order. We mandate a minimum fixed percentage of noncustodial parents' income for child support at 17 percent of the noncustodial parents' income going to the support of one child, and 25 percent for two, 33 percent for three or more. We write in a primary caretaker presumption, such as the West Virginia law, by encouraging that initiative by providing incentive funds to States.

H.R. 3390, as introduced by the gentleman from Illinois [Mr. HYDE] amends the Federal criminal code to make it a Federal criminal crime to leave or remain outside a State for the purpose of avoiding payments of arrearages in child support. One of the most immediate and direct things that we can do to assist that child at home who does not have both parents there providing support is to insure that the court-ordered support is paid.

Lenore Weitzman, Ph.D., who has testified before our committee, has stated, and I quote, "Child support awards that go unpaid and unenforced make a mockery of the judicial system and the values of court orders. They also leave millions of children without the basic necessities of life. If the present system of unenforced child support were to continue unabated, half a generation of American children will suffer years of financial deprivation."

In response to that and other statistics indicating the abysmal rate of child support, we have introduced the child support enforcement and custody proposal. The family support and stability section also includes a family stability act for public housing, and I will not go into the details here, but it is a legislative initiative dealing with the problems that we currently face in public housing with the objective of establishing market-based rent for public housing residents in order to create incentives for family stability and development of grassroots leadership in low income communities.

□ 1600

Section 3 of the American Family Act, and the last section in this act, deals with "at risk" children. We have a number of initiatives here. One is to provide family support centers, which is partial startup funding for these centers. We found across the country disorganized reaction intervention systems in place and we want to attempt to coordinate comprehensive prevention.

We have modeled this initiative after two very innovative programs, one in Chicago called Operation Beethovan, and one in Brooklyn called Nuestros Ninos. These have demonstrated giant steps forward in terms of intervening with family crisis and we think these initiatives have achieved enough to the point that we believe it deserves some Federal startup help to spread the good news of what they are doing.

Our early childhood family education proposal is the result of our study of a similiar initiative undertaken by the State of Missouri and picked up by the State of Minnesota. It is in response to our declining commitment to our children's educational process by encouraging parent training and parent involvement in the early childhood education of their children. It deals with children age 0 to 3 and we offer a comprehensive set of demonstration grants to urban, suburban and rural areas within each of our States, as well as creative outreach targeted programs to hardship areas.

We also provide for information dissemination on those two programs, the parent-teacher program in Missouri and the Minnesota program.

To quote Dr. Burton L. White in his book, "The First Three Years of Life":

> I remain totally convinced that, to get off to the best start in life, what new humans need is a great deal of waking time with older people who are deeply in love with them.

Parents as teachers and these initiatives in early childhood family education is designed to meet that very goal.

Our Family Preservation Act is another initiative which I will not take the time to go into great detail, but we attempt through the use of some innovative techniques and programs to intervene in families to preserve the family.

The revolving door of foster care is one that has been documented and detailed in this country. Often it is less than satisfactory. To the extent that it is possible to preserve that family and to keep the children within the family, we should make that effort. Obviously, foster care needs to be an alternative, because often intervention is not enough or too late, but to the extent that we can preserve intact families, we have proposed an initiative that will do that by funding technical assistance and training grants to provide assistance to 10 selective administrative units, to promote a unique and innovative program called Homebuilders that we have discovered operating in a part of this country that has had a great deal of success. Programs have been undertaken in Utah and Minneapolis, MN, as well as other parts of the country and we have built off those and provided initiatives to again demonstrate their effectiveness.

We include a proposal dealing with adoption that the gentleman from Ohio [Mr. MCEWEN] has already introduced and it is an important part of this initiative in terms of finding homes for unwanted or special needs children.

We propose to change the income tax law to allow deductions of up to $3,000 per adopted child when a family takes on a special needs child.

We also have a series of initiatives dealing with the problems of youth gangs, six separate initiatives involving restitution, parent liability, intensive supervision, character education and juvenile detention centers, juvenile justice clearing-house and gang community reclamation projects, as well as a gang-busting program, which we feel offers some innovative ways of dealing with the growing problem of gang violence in our cities.

As I said earlier, we are looking at the American Family Act II. We intend to include a number of initiatives on housing, on community and family violence, an additional set of initiatives on education, a set of initiatives on work and family, and a set of

initiatives dealing with families with special needs.

We are looking at a program of examining how we can establish a framework by which Congress can examine Federal programs to determine which programs work and which programs do not work, so that we can strengthen those that do, reform those or eliminate those that do not.

I have asked the GAO for a comprehensive study of this particular question and I believe that the Congress of the future will no longer have the luxury of simply experimenting by tossing money at a problem to see if it works, but will have to apply their effective well-developed criteria at the programs currently in place and those that are proposed to determine whether or not they will bring about the desired solutions and meet the objectives of their authors.

We would hope that within a short amount of time we can have before the Congress a framework in which to do that.

In conclusion, let me just state that the American Family Act is not designed to be a partisan proposal. I did not mean to imply by my earlier remarks that positive initiatives have not been put forward by Members of the Democratic Party. They have.

I do not question the motives of those who have offered initiatives that affect our children and our families, regardless of where those initiatives come from or regardless of the political persuasion of those offering them.

I think there is a genuine commitment from Members of this Congress, both Democrats and Republicans, liberals and conservatives, to find ways of dealing with the many serious problems affecting our children, youth and families.

What this proposal attempts to do, however, is to delineate a means as to how we approach solutions to those problems. We pretty much all agree on what the problems are. Where we divide is how to approach those problems.

My contention is that past proposals have not succeeded in effectively treating the problems that we face.

As I said earlier, not every problem lends itself to a legislative solution, but to those that do and in the areas where we can help, I think it is incumbent that we put aside some of the old ways of doing things and not just assume that a new program or more money at the Federal level is going to solve the problem, but actually reach out and look out across America at those initiatives that are doing the job and see if we can lend a hand in assisting that process and spreading the news to other communities.

I would urge my colleagues to carefully look at the 21 separate initiatives that are included in the American Family Act. I am happy to provide them with information that gives more detail as to these legislative proposals.

I welcome your criticism, your suggestions for improvement, whatever input that you might have that will help us strengthen this.

After all, the bottom line is helping children and families. It is something we all want to do. I invite you to look at this comprehensive piece of legislation which I hope will form the basis for legislative initiatives in a 101st Congress and beyond and an agenda for the next generation as we deal with these critical problems.

BREAKING THE IMPASSE: THE FUTURE OF RAIL SERVICE IN AMERICA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Kansas [Mr. SLATTERY] is recognized for 10 minutes.

Mr. SLATTERY. Mr. Speaker, I rise today to express my grave concerns about the future of rail service in our country, particularly as it relates to short line sales and labor protection conditions.

In the State of Kansas and across the country, we are facing a quiet crisis.

It is a crisis that threatens the transportation lifeline of communities and shippers.

It is a quiet crisis that could result in hundreds of miles of track being torn up, thus depriving our businesses and towns of rail service forever.

Unless action is taken promptly, the economic lifelines of our communities—particularly in small towns and rural areas—will be irreparably severed.

And unless action is taken promptly, hundreds of good jobs will be lost.

And we will lose the chance to provide economic opportunities for communities which most need our help.

In order to understand the need for action, let's take a look at the events which have led to the current impasse.

Ten years ago, the American railroad industry was drowning in a sea of economic troubles.

The rate of return for the industry was clearly inadequate.

The costs of excessive regulation had taken their toll.

The industry was crippled under the weight of archaic rules and miles of red tape.

And in 1980, Congress responded by passing the Staggers Act.

The Staggers Act has restored a degree of economic health to the rail industry.

While we can argue about the fine print and the implementation of the Staggers Act, no one seriously disputes that the law has given the rail industry a strong and much needed shot in the arm.

Rail rates have been significantly reduced.

Rail costs have been cut.

Large amounts of grain and coal now move under contracts that benefit producers, shippers, and consumers alike.

Changes in work rules have created efficiencies and produced savings.

But in attempting to reduce costs, some say by avoiding existing labor agreements, many railroads began selling portions of their systems under expedited procedures approved by the ICC.

Last October, the Interstate Commerce Commission reported that 195 net short line and regional rail carriers had begun operation since 1980.

This new fleet of carriers operates over 13,000 miles of track located in nearly every State. And they employ over 4,000 full-time employees.

But these jobs were not created without concessions, including lower wages, reduced crews, cross craft assignments, and elimination of cabooses.

While the number of short line operations dramatically increased, the number of railroad abandonments decreased during the same period.

In the first year following the passage of the Staggers Act, 382 abandonment applications were filed, involving 4,821 miles of track.

But the number of abandonments fell in every following year until 1987, when only 60 abandonments were filed, involving 1,208 miles of track.

This trend was abruptly halted last fall after the Pittsburgh & Lake Erie decision was announced.

That case, as affirmed by the third circuit court of appeals, effectively put all line sales on hold.

Since that time, abandonments have begun to increase.

Between October 1987 and June 1988, 78 abandonments were filed, involving over 1,500 miles of track.

In Kansas, there are over 650 miles of track currently on the chopping block.

A good portion of these potential abandonments in my home State have been initiated since the P&LE decision, including over 200 miles which were included during the past month.

Recently, the Seventh Circuit Court of Appeals has come down with a different approach to these issues. And other cases are pending in other courts.

While the lawyers for rail labor and management are slugging it out in court, rail service is being threatened in many parts of the country.

I believe it is time for Congress to get involved in these issues.

Unfortunately, because of the impasse which has developed between rail labor and management of these issues, the matter becomes a political hot potato.

And while the hot potato is being thrown back and forth, innocent bystanders—our communities and shippers who rely on continued rail service—are being hurt.

Mr. Speaker, I stand here today to say that I intend to do what I can to see that these issues are settled.

And in trying to find an acceptable solution, my primary concern will be to ensure that essential rail service is preserved.

Yes, jobs are important to me and my constituents.

And I understand that many rail operations are more cost effective if labor costs can be cut.

But to both the railroads and their employees, I say that there should be a compromise which ultimately will benefit both sides, as well as preserving and enhancing our rail transportation system.

In order to arrive at such a solution, both sides will have to be willing to take a long-term view of rail transportation and will have to understand how the public interest must be served.

Both sides will have to make concessions.

Labor/management disputes in the railroad industry have become an all too familiar situation on Capitol Hill.

Last week, I listened to Members of the Senate and the House discuss the Chicago & North Western strike.

Without exception, Members of Congress expressed regret that the parties could not resolve the dispute themselves and how unfortunate it was that Congress had to intervene.

While some interests said they did not want Congress to act, it was clear to me and the overwhelming majority of my colleagues, that without congressional action, many innocent bystanders would be adversely affected while labor and management continued to fight.

The very sad fact of the matter is that this incident is simply the most recent chapter in the voluminous book of rail labor and management disputes.

I think it is regrettable that Congress has to referee these disagreements.

But I think most of my colleagues agree with me that at some point it is irresponsible for Congress to sit on the sidelines and watch our communities suffer while labor and management, after years of negotiations, tell us that they cannot reach any acceptable compromise.

Clearly, labor and management are in the best position to sort through these complex issues and to reach an accommodation.

When Congress gets involved in trying to mediate the dispute, it is an unfortunate but inevitable result that further problems are sometimes created.

I challenge the railroads which consist of both management and labor, to come to us and help us fashion a solution.

I challenge them to do so before more jobs are lost and before more track is ripped up and before more legal papers are filed.

And if the railroads cannot help me and other Members of Congress reach an acceptable compromise, I ask them to understand why Congress must press forward without them.

I ask them to understand the needs of small communities who rely on continued rail service.

I ask them to understand the economic realities that exist in the big picture.

I ask them to understand that we cannot wait until the lawyers for labor and management fight all of the expensive court battles that only add to the current impasse.

Congress must look to the public interest in finding answers, not just a balancing of management and labor interests. It is time to break the impasse.

I hope that labor and management will heed these calls for help.

And I hope we can act quickly to correct these problems.

I look forward to working with labor and management, with our States and cities, and with my colleagues, in finding the best way to stop the quiet crisis that threatens our Nation's railroad system in rural America.

□ 1615

MY ADVICE TO THE PRIVILEGED ORDERS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. GONZALEZ] is recognized for 60 minutes.

Mr. GONZALEZ. Mr. Speaker, I wish to continue the discussion that is quite interconnected with our domestic fiscal, monetary, and general economic policies that I have initiated over the course of a few years. I have discussed the emergence of the European Community, or the European Monetary System, called the EMS, and the European Currency Unit, called the ECU, which unfortunately for us it seems that I have been the sole Member of the Congress, or as far as I know, anybody in public office in the United States, who has even mentioned much less discussed the emergence of this force with great implications for America's economic well-being or sustained well-being.

Going back to the May 1, 1979, economic summit in Bonn, West Germany, at which time President Carter as President of the United States participated in behalf of the United States and for which meeting for the first time in the joint communique the last sentence addressed the creation and the acceptance in principle of the European Monetary System and the European Currency Unit as a unit of exchange, that is, currency exchange between the members of the European Community.

Since then, of course, what we are facing now is a system that is in place. In 1979 it was an acceptance on the part of the Big 10, or the group of 10 nations, more or less indicating that the European Community was beginning to flesh out what they had visualized in Rome, the Treaty of Rome, in 1948 in which there was an aspiration and a vision of a united Europe or a United States of Europe.

Today in 1988, the talk in Europe, both in and out of the formal organization known as the European Community, and which they hope will be called, not the Common Market, but the Single Market by 1992, when the full joinder and confederation of a United States of Europe is programmed to take place and the completion of the envisioned plan in 1948 in Rome. The problem is that we in our country since 1945 and 1946 and the immediate so-called postwar period have never pondered on either a long-range basis the absolutely plausible outline of events once the war receded, that is, the hot-shooting phase of the war into the history of the world and the memories and experience of the peoples of Europe; we are living in the middle of that tremendous watershed of development in which in all of these countries, and in ours, on the threshold of power, are generations that do not recall World War II.

Mr. Speaker, I think dramatically when we look at the fact that the German leader Kohl was 15 years of age at the time of World War II, and the Soviet leader Gorbachev was 15 years of age at the time of World War II, we can see what is happening, and there has been very little perception in our world, in our country.

Last week I spoke of the fact that when we discuss our so-called defense posture, our defense policy, and we envision an appropriation for the purposes of our military defense, that we are actually still talking about a mindset of a Europe of 1940-50. I have brought out time and again that now more than 60 percent of the near $315 billion defense budget for which we tax American citizens is for the so-called defense of Europe, but the Europe that we are thinking of is a 1947-50 Europe.

I mentioned a week ago that the big issue at the beginning of the world as it was shaping and as the erstwhile allies were realizing and trying to get together on just what should be done with respect to the nations such as Germany, those in Middle Europe and Italy that had been conquered, let

alone the Far East, Japan, the Korean Peninsula and the like.

It seems as if with no real preconceived thinking of an organized fashion or manner, we have walked into history quite unprepared for the events that are now crashing around our ears in an electronic fast age in rapid succession, and the same disturbing fact, as evidenced by our failure up to now to comprehend the world closer to us on our front porch, so to speak, and I will not call it the back porch but the front porch, which is a new world.

The country to the north and the countries to the south with now more combined inhabitants, 100 million more, than the United States, and just 20 years ago that was not true. We are talking about a world that keeps spinning, changing. The immutable law is everything changes in human existence.

We have not been careful to either note the changes, the nature of the world, focus a perspective that is in keeping with the reality of what has happened in that world, and particularly with respect to the New World, much less the Old World. For example, with the advent of the Cold War rooted in the big question still unresolved is to what extent Germany should be rearmed, at least, West Germany. That was and continues to be until recently.

With the emergence of new generations that do not recall the grim reality of a world war, the peoples of these countries are virile, active, productive, highly educated and are not going to remain in a submerged, conquered, if you will, position forever any more than they did after World War I. As a matter of fact, I have taken this floor to point out the great parallel between the aftermath of World War I and what happened economically and in international finance with what has been happening in the 1960's, 1970's, and 1980's to us and Europe, and now, of course, the great Pacific Basin. The world has shrunk. It is tightly bound by firm bonds of electronic instantaneous communication, and either we are going to compete in a knowledgeable, informed direction, and that is going to take some effort, or we do not. We disappear, in the words of the British poet, into the lost glories and majesties of the Ninevehs of the past, or we emerge, as I have the faith we will, because even though the leadership, and that includes every one of us in my judgment and assessment, may have failed up to now in behalf of the greatest interests of the greatest number in our country, the overwhelming masses of our peoples are way ahead of us, and I think are quite capable of discerning the capable, the prepared, the knowledgeable leadership, the leadership with a vision, for good reason. Down through the ages we have read in the scripture that where there is no vision, a nation perishes, and, of course, that is true to this day and in our day and time. We may be lucky. We may escape an invasion, but we have to a certain extent been invaded in other than an armed, physical presence of an out-and-out enemy, and if we do, through our own fault, through no external invasion, give way and give up our inheritance of democracy, of freedom, the greatest known in the way of personal freedom of any land and country or peoples, and particularly in the 20th century, where this century has not been hospitable to the democratic ideal, it will be because we have failed to reaffirm the basic principles that have enabled us to reach the point where we are today.

□ 1630

There is no question about it, I see no formal leadership, particularly in a united way, affording the type of leadership that this country calls for at this point. The people have elected a President under the terms and conditions that modern day America confronts. I think it should be a source of great concern to us that the majority of the Americans eligible to participate in an election are not participating in those elections. This is leading, then, to the minority, the choices of those who will be leading the country, involving the country, making fateful decisions for good, bad or indifferent results.

In our case, I am sorry to say, and it explains as a consequence my criticism of this administration, though by no means have I been exclusively critical of this administration or any that happened to be belonging to the party that I do not belong to, for I have also disagreed and have criticized Presidents that in fact have even been neighbors and fellow Texans, and for virtually the same reasons.

Those reasons being that we have, through perhaps inadvertence, perhaps to the forces arising in the midst of our societal development, not only in our country but in other countries throughout the world, forgotten that this order to keep a system such as this going, that it is not self-perpetuating, that every one of us has to work at this. That if we are going to forgo this grave responsibility of participaing or at least in those processes in which we are selecting our leaders, that then we have no reason to complain at any dire results.

The election of President Reagan, I think now is being written in retrospect as a masterpiece of what some of the professional manipulators of public opinion, which is what I call them, highly and professional trained individuals who have put together the basic lessons of applied psychology, plus these tremendous means of communication of an electronic age in order to package candidacies in order to sell these candidacies. In some cases, catering to some of the baser instincts in us, catering to a dislike or a hatred of those segments of our population that happen to be in distress or poverty.

In our country, the worst thing that can happen to us is to be poor because our standard of success is our success in business or the size of our pocketbooks or our bank account, and we like to equate success there with the ability to be successful in everything else, including governing. Of course, wiser people than us, more experienced people in the shape of shared experience governments, such as the British or the English, who have more than 1,000 years of experience, long ago realized that that is not necessarily true and that in England, the phrase "professional politicians" is a word of praise. Winston Churchill thought no greater praise could be given him than to be called a professional politician. But since childhood he was bent, inured through commitment, through attribute, to the public matter and society gave him that niche.

In our country, if we say "professional politician," we mean that in the pejorative or derogatory sense, and I think therein we have in evidence of one of the root causes for our dilemmas as we face them. Very serious ones.

For instance, in Europe we are facing an economic bloc that by 1992 will be in place and will consist of more than 375 million very educated, very civilized peoples and countries. We have done nothing to evaulate the consequences. We did the same thing. We have muddled through since the 1950's and 1960's. If we research all the published addressed and public papers of President Dwight Eisenhower, and there are about 10 or 12 volumes, not one page has any reference to the European economic market and its development. Yet by 1962, the first major piece of legislation known as GATT, for the General Agreement on Trade and Tariff, was put before us.

As a freshman I remember it vividly as of today. President Kennedy was President. It was called the Kennedy round. It was obvious then to me that the system that had been erected in 1944, 1945 and even in the midst of war or the waning period of hot war, that it was another world, that Europe was emerging as a reinstituted and viable productive part of the world; that the United States, enjoying the benefit of monopoly, of production and distribution and purchase of its goods, would have to start thinking in terms very basic about what that rise of this emerging community in Europe and the Common Market and the European Economic Organization and Reconstruction Organization meant.

Now, I think there are two ways of looking at it. We can look upon it as a danger, as the Japanese are now, and I want to bring to mind the difference in the approach between our approach and the Japanese.

In the Christian Science Monitor of Tuesday, September 20, and I want to praise this publication because as far as I know it is about the only one where you read these involved articles, entitled "Japan grapples with the threat of new trade blocs in the West, will Tokyo team up with other Pacific economies?"

In other words, are the Japanese clearly realistic enough to assess and prepare for the emergence of this vast trade bloc known as a single market in Europe? Instead of the Common Market it will be the Single Market. They now have this single standard of currency, evaluations and use. As a matter of fact, in the official publication of the European Community last month there was a tremendous article on the growing private acceptance and use of the European currency unit. Now that means that whether it is intended or not, the U.S. dollar, the American dollar, which has been the international reserve unit is on its way to being displaced.

Now, that can happen in a way that can be controlled or it can continue to go the way it is now with the chaos created. As a result these external forces over which we have no control, impacting our own internal fiscal and monetary policies. It has reached the point now where our Treasury offerings and the debt, were it not in 1986 that the foreign purchase on the part of foreign central banks, these are the central bank and institutions, in these respective countries, of the financing of our debt, we would have had a real dilemma. But what does that mean in terms? It means that now, even our absolute powerful omniscient, in this respect entity, such as the Federal Reserve Board, which is the equivalent of the central banks but is not really the same, no European country would ever dream of handling its money affairs like we do through the Federal Reserve Board.

Never has such power even been given either in the history of our own country or in the history of any other civilized industrial country to such an entity as a central bank. The central banks are dovetailed into the policies of the government in power.

Now it used to be that Great Britain until, in fact as late as World War II or the high-shooting phase of World War II, did the same thing, and it gave the Chancellor of the Exchequer complete control as to what government would rise or fall through the purchase of the government paper and all, finally they cleaned that up. But we have not.

Today the Federal Reserve Board through its open market economy, which incidentally is not open but it is secret, can determine whether we are going to have a rise in interest rates, a decrease in interest rates, which all through mankind's history is at the root of its well-being or not. As long as man has existed in communal existence and in barter and trading, the equivalent of interest rates has been at the heart of the rise and fall of empires. The history of interest rates is a history of the rise and demise of great civilizations and empires. Back to 7,000 years before Christ, and here in the United States we are absolutely powerless. There is no control.

Now, let us take Japan, for instance. In Japan there is strict control on interest rates. Likewise, almost every other country I can think of. However, I can recall a prominent American and fellow Texan, chairman of the Banking, Finance and Urban Affairs Committee, because I have been a member of that committee since I came here almost 27 years ago, the Honorable Wright Patman, and what he used to say, and I know that he in that generation would never have ever imagined in their biggest nightmares that the prime interest rate in this country would ever go as high as 10 percent, much less 21 percent. If we had a graph chart, we could show that concurrent with these great, great chaotic and great instability in the interest rates, we have had the demise of hundreds and thousands of businesses and bankruptcy, we have had this other concomitant, which is most reprehensible, most destructive of the economic well being of our country in which we have these mastadons swallow other mastadons, but every one of them tying up banking credit. Every one of them. Even the Hunt brothers from Texas, when they attempted it, to corner the silver market. Now that was a rank act of stupidity. Anyone who has had any knowledge of this knows that if there is any market that has been controlled and the victim of these expert speculators, it has been the gold and the silver markets. Goldsmith, silversmith, and those controlling those markets in London, in Zurich, in France, are experts. There is no way a rugged Texan, billionaire or not, was going to bamboozle into that.

But in so doing, in trying to corner the silver market, the Hunts tied up $30 billion worth of bank credit and resources that at the banks, as instituted under our laws for public need and convenience, were serving their basic charter purpose, would be used to fire up the engines of manufacturing, fire up the business inner core factories in our country instead of these speculative, lost ventures of wasted efforts in wasted banking credit and resources of our country.

□ 1645

That is one dramatic. But then these others, more disturbingly, something that I have written a letter to the chairman of the Committee on Banking about, the recent hostile takeover of the Irving Trust Bank in New York by the New York Bank, in which in order to try to resist a takeover, the Irving Trust then brought in a "white knight" which is what they call an ally that they can find to help them temporarily stave off a takeover. But all of those have to end up paying that white knight their very life blood.

But who was the white knight? The white knight was the Banco Commerciale Italiano, from Italy. What did the Federal Reserve Board do? After all, they are a regulator. But contrary to what the majority of my colleagues believe, the Federal Reserve Board is not a Federal Government agency. It is not a Government agency at all. It is the private commercial banking system's bank. And it, in turn, is controlled by the seven, eight, or nine largest banking interests in our country. And they, in turn, have been so irresponsible about their great trust that they have jeopardized the well-being of those institutions by investing, lending, at the beginning, at great exorbitant rates of interest to the developing or lesser developed countries that we knew as far back as 1976, 1977, 1978, and 1979 when that started on a big scale, first recycling the Arab money oil that had gravitated to the Arab countries as a result of the embargo and the crisis in our energy situation, and we knew those countries would never be able to pay back, certainly not at those interest rates.

And that is what has happened. But the extent to which that overhang was permitted by the regulators, such as the Federal Reserve Board, to happen is what I consider to be unconscionable. This is the reason why I introduced a bill of impeachment, assuming that we could get a court interpretation as to the definition of a Federal official, with the Chairman of the Federal Reserve Bank Board, because the behavior was of such a kind that it was in callous disregard of the best interests of the country and all for the private interest, emolument and lucre of a few of the biggest financial giants of the world.

So that we introduced since 1966, the first credit crunch in June, legislation in anticipation. We introduced legislation that would, in effect, have brought the Federal Reserve Board to accountability to the Congress which created it.

The Federal Reserve Board was not struck from the brow of the God Jove; it was formed as a result of the Federal Reserve Board Act of 1913. But then a lot of things happened in

which the congressional intent was diluted and diverted.

With the emergence of what I consider to be something that ought to be outlawed, and I have introduced a bill to outlaw the so-called Open Market Committee, which is the one that determines whether the Treasury's bills and notes are going to be viable or not, which means whether an administration is going to be suffering or not.

But where are we now with this disorder domestically, with the unwillingness of the Congress to even consider the matter, to even consider a bill that some of us have been offering for 20 years which would bring an audit of the Federal Reserve Board by the Congress' only oversight arm, the General Accounting Office? You would have thought that we had brought in an execution squad when we first introduced those bills and had hearings. We have not been able to get hearings even on those bills in the last 20 years.

What was anybody afraid of? Their reply was "We have our own audit."

But then when I brought out the scandal at the time that our new chairman of the committee about 1975 or 1976, when it was taken over, which included the fact that a member of the Federal Reserve Open Market Committee had quite improperly leaked information that had benefited two principal banks of New York by millions of dollars. By the time we started hearings and looking into it, this one member returned to Philadelphia and died. But we insisted and finally 2 years later we finally got a promise from the then Chairman of the Federal Reserve Board that they would do an in-house investigation.

So they did, by appointing a lawyer for one of the banks that benefited, to study and examine the matter. They came out with a report another year after that which I printed in the RECORD, and it can be found in the CONGRESSIONAL RECORD, in which the Federal Reserve Board said, "Yes, there was an inadvertent dissemination of information that shouldn't have been, but it wasn't done with intention or malice aforethought or conflict of interest, it was an accident."

Well, we know that in all levels of human experience whether it is in the Congress, or the executive branch or in private life, power, unlimited power and unaccountability of power will corrupt. There is not one of us mere human beings who is so strong. And the reason why the basic genius of our form of government, where the basic three branches where powers are deposited would be coequal, independent, separate and countervailing so that no one would monopolize great power.

Until the last few years where, unfortunately, the Congresses have abdicated great constitutional responsibilities with respect to the actions taken by the President or the executive. But I think that the situation confronting us is so filled in this other area that we must somehow summon forth some resources.

I have written the chairman of the committee. I have asked him even in the waning hours of the 100th Congress to call hearings on the hostile takeover of one bank by another bank and particularly where there is foreign investments of foreign capital. For we are now depending for our well-being, as transitory as it will turn out to be, on interest across the seas that may or may not have our best interests at heart and mind.

So I have written the chairman to look into it because the Federal Reserve Board under its regulatory powers sanctioned for the first time a hostile takeover of one bank over another.

Now we have been use to having these corporate giants do this to each other at great cost. They do not produce one job, they do not find one American employment. Contrary to some of the apologists such as former Assistant Secretary of the Treasury Sprinkel, it does no good to anybody and it is greatly disruptive in its highly accelerated speculative forces. I brought out how in the stock market, for example, we now have 3 trillion turnover in volume, where we have short-term transactions; where in the sixties if you had 3 million or 30 million at the end of a day, now you get that much every 10 minutes. But almost all of it is speculative, short term usually based on some indirect or direct extension of banking credit.

Now the banks are before us, before our committee and have been for a couple of years saying that the time has come where they should be allowed to go into these ventures such as securities markets and the like. Well, they are, in a way. And whether we like it or not, the securities firms have gone into banking so they have quite a bit of justification, to a certain extent. But in the meanwhile, the Federal Reserve Board has entered into an agreement with the European big 10, or the Bank for International Settlements, the BIS, which is the real controller of the world's finances and never has lost that control even when we formed, under the Bretton Woods, the International Monetary Fund.

And they have set what they called convergence, convergence of values of investments and of capital. That is, defining, as a result of that agreement, the Federal Reserve Board then extracted from the banks $30 billion worth of additional reserve requirements which means that it has placed some of the lesser banks on a perilous perch. But what it also means is that our big international bankers and particularly the domestic bankers that, in turn, invest with these big international or supranational entities, at the disposal and under the power and control of these external banks in the Bank for International Settlements of which the United States is not a member in the sense that it has a vote.

So now though we cannot allow ourselves to sit here and watch our coming generations, in fact sold out, ironically, to a mercantile system that the American Revolution was fought to do away with. This is what we are facing.

In 1981, with the advent of President Reagan we still had 49.8 billion dollars' worth of what we call capital goods balance in international trade. By 1986, that had shrunk to $0.6 billion and as of last year, 1987, it was $2.6 billion. But, my gosh, from $49.8 billion in 1981? No wonder as of 3½ years ago the United States for the first time since 1914 is a debtor nation. I have always learned, and I guess maybe I was brought up in the tradition of Ben Franklin's almanac, that you did not try to get into debt, nor if possible, neither be a lender, but particularly not in debt to the point where you could not redeem yourself.

I cannot see how that can be good for our country.

I think we are beginning to see it. What I forsee is the emergence of a first-class crisis that I do not think is too far off that will tax our ability to lead, to contribute in a meaningful way, in a constructive manner, and not get sunk in the divisive propensity to blame somebody for whatever has happened. We have got a problem, we have got a condition. We have got to confront it, but we are not going to do it unless we do. And we measure the size and the scope of it.

I know that in this article, for instance, in the Christian Science Monitor one of the significant paragraphs is "plans for powerful new trading blocks in Europe and North America have Tokyo worried. So too does the anticipated decline of American economic strength and the shrinking appetite for Asian goods."

"In Japanese eyes, the integration of the nations of the European Community into a single market in 1992 and the United States-Canada free-trade zone are potentially negative events."

□ 1700

In my opinion, for America, as I have said often before, dangers and problems also present opportunities. But when I see that we are not headed in any constructive way or avenue compounded by our losing our grip also with our neighbors to the south, I see that we have problems. At one time, as late as 1980, I warned about this. I made the first speech here on the floor with respect to so-called Latin American matters. Even though

I had been selected by the Organization of American States in 1966 as an observer to observe the Dominican Republic elections on July 1, 1966, I did not consider myself an expert, but in April 1980, I realized we were beginning to embark on a similar expenditure or adventure as the one that unfortunately we had in Southeast Asia, and I saw that astoundingly the thinking was identical. I could not believe it. I would never have believed 15 years ago that we would have a recrudescence, that we would have a President who would revive the outmoded and antiquated bankrupt policy of Calvin Coolidge and the dollar diplomacy or marine diplomacy. Yet here we have had it, and we have lost everywhere we go.

The recent unfortunate trip of Secretary of State George Shultz should clearly demonstrate to us that we are in dire straits. Instead of forming the leadership that incidentally and ironically those countries expect and want and aspire to have from the United States, the leadership which we could provide if we had the wit and the will to work to our advantage, we have followed a different policy. Instead of facing what we consider to be a Communist menace, we would have no menace at all, but rather, a working arrangement where we could have the equivalent of a trading bloc, which incidentally Japan has been building in Asia, in Southeast Asia, in what they call now the NICS, the Newly Industrialized Countries—Korea, Taiwan, and even China. Japan has great thoughts about this, and their biggest fear is, as this Christian Science Monitor article shows, that they do not want to be accused of going back to the prewar, coprosperity sphere that Japan used before by using its military, invading China, Manchuria, and the other countries in that area.

They have learned from history, but they have not been saddled any more than the European countries have with the onus of defense expenditures. They have been able to pour their efforts into their economic producing area, and as a result, they have forged ahead of us.

We are not now a producing Nation, for the first time; we are an importing Nation, and I do not think the American people feel that it should be that way. I certainly know that it does not have to be. But we are losing ground with foolish acts, with myopic vision, with no vision. Where there is no vision, a nation perishes; with vision, it flourishes.

Mr. Speaker, I offer for the RECORD at this point this article that appeared in the Christian Science Monitor: "Japan grapples with threat of new trade blocs in West."

The article is as follows:

[From the Christian Science Monitor, Sept. 20, 1988]

JAPAN GRAPPLES WITH THREAT OF NEW TRADE BLOCS IN WEST

(By Daniel Sneider)

TOKYO.—Plans for powerful new trading blocs in Europe and North America have Tokyo worried. So too does the anticipated decline of American economic strength—and the shrinking appetite for Asian goods.

Japan is reaching for a vigorous response.

Some here favor forming a rival Asian economic bloc, but they are in the minority.

Most favor the development of some form of Asian-Pacific economic organization that might include the United States, Canada, and other non-Asian nations. Some Japanese say that such a grouping could become "A locomotive for the development of the world economy", as a recent government report put it.

Key government ministries have assembled study groups, drawing on private business and other experts, to come up with new ideas on how to create stronger economic links with nations in and out of the region.

In Japanese eyes, the integration of the nations of the European Community into a single market in 1992 and the US-Canada free-trade zone are potentially negative events. They worry that this could lead to markets that are far more difficult for foreign goods—including Japanese—to enter. (The U.S. Senate was expected to approve the free-trade agreement with Canada yesterday and then send it on to President Reagan for his signature.)

As the U.S. economy slows down, Japanese policymakers say, it will no longer easily absorb so many exports from Asian-Pacific nations. Countries like South Korea, Taiwan, Hong Kong, and Singapore—the so-called newly industrialized countries (NICs)—which now depend heavily on the U.S. market, could suffer severe economic recession.

In contrast, Japanese economists depict the world's second-largest economic power as the center of an interlinked system of Asian economies that are booming. They point to increasing integration between Japan and the NICs—one economist describes it is a process of fusion, and dubs it "Japanics." The emergent economies of South-east Asia, led by Malaysia and Thailand, surround the core NICs and Japan, with China on the periphery.

Japan has even adopted the role of defender of its fellow Asian economies against what the government report calls "impatient demands" by the U.S. and Europe to open their economies too rapidly. Prime Minister Noboru Takeshita represented such views at the Toronto summit of Western nations in June.

The vigorous Asian economies have tempted a minority group of Japanese to consider the formation of an Asian economic bloc as a counter to the European Community and North American developments. But, says Toshishige Namai, editor of the influential economic weekly Toyo Keizai, "These are old-fashioned people."

Indeed, such an approach raises painful memories of the past, in the minds of many Japanese and Asians.

A closed Asian trade bloc "would be a revision of the disaster of the Greater East Asian Co-Prosperity Sphere," comments a senior official of the powerful Ministry of International Trade and Industry (MITI). The "co-prosperity" concept was promoted by imperial Japan as the umbrella for its Asian conquests under the thin guise of resisting Western "imperialism."

Asian leaders have frequently expressed discomfort at Japanese economic domination.

"We know that there are some legitimate fears held by Asian countries about that," says another MITI official.

"We definitely need a U.S. presence when we talk about an Asian economic organization," he says.

Officials of MITI, which is at the center of discussions about a possible trade group, insist that they are absolutely opposed to any system that would undermine global free trade. An Asian-Pacific economic organization must be an open system, including the U.S., Canada, and other non-Asian nations, they say.

"We are at an early stage of discussion," says a MITI official involved in the "Asia-Pacific Trade and Development Study Group."

Various ideas are under discussion including:

The creation of a Asia-Pacific free-trade zone led by Japan.

The formation of a Japanese-U.S. free-trade zone to counter Europe.

The establishment of an Asian-Pacific version of the Paris-based Organization for Economic Cooperation and Development (OECD), the group that coordinates economic policies among advanced nations.

"The thrust of these," the official says, "is to build a more lasting relationship between the U.S. and Japan," not just between Japan and Asia. A new structure could reduce bilateral U.S.-Japanese trade tensions, dealing with problems as a package.

But an interim report issued by the MITI study group earlier this summer makes it clear that Japan plans to play a greater leadership role. "Although the U.S. is expected to play a major role in the Asian-Pacific region, its contribution will inevitably decline," the report concludes. "Therefore Japan's contribution should be increased and the U.S.'s burden lightened."

The report discusses four broad economic scenarios for the region and their implications for the world economy.

The first scenario, that the U.S. economy continues to play the central role in the region's growth, is dismissed as "unrealistic." The authors predict a slowdown following the presidential election as the twin deficits are reduced. Budget cuts will mean less foreign aid and it will "become more difficult to depend on the U.S. alone to support stability in the region."

MITI's second scenario envisions Japan stepping in to "absorb exports from the Asian-Pacific region, including the U.S." Japanese imports of Asian goods are currently increasing at more than a 50-percent rate, and MITI proposes to "ensure this trend is built into the Japanese economy." Japan's new role as an importer, the report says, will help reduce the American trade deficit and "provide the region with some insulation from the deflationary effect of a slow-down in the U.S. economy."

Japan can also play a role as a "stabilizer" by increasing foreign aid and helping to solve the problem of massive third-world debts.

The third approach calls for an expansion of trade and investment within the Asian region. The report suggests that other Asian nations follow Japan in expanding domestic demand, opening their markets to exports from outside the region, and expanding economic contacts between them. The recent

phenomena of Korean and Taiwanese companies setting up factories in Southeast Asia is a promising sign of such intra-Asian links.

The result of this, the report says, would reduce trade imbalances and protectionist threats from abroad. The Asian-Pacific nations "can show the world that it is a mistake to see the economic development . . . as a threat, for it is actually an opportunity."

"If there continues to be a lack of vision and cooperation in the Asia-Pacific region," the fourth scenario warns, then the flood of exports will bring protectionist reaction and other pressures. The report sees this leading to "economic disorder" that "could throw the economy of the entire Asia-Pacific region into a deep depression.

MITI hopes to realize the second and third scenarios by gradually creating forms of economic cooperation in the region. It cautions against pushing too fast with "rigid" structures that are modeled on the European Community or the OECD. Such plans have already bruised the sensitivities of less-developed Asian nations which fear domination by their richer neighbors.

"Soft cooperation," MITI says, should come first in the form of research, conferences, meetings of officials which promote joint policies.

The U.S.-Japanese free-trade-zone idea, along with a wider Asian-Pacific zone, is left for further study. But privately, informed sources say, the authors of this study are said to favor proceeding with a pact with the United States, which could then be expanded gradually to include the NICs and other nations.

In the coming months this debate is sure to intensify. More voices will join in as Japan slowly searches for consensus on what amounts to a major shift in its long-term economic strategy.

Now, let us put aside our bankrupt policies, if we could call them that, in Latin America. Let us look at Europe and Germany. Let us look at Southeast Asia and Korea, where we have 45,000 plus of our soldiers. We have seen demonstrations lately in effect saying, "United States, please leave us. We don't need your army of occupation. We want to reunify Korea, South and North."

Mr. Speaker, we may notice that nobody was saying that these are Communist elements in South Korea. What does that mean, though, in Germany? This has to do with all that I have been talking about since my first year when I came to Congress. The only trip I ever made was a working trip to all the U.S. Army installations in Germany and the NATO headquarters then in Paris, France. And there was no question about what I saw.

When I first went to school in San Antonio, I did not know a word of English. I had to stay a whole year in the low first. But I knew two languages; I knew Spanish, and I knew German. Of course, through the years, not hearing it or not practicing it until I made that trip to Germany in the Easter week of 1962, it was amazing how it came back to me. But I could sense that the common aspiration was the reunification of the fatherland.

This is what we are now beginning to see. The recent tragedy of the air show has brought a recrudescent feeling. In the New York Times of Monday, September 19 of this year, the statement was: "Germans question their sovereignty. Some feel NATO dominance smacks of an occupation."

I have been telling my colleagues since the 1960's that we changed the designation of our troops from "occupation" to "defense," but we have got to look at it from the standpoint of and in the eyes of the citizens of Germany, the fatherland, when we are there, because events change, situations change, circumstances change, and history has changed.

As a matter of fact, I must again remind my colleagues of a statement by one of the Premiers of France—I believe it was Prime Minister Laurent Fabius—who said originally, I believe, at the end of the war—and I am going to quote to you:

At that time, it was by no means clear that the American military role would ever go beyond providing naval support and strategic bombing capability. American troop deployments were justified as interim measures until the Europeans could fend for themselves.

Well, today we have over 225,000 troops in Europe alone, mostly in Germany, we have over 45,000 in Korea, and we have a total of over 550,000 throughout the world.

What I am saying is simply this: Do we want to expose our men to measures beyond our capability to satisfy? I raised this issue in the Middle East with respect to the deployment of the Marines in Beirut. I am sorry to say I was right. I wish I had been wrong. I hope I am dead wrong tonight, but it is obvious.

Even now our leaders still have not learned. Instead of thinking in terms of how we can recapture that normal suasive power of leadership, particularly in the framework of the Organization of American States, which we took the leadership in forming but which we have abandoned with our unilateral actions in the Western Hemisphere, instead of doing that and thereby building an outlet for American's producing capacity and raising the standards of living, not armies, in Latin America, we are making the same grievous errors we made in other parts of the world.

I simply cannot understand it. There is no way I can understand it. So now in Europe, in Germany, and in Korea, we have had these demonstrations, and if we would read the literature, if we would read the intelligentsia, we would see that that is the passion and we would see that that is the nonpublicly discussed issue. So should we sit here and wait until we are pushed out?

Should we have not seen that as of 1981 and 1982 when President Reagan attempted to embargo the construction of the gas pipeline from Siberia into Western Europe, only to find that his biggest financial supporters were part of the financing plan? The company known as Ruhrgas, based in the Ruhr, had 25 percent ownership between Exxon and the Chase Manhattan. They were for the construction of that gas delivery system that is providing Central Europe, including France and Germany, with natural gas.

We cannot confront the world with a mindset that sees the world as of 2, 3, or 4 decades ago without our suffering as a consequence. But even here I have had reports on this since July, and this goes to Panama. Incidentally, I will remind my colleagues that in February we had what I call the King Canute resolutions, where we order countries to do this and we order them to do that. I call them King Canute resolutions. We had that resolution on Gen. Manuel Antonio Noriega, and there were two of us who voted against it. I voted against it because of the language contained in it. I called it the equivalent of the Tonkin Bay Resolution because it had one section in which we said: Mr. President, we urge you, we permit you, we authorize you to use any means whatsoever.

Well, I remember what that resolution did in 1964 that nobody foresaw at the time.

Since then, even the Secretary of State has been publicized in our dailies as having OK'd a plan to kidnap Noriega and to militarily take over. I could not believe it. Why? Because anybody who is familiar with that country knows that we are not going to do it that way without losing the moral support from every surrounding nation. And here was a man that our own CIA had been supporting at the same salary we pay our President, $200,000 a year, and with whom the Drug Enforcement Administration has daily cheek-by-jowl associations. Now he was suddenly an enemy to be done away with by whatever means could be used. This made us a laughing stock, not only in other parts of the world, but here on our own front porch, and it is totally unnecessary. It shows total ineptness, it shows total ignorance of the history and the culture of the region and everything else.

I refer even to the military. Were it not for the professional military, God bless them, things would be different. We have great professional militaries that I honor and respect, but sometimes Presidents use our political militaries to do what they want to have done. But were it not for the professionals, what would have happened? They said, "Wait a while, Mr. Secretary of State. That's crazy. We don't want to do that. We don't have the means. Why, don't you realize that there are more Americans in Panama proper than there are in the zone be-

longing to us, the area that we still occupy?"

So they have been recalling Americans. We now have about 65 percent of the Americans living out in civilian life in the Panamanian cities either out or back in the military compound. I have gotten word that was very disturbing, and it is reliable, that in July, just about the time this talk was beginning to creep up, a shipment of 5,000 plastic body bags and caskets had been delivered to Panama, to the former Chagres Hospital compound.

Now, I do not think that the plans have changed that much, and I am still distrustful because of these obviously hard-to-understand actions that have been taken thus far. I am afraid that something still will happen, and that it would be even thought as being feasible and in our long-term best interests.

□ 1715

There are a lot of ways to skin a cat in politics as well as in diplomacy. This is not one way. But I am reporting that all the things are in there, and I am sorry to say that given our lack of leadership that I am not too happy in my expectations.

I have always believed, and I have seen men of power, and how men react to power, and why Shakespeare said:

> Be not fond to think that Caesar bears such a rebel blood that will be thawed from the true quality with that which meeteth fools, I mean sweet words, low-croaked courtesies, and base-spaniel fawning.

I think the personalities and the people are in place there in the executive branch that are not beyond still thinking of such a thing as an invasion. I hope not. I pray not. But I cannot think of a worse thing happening when we should be concentrating on these vast dimensional problems that are going to take the good will, the unity, the cooperation of every brilliant American we can muster in order to meet and ward off what otherwise will be a dire day for America and, incidently, the world.

THE 50TH ANNIVERSARY OF MUNICH

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York [Mr. KEMP] is recognized for 10 minutes.

Mr. KEMP. Mr. Speaker, 50 years ago next week British Prime Minister Chamberlain traveled to Munich for the purpose of preserving peace in Europe by sacrificing the independence and freedom of Czechoslovakia.

Seth Cropsey, Deputy Under Secretary of the Navy, in a brilliant article in the Wall Street Journal today discusses the lessons of that infamous and tragic era of appeasement.

I plan to speak in a special order next Wednesday, the day Chamberlain left for Munich, and ask colleagues interested in the meaning of Munich to join me.

But, in the meantime, this op ed article is outstanding.

[From the Wall Street Journal, Sept. 23, 1988]

CHAMBERLAIN'S PERSPECTIVE LIVES ON

(By Seth Cropsey)

Fifty years ago next week, meeting in Munich, British Prime Minister Neville Chamberlain tried and failed to appease Hitler. Since then, nothing has changed the fact that only strength deters aggression.

But in the intervening years, so much criticism has been poured upon Chamberlain's failed policies that they have disolved into caricature. Across the political spectrum, we divorce ourselves from Chamberlain's mistakes; the stout anti-Nazi militarism of his great opposite, Winston Churchill, is admired by even the most liberal of today's anti-militarists. In this atmosphere, it is increasingly difficult to recognize the similarities of current opinion in the West to the views that plunged Europe into World War II, Nineteen eighty-eight is assuredly not 1938, in economic or foreign affairs. But the road to war that led through Munich was paved by three specific misjudgments that still threaten to trip us today.

Chamberlain's first mistake was his belief that a new age of chemical weaponry and aerial warfare in the 20th century had changed war so radically that military conflict between great powers was unthinkable.

"War today . . . . is a different thing not only in degree, but in kind, from what it used to be, "Chamberlain explained in October 1938. Chemical weapons brought the potential for indiscriminate destruction of civilian life as well as military targets; air warfare erased the security of distance, borders and time. Chamberlain's was a harrowing vision of "people burrowing underground, trying to escape from poison gas, knowing that at any hour of the day or night death or mutilation was ready to come upon them."

FAMILIAR ASSUMPTION

We should not underestimate the emotional impact of such a view, rooted in 1938's still-vivid memory of 1918's chemical warfare. World War I had brought evil, and future war would be worse. In modern war, Chamberlain argued, "whichever side may call itself the victor, there are no winners, but all are losers."

If today's horror of nuclear warfare makes this perspective familiar, there is something equally familiar about Chamberlain's assumption that other major powers would share his views. Like a moral technocrat weighing his adversary in the balance, he finds the scales even. Germany could not intend to "demand to dominate the world by force." he noted, "for the consequencs of war for the peoples of either side would be so grave." Thus Chamberlain insisted well into 1939, that Nazi ambitions could be contained by negotiation, for the new warfare would deter its own use.

Ironically, in one way he was right—the kind of war he envisioned did not occur. But his vision of war was wrong. The possession of chemical weapons and defense on both sides proved an effective deterrent to a horrific chemical war. But horrific conventional war did occur, spurred by Hitler's belief that, in apparent absence of Allied preparedness and will, aggressive military operations could gain Germany the advantage.

Today, in the U.S., politicans question preparations to deter conflict, including strategic defenses, as if we had not learned what Chamberlain failed to grasp: Not everyone may share our view of war's deadly disadvantages—and absent realistic signs of our determination, rulers whose regimes are based on force may view our respect for law, diplomacy and negotiation as a sign of weakness and not of strength.

Chamberlain was fascinated with the personal touch, something shared by many journalists and many politicians. His belief that misunderstanding, not aggression, causes conflict—his second great misjudgment—was reflected in a dogged devotion to the virtues of shuttle summitry and face-to-face assurances of good will and friendship: "The message . . . from Signor Mussolini was of a friendly character." "Herr Hitler . . . said, again very earnestly, that he wanted to be friends."

As naive as these remarks now sound, they are based on Chamberlain's belief in the utility of trying to "understand the mentality" of Britain's adversaries. But the outcome of his failed international social work was more than disillusionment and personal betrayal. The outcome was national policy confusion and disaster—and everywhere a double standard regarding the international behavior the democracies had a right to expect.

Thus, in February 1938, Foreign Minister Anthony Eden resigned his post after insisting that Britain should not engage in talks with Italy until Mussolini took certain specified actions to prove his respect for international agreements. Chamberlain disagreed: British preconditions would signal "a spirit of suspicion," alienating the Italians. "If there is going to be bad faith, there will be bad faith, and no assurances beforehand are going to alter it."

But just seven months later, at Munich, when the question was how far Britain and its allies should go to meet totalitarian demands, we find him rising to the bait of Hitler's calculated anguishings by reassuring Germany of British and Allied Good faith. "I should tell the House," Chamberlain reported to the Commons, "how deeply impressed on my mind . . . is [Hitler's] rooted distrust and disbelief in the sincerity of the Czech government."

Chamberlain's efforts to minimize his adversaries' "suspicions" led him to renounce justified British suspicions; his efforts at "understanding" his adversaries' claims led him to misunderstand their ambitions. Most tragically, both attitudes led Hitler to misunderstand Allied determination to resist. Again, we can learn a profitable lesson: However distasteful cynicism and suspicion may be, tough-minded diplomacy is a precondition to peace.

Chamberlain's view of the impossibility of general war, combined with his belief that mutual understanding would avert conflict, reinforced his fiscal view of the wastefulness of investing in defense—his third mistake. Although he believed in the necessity of arms as a backup for British diplomacy, he frequently expressed his distaste for the "spectacle of this vast expenditure" as "folly," a "senseless waste of money," "hateful and damnable." Such a view slowed the pace of rearmament in the face of the burgeoning Nazi military machine—the delays that Churchill so feared and criticized.

Just as corrosive was Chamberlain's reluctance to use force to halt the slow erosion of Euopean liberty. "Everyone knows," he said, that British forces "are not going to be used for aggression." That he was reluctant to use them at all must have seemed equally clear. Like today's "anti-war" advocates, who say they support a nuclear deterrent

yet seek a U.S. pledge to renounce its use—assuring any aggressor that he need not fear U.S. power—Chamberlain repeatedly assured the enemies of freedom of their freedom from British force. By the time of Munich, if Hitler had had any remaining doubts, Chamberlain removed them.

Speaking over British radio, in words that again ring familiar, Chamberlain called the Czech issue "a quarrel in a faraway country between people of whom we know nothing," and observed that "however much we may sympathize with a small nation confronted by a big and powerful neighbor, we cannot in all circumstances undertake to involve the whole British Empire in war simply on her account. If we have to fight, it must be on larger issues than that. . . . War is a fearful thing."

A FAILED REALIST

In the end, of course, Nazi aggression was understood for the "larger issue" it was, and the "faraway" quarrels came home. The irony of Chamberlain, however, is not that he was a failed idealist but a failed realist. Despite all, he did know that "in any armed world you must be armed yourself"; as prime minister, he presided over a massive peacetime rearmament program. Similarly, if appeasement was later to become synonymous with spineless acquiescence to threats of force, this was far from its original conception. Instead, it was meant as an effort, by the victors of World War I, to end disputes arising from the Treaty of Versailles—thereby stabilizing Europe as well as ensuring its peace and prosperity.

In the turbulent decades that have followed World War II, the U.S., too, has sought stability, as well as peace and prosperity, on a global level. As the leader of the effort to maintain freedom's defense, we owe ourselves a closer look at Chamberlain's valuable lessons. As he properly observed, war is a fearful thing—a fact that makes it even more important to ensure that the enemies of liberty fear to wage it. To know that our adversaries may not share our views—to understand that understanding is not everything—and to present a strong defense: This clear-eyed grasp of reality and military power remains essential to peace.

As for Chamberlain, he cannot be dismissed like some servile waiter in a Monty Python sketch, carving up Europe to appease Hitler's territorial appetites. the 50 years that have passed since Munich may have fogged the looking glass, but the face that peters out looks eerily like our own.

ELECTION YEAR POLITICS

The SPEAKER pro tempore (Mr. STENHOLM). Under a previous order of the House, the gentleman from California [Mr. DORNAN] is recognized for 60 minutes.

Mr. DORNAN of California. Mr. Speaker, heeding the counsel of the prior speaker, I will not engage in base fawning.

I would like to discuss two men of power, I hope constructively; our Speaker, Mr. JIM WRIGHT, of Texas, and the Governor of Massachusetts.

The two gentlemen of which I am going to speak, and I am going to try and rush tonight because it is a getaway Friday. I have always respected, not only for the last 2 years of the 100th Congress, but for the 10 years that I am concluding as an elected Member of the Chamber of the last 12-year span, I have always respected getaway days out of respect for our hard working staff here, but we only have probably three more getaway weeks before the 100th Congress becomes history, and there have been some incredible developments in the last few days both in the Presidential campaign and in the suffering of the Democratic opposition, those who love and fight for liberty either with words in streets of Managua and the small towns there around or those who fight for liberty in Central America with arms in the hills of Nicaragua or in uniform against the Communist guerrillas who are in the hills in the adjoining country named after Jesus Christ, El Mundo Del El Salvador, our Lord, the savior of the world.

Now there is one item I want to clean up from last night's special order. The gentlemen that were with me on this side of the aisle tried to share in a special order with a Member, the gentleman from Massachusetts [Mr. FRANK], and of course he cleverly, I think, used in a wrong-spirited way the rules of the House that require that we address all questions and colloquys through the chair. He did it to restrict, limit, debate, mock debate, and would yield for a comment for one of us, or an observation or a defense of Vice President BUSH, and, before we had half a sentence out of our mouths, he would demand the Chair discipline us, cut us off, and take that half sentence and twist it and manipulate it.

But at one point the gentleman from Massachusetts [Mr. FRANK] made a terrible misstatement. He said his candidate, who happens to be his Governor from Massachusetts, supported the raid on the terrorist bases of the strange, weird, wacko President of Libya, Muammar Qadhafi, that Michael Dukakis supported President Reagan's rattling Qadhafi's brains with the Navy attack aircraft off our carriers of the 6th Fleet and with the F-111 aircraft out of Lakenheath Air Force Base in England, and that is not correct.

As a matter of historical fact, when Mr. QUAYLE, a Member of the other body who is the Vice-Presidential nominee under Mr. BUSH, when he charged that Dukakis had opposed the United States air strikes against Libya, a Dukakis spokesman named Mark Gearan said that was correct when the news media pressed him. Michael Dukakis was in fact against the bombing of the terrorist bases in Libya.

Now I do not know what Michael Dukakis thinks the outcome was of President Reagan taking that direct, and, yes, violent action, but in the period, the brief period leading up to the bombing of those bases, we saw, and I will not recapture all of the incidences of horror, but we saw a young, American, 10-year-old child, Natasha Simpson, gunned down in the beautiful airport, Leonardo da Vinci Airport, outside of Rome, gunned down in front of her parents, both of them people who work for Associated Press. The mother recalled seeing one terrorist turn his submachine gun pistol sideways and give a final burst along the floor of the airport terminal slamming the bullets into young Natasha and killing her. She had already been wounded.

At that moment there was another terrorist attack precisely at that moment on the international airport at Geneva.

Mr. Speaker, we do not see young kids gunned down in front of their parents anymore.

Mr. Speaker, we do not see American sergeants like Jimmy Ford—he never made the cover of our news magazines, only made the cover of People magazine, but Jim Ford was one of our two sergeants killed in the La Belle Disco just 10 days before President Reagan properly and surgically released the might of this Nation's Naval and Air Forces against Qadhafi's terrorist bases. But most Americans, almost everyone I have ever met since then, do not know that a second sergeant, a second specialist five NCO of our forces at the Berlin garrison, was killed that night because Jim Goynes, the other Jim, the other sergeant, he died 2 months and 2 days later in a hospital in Berlin too injured to ever have been moved. He was burned, but the worst burns were on the lining of his lungs. Fluid built up in his lungs, and he died on June 7, 2 months and 2 days after the bombing incident. A Turkish young lady dating one of our servicemen was killed that night also. But Jim Goynes, who on a prior assignment met a Filipino lady who since became an American, married her, had a 5-year-old son, that wife, young wife and the 5-year-old son, were standing by the father's bed holding his hand when he died. Both of his legs were amputated during the intervening weeks. The Army had hoped to give him a Purple Heart after the regained his health. It was awarded posthumously.

Two sergeants, Mr. Speaker. We have not seen sergeants killed by terrorists anywhere in the world since President Reagan took that action that Michael Dukakis is against.

Another incident comes to mind, and of course it was the pounding and beating to death of the young naval diver Robert Stethem. The heroic stewardess on that airplane broke down crying a few days ago in the courtroom in Germany at the trial of Ahmad Hamadei, the killer, and she said that young Bobby Stethem, whose two brothers, younger and

older, also serve in the Navy as their father did; younger brother joined the Navy shortly after that; never made a sound as the killers beat him in the cockpit to intimidate the aircrew. He stood there and took the worst pounding that they could give him until finally he dropped to the floor almost unconscious. Then they ripped the arm off one of the chairs and with the screws sticking out of it continued to beat him to a bloody pulp on the floor, and then Hamadei stood up and said to the courageous stewardess that we have all honored in this Chamber, said, "See how tough and strong he thought he was? Look at him now." And later on he jumped up and down on his chest, and the autopsy showed that he broke many of his ribs, Hamadei did. Bobby Stethem was over 6 feet tall. Hamadei is small in stature. So he particularly enjoyed beating a man into unconsciousness until he shot him in the chest and killed him because the man was taller and unable to defend himself with his hands behind his back.

When the stewardess reached her final story of this moment of horror of the killing of an American on the flight deck of a TWA airliner, flight 847 from Athens to Rome; of course it was on the ramp at Beirut when the killing took place; she broke down sobbing as she said, "He was quite a courageous and heroic man. He never once made a sound or cried out."

That was great that he did not beg for mercy, but they showed him no mercy. That is another reason that President Reagan unleashed what Michael Dukakis criticized and what some people started to criticize in this Chamber, at that lectern, until the polls started to come in into the news services of the free world, 85 percent of the Americans in favor of President Reagan's raid on Libya.

But here is the worst instance. A few months before President Reagan finally took dramatic, and, yes, surgically violent action, an American family was traveling on that same route from Athens to Rome, and they were traveling without the paternal head of the family, the father. The grandfather had already gone to his eternal reward, but here is an American family named Klug, K-l-u-g, a mother with her child, her daughter and her mother, the grandmother, and she was pregnant with yet another child, another child, another female child developed enough that an autopsy was performed on that child or that was performed on the mother. That family was blown out of the side of the airliner by a man unknown to them that they were probably chatting with before at about 15,000 feet. A bomb goes off in the cargo compartment inching up along side of the—blowing out enough of the side of the airplane that, although the hole looked small in the photographs, it was large enough to have the mother, Dimitri Klug, Maria Klug, torn outside of the side of the aircraft, and with her, her daughter Dimitri Klug, the pregnant mother, Maria, and the grandmother after whom the little 2 year girl was named—with the gentleman also; I am sorry I forget his name. The four of them were sucked out of this airplane, one of them a pregnant mother, falling 15,000 feet through the sky until they hit the soil of the world's first democracy, Greece, and these were Americans traveling overseas.

Mr. Speaker, this was a horrendous period that this country went through, and other countries, particularly NATA nations, who were suffering at the hands of the Red Guard, the Bader Meinhoff people, the Red Brigade, and in every civilized country in the world Americans were being terrorized.

But guess what? God willing, we are witnessing the beautiful Olympics in South Korea, south just a few kilometers of one of the world's great terrorist nations, North Korea. Why are we able so far to watch these olympics without terror? Because Ronald Reagan did something that Jimmy Carter constitutionally—I mean physically constitutionally—would have been unable to do, and certainly I do not think Michael Dukakis could do it since he criticized the raid on Libya, and that is to take direct action to save American lives whether it is young medical students while he also liberated the Island of Grenada, or whether it is the people that suffered so that no Americans would suffer these terrorist incidents in the future.

Mr. Speaker, the gentleman from Massachusetts [Mr. FRANK] should be advised that he was wrong last night. Dukakis criticized Reagan's proper action against Muammar Qadhafi who, by the way, truly had his brains rattled because he has not been a factor on the world scene for evil ever since, and that is almost 2½ years now.

Now first I would like to discuss the tragic events since Tuesday morning when I believe the Speaker of this Chamber, JIM WRIGHT, of Texas, violated his oath to keep secret those national intelligence briefings that are given to Members of Congress. Every one of us here, every one of us from right to far left, has a top secret clearance the day we are sworn in to be a Member of this Chamber on this House floor. When we raised our right hand, all of us promised to defend the Constitution against enemies, foreign or domestic, from that moment on. We are allowed without ever having a security background check that sometimes takes months for older Americans and is pretty thorough even for a young American even joining the military, a young man or woman who is 19, 20, 21, even 18, dealing with national secrets. Even they have an extensive background check going back to high school.

□ 1730

No Member of the other body or this Chamber gets a background check at all. We are entitled by the vote of the electorate in our districts, our constituents who vote for us, they give us a top secret clearance, together with the use of that word "Honorable" in front of our names as an elected Federal official, and we should certainly get more of those top secret briefings, not 10 percent of us get as many briefings as we should to be informed to vote intelligently on national security issues here.

But to have JIM WRIGHT, the Speaker—we each have our Republican and Democratic leaders, but he is the Speaker of all the people in this Chamber, third in line to the Presidency, ahead of the President pro tempore of the Senate. It shows how our forefathers respected this job after the President and the Vice President, given some horrible tragedy that has never happened in over 200 years, whether we would lose both the people serving as our President and Vice Predisent, the Speaker of the House is next in line to become the President.

Listen to this editorial from one of the three most powerful papers in America. They are all liberal papers, the New York Times, the Los Angeles Times, and the Washington Post. This one has certainly been at the forefront of liberal thought in our country. Here is what they say in an editorial entitled, "Jim Wright and the CIA."

Here are the preliminary results of House Speaker Jim Wright's statement that the CIA has testified—

There are no open CIA briefings on this Hill on either side to anybody ever, and I have never heard of one—

that it ginned up anti-Sandinista—

Translate that anti-Communist—

protests in Nicaragua in order to provoke the Sandinistas into an oppressive over-reaction that would kick back on the Sandinistas.

First, the statement is a savage blow to the Nicaraguan civil opposition—the legal—

And they italicized this—

the legal political opposition—and especially to the 38 Nicaraguans who were arrested in a peaceful protest at Nandaime last July 10—

They have been rotting in prison cells, July 10, August 10, September 10 and today, the 23d, 2½ months rotting in those filthy Nazi- Communist-style prison cells, built by the Cubans, designed by the Russian Communists. They have been rotting in those cells for 2½ months, and Mr. Speaker, I believe you, JIM WRIGHT, kicked them right in the face, and the liberal

Washington Post calls it a "savage blow."

They say your statement, sir, "has further implications for American efforts to extend a hand to local democratic forces elsewhere. It becomes easier in, say, South Africa," an oppressive rightwing regime with a racist policy of apartheid. That is what they are talking about in the Washington Post—"Poland"—which I just visited the first, second and third of this month and saw the spirit of the people there who yearn for freedom and how they have relied for decades upon Radio Liberty, Radio Free Europe, and the discourse with the Polish-American communities throughout this country, getting gift packages to make life a little easier, spending money, but mainly the free flow of information back and forth from Poland to the United States and Romania, Bulgaria, Czechoslovakia, East Germany, all of the satellite countries opposed by the Soviet Union, the liberal Washington Post says you, Mr. Speaker, JIM WRIGHT, have injured these relations, and they point out also Chile, with an oppressive rightwing regime. So the Washington Post picks out an oppressed Communist-controlled country where less than 1 percent of the people are Communists.

Now, I went into one Catholic church after another on this 1,200-mile drive with my 28-year-old son, visiting Nazi extermination camps and Catholic churchs in between, reliving mentally the horror of Nazi Germany's occupation of this most put upon country in this century. They pick out Poland and two countries that suffer under rightwing regimes, Chile and South Africa, and say you, Mr. Speaker, have hurt the causes of the exchange of local democratic forces with us extending a hand to them.

They say:

Mr. Wright dates his abhorrence of CIA "destabilization" from the case of Salvador Allende in Chile in 1973.

Why, Mr. Speaker, are you contributing to the leftwing radical hysteria and lying over an exaggerated, massively 100 percent exaggerated role, of whatever our Intelligence people had to do with the dumping of this jerk Marxist Allende, who won with only a third of the vote of his people, almost to the precise 10th of a percentage point the way that Hitler with a third of the people took the vote in Germany because of the chaos of the Weimar Republic, and you are adding to this folklore that is spread by this foul Christic Institute, defiling the name of Christ in their name. I call them the "Tic Institute," like a blood-sucking insect, this institute with its leader and this beautiful Irish name, Daniel Sheehan, runs around this city using sometimes Federal money laundered through various operations to malign the reputation of 27 good Americans, many of them who have served this country up to the rank of several stars on their shoulders as generals, and you are contributing, Mr. Speaker, to this Christic Institute, a slanderous, blasphemous horror in this city.

It says that your "likening of the Sandinistas to an "elected government"—they put your statement, "elected government" in quotes, Mr. Speaker, and then they say, quoting you again:

That represents—

JIM WRIGHT—

the choice . . . of the people,

they say your statements, Mr. WRIGHT, are laughable. This is the Washington Post. It says your statements are laughable or, at least, they would be laughable if the effects of your intervention were not so serious.

Now let us turn to the New York Times. The New York Times editorializes against you just as severely as the Washington Post, although they have more of a way of coming down also on the freedom forces in Nicaragua.

The New York Times of today says, "Two wrongs on Nicaragua."

They say the aim of the policy, you say, Mr. WRIGHT is to undermine the Sandinista government and that that undercuts the peace negotiations.

Three questions about this statement need to be addressed: Has the CIA been carrying out such a policy? If so, was the policy wrong and is the Speaker correct in opposing it? And did he expose it in a proper manner?

They go on to say that it would be surprising if our intelligence forces had not been involved. Maybe they should be involved in South Africa and Chile and everywhere where man oppresses his fellow man. We like to think that at least in the area of the exchange of information, of free information and encouraging democratic forces like Thomas Jefferson was encouraged by Lafayette coming over here to sometimes fight and sometimes with words to try to bring about hopefully without the shedding of blood the birth of liberty, hopefully someday in every country on the face of the Earth.

It says what Speaker WRIGHT has done he has done in a most questionable manner.

He apparently made no effort to convey and press his views privately—

In other words, he leaked it to the New York Times and probably the Post feels this way. Then it would have been all right to put Bob Woodward on the case, investigative reporter, but to do it publicly, they say, is wrong, that first he should have exhausted these discreet remedies. I hope they are not talking about discreet leaking.

It says:

By saying that CIA officials had testified to the covert provocation policy, the Speaker—

You, Mr. WRIGHT—

damaged the integrity of the confidential process by which the Administration informs Congress of covert actions. It hurt chances for legislation to strengthen that process.

They say:

His statement—

WRIGHT's statement—

also made all Nicaraguan opposition groups look like U.S. puppets.

They say you took the wrong path, and they say you made yourself, rather than the policy, the issue.

That is why I have supported my leader, the gentleman from Illinois [Mr. MICHEL] to have an investigation of your actions.

Here are translations from the Library of Congress of newspaper stories in Managua, Nicaragua. I have been down there seven times in the last couple years. Only Hanoi, another Communist capital and a few cities across Siberia, have as little food as Managua does. It is an absolute typical Communist country like Hanoi that has brought nothing but economic deprivation and oppression to the people.

I marched with them on November 7, and believe me, it did not take any CIA instigation to get these brave people to stand up. I remember one handsome young lad about six foot one with a spray can running along the whole route of the parade, this is just last November 7, spraying slogans on the walls against the Communist oppression, "Get the Cubans out of our country. Get the East Germans out of our country."

And I can see the secret police and the Turbos, that is the divine mobs that beat up pregnant women, as they did at Nandaime on June 10. This is last November. I could see him as he sprayed, watching his every move with a government camera filming him.

I wonder if that young brave man is alive today. I wonder if he is in prison at one of the 62 prisons or the major 16 prison camps. I wonder if he is out at Modello Prison, a model prison built by the Cubans, where they have little metal underground hellholes. I wonder if that young man is being beaten up tonight and called a stooge of the U.S. Government because of your remarks, Mr. JIM WRIGHT.

Here is what the papers say. This is Communist writing:

Opposition figures in Nicaragua connected with the American Embassy yesterday received with dismay and frustration and surprise the declarations of the Democratic Party leader, Jim Wright, who virtually stripped away their cover as pawns of the CIA in the Reagan Administration's strategy to destabilize our sandinista government. Stripped of arguments to contradict their serious roles, politicians such as Edwardo

Rivas, Gustazoro and Alon Fletas of the PSC and Jose Costillo of the conservative faction, they reacted indignantly.

And one of them, Gustazoro said that the Coordinadora could hold an emergency meeting to analyze the impact of WRIGHT's declarations.

You bet they are in fear. I sat at a dinner table when my colleague, the gentleman from California, Congressman DAVE DREIER—it was actually a lunch—said to the democratic political opposition, he said something about we are trying to help the Contra freedom fighters in the hills. He misunderstood, because he did not speak English through the translation, and thought DAVID DREIER had suggested that they, the opposition, get in touch with the Contra fighters in the hills, and the gentleman said, "Congressito DREIER, do you want to get us killed?" he said in Spanish. "We can't have anything to do with the young men and women fighting in the hills."

How do you think they feel now, nailed by you, Mr. Speaker, as puppets of the United States?

Gustazoro said that he would propose that charges be brought against WRIGHT in the United States. I wonder if that man said, yes, Mr. Speaker, a Nicaraguan in Nicaragua suggesting that some of us in this country bring charges against you and, of course, that did happen. At least we have asked for an investigation of charges.

Meanwhile, Louis Felino, Jr., Public Affairs Advisor, that is an officer to the Communists stated, continuing in the traditional American strategy of not commenting on embarrassing acts, alluded a series of 10 questions formulated by the Communist paper Barricada about the explosive declarations of WRIGHT.

Now, get this, Mr. Speaker. The ex-Nicaraguan Ambassador to Washington, Carlos Tournaman, who came to your office, sir, on many occasions last year and together you and he went to the White House and presented what later became the Tournaman-Wright-Reagan peace plan that lasted 4 days until it forced Jose Napoleon Duarte of El Salvador and Jose Azcona of Honduras to sign that flawed Esquipulas document that has been going on for 13 months, which destroyed the attempts of freedom which were at the verge of paying off in Central America and the hills of Nicaragua.

The Nicaraguan Ambassador, Carlos Tournaman, said that his expulsion last July, a few months ago, was shown to be unjust by the statements of WRIGHT, because WRIGHT's statements showed that removal of ex-Ambassador Melton for his conspiratorial acts with the CIA was justified.

Mr. Speaker, we have not heard from you whether you think that the Sandinista Communist government had a right to kick out our U.S. Ambassador, Richard Melton, and that his testimony before Senate and House committees where he said absolutely nothing was done at Nandaime on June 10 to stimulate those grassroots demonstrations against the oppression of the Communist government, that the United States had nothing to do with it. You, in effect, Mr. WRIGHT, have called him a liar.

I have so many other stories here. They even quote you:

Wright said on Tuesday that he obtained "clear testimony" from CIA employees which confirm that they had acted deliberately to provoke an over-reaction by the Sandinista government.

They had that correct.

They said that since 1981 those efforts have been divided between military assistance and support for the internal opposition, so they are putting together the Contras and the internal democratic opposition in Managua and all the cities, Matagalpa, Grenada, Leon, all those people that have been going up front demonstrating against Communist oppression, they are now locked together with the Contra effort and they are using your words so that they can arrest anybody, throw away the key, beat them up, torture them and say, "We're doing this in the name of JIM WRIGHT who said this is all a big attempt to overthrow the Communist government."

It says the CIA was involved in the Nandaime demonstration, although they are quoting quotes leaking out of the democratic resistance leaders, who said you were not concerned about the imprisoned opposition leaders.

They say that you said the CIA was doing this to infuriate those "little demons." Well, if you did say that, that is about the only rough thing you said about those Communists, Mr. Speaker, is that they are little demons.

A final thought on this part of my special hour.

Here is your testimony, Mr. JAMES WRIGHT of Texas, speaking before a House committee about what you think should be done to Members who leak information from our Intelligence Committees. This is you speaking. Sorry I do not have a date on it.

Now, I should like to say as Speaker, that if it ever were to come to my attention that any Member or staff person of this committee had in violation of his or her oath leaked information, then I would ask that person to resign from the committee.

□ 1745

Another quote: "I would think all of you would expect that. If there were any reason to believe that any member of this committee"—the Intelligence Committee—"had violated the sacred oath which is consonant with accepting membership on the committee, then that person should not expect to serve on the committee," speaking of the Intelligence Committee. I think Congress can keep confidences. If we cannot, we do not deserve to be here.

Then Mr. STOKES says, "Thank you, Mr. Chairman," and then Mr. HUGHES recognizes Mr. HYDE. Mr. HYDE begins to ask the Speaker about a November 14, 1985, Washington Post story by Daniel Schorr telling all about how in 1975 the CIA supported the anti-Communist faction in Angola, which was a project of Mr. Secretary of State Kissinger which was disclosed after it became an issue in the Committee on Foreign Affairs.

"The late Leo Ryan," Mr. HYDE says, "a member of this committee, told me in an interview at that time that he could condone such a leak if it was the only way to block such an ill-conceived operation." That is interesting. Leo Ryan was the first American Congressman killed in the line of duty except those who chose up sides in the War Between the States, and some of them died in combat. Nobody since the Civil War had died in the line of duty except Leo Ryan of California, who was in Guyana trying to get some relief to the people there, mostly poor, black people, a thousand of them who were being manipulated and robbed of their source of security by a madman, a religious leader gone psycho named James Jones, Jim Jones, and suppose our intelligence people, suppose we had one assigned to the Embassy at Guyana and he had been asked to get information on Jim Jones and to try and somehow or another to destablize that operation of abusing all of those older American citizens before there was a mass suicide of over 900 people, would Leo Ryan have accepted that? No.

I stand before my fellow Americans and you, Mr. Speaker, and tell everyone that I do not trust the committees of the U.S. Congress on either side of the Hill with secrets. I am sorry, that is a sad state of affairs. End of this part of the special order.

GOVERNOR OF MASSACHUSETTS MICHAEL DUKAKIS

Second part: Governor of Massachusetts Michael Dukakis. Wednesday, 2 days ago, I went to one of the most historical parts of this country. I had not been there since April 19, 1975.

I was married to my beautiful wife on her 21st birthday. Her birthday is April 16. Twenty years after our marriage in the year 1955, to celebrate our 20th anniversary, we went back to Chicago to renew our vows. The church, the beautiful St. Aloysius, is gone, and it is very rare that you see a church disappear into a vacant lot, but it was torn down. We went then to New York, where my parents were married in St. Patrick's Cathedral, and we renewed our vows on April 17, for our 20th anniversary.

It was a sad day. The Communist forces overran the capital of Phnom Penh, Cambodia, and began the worst genocide since the Second World War,

the second-ranking genocide of people in my lifetime. Six million Jews, 12 million people overall, by Hitler in the concentration and extermination camps, and one-third of that figure, maybe half of the 6 million Jews killed, killed just in the last decade and a half in Cambodia, and it began that day, April 17, 1975.

We rented a car in New York and drove up to Boston and drove out along Paul Revere's road which is now called Battle Road or Route 2-A. We went out to Concord, after, on the night, the 18th of April in "'75 hardly a man is now alive," we followed that road out that night, started at Bunker Hill, went out and slept in the car at Concord Bridge, woke up the next morning, and went to a beautiful ceremony for the 200th anniversary of the shot heard round the world at Concord Bridge and then traced the steps back of the fleeing British soldiers basically where the fighting actually started and visited the Minuteman statue at Concord Bridge. My wife actually grabbed a big Communist flag that was being held by some weird Americans, and I guess we are not supposed to question their patriotism, right, Michael Dukakis? My wife grabbed this big Communist flag and ripped it in half. One guy punched her on the end of the chin. I was 30 feet away visiting with some friends. My wife hit the hardened sand right at the foot of the Minuteman statue. I could see stars in her eyes. She looked groggy. I had a nice running start so that by the time I avenged her with this guy, he went into the mud, and a park policeman with a nice badge and chrome that said "Sullivan" came up and helped us, because we were outnumbered about 40 to 1. I got the flag and got the ski cap off one of these pro-Communist jerks carrying the flag at the 200th anniversary of Concord who were cheering about how the Communists had now taken Phnom Penh and would soon take Saigon, and they did 12 days later. Another tragedy—68,000 people were slaughtered there, everybody who knew or was close to Americans, because the Congress lost its guts, the immediate Congress, the 94th, prior to my coming here after the 1976 election. And then my wife and I drove down to Lexington and saw the other Minuteman statue, not the one with the plow and the hat, but the handsome young man, the man one one of the insurance companies uses as a logo with just his rifle at port arms across his chest, and saw that outside the gate of Hanscom Air Force Base.

We went into the base, and I was a reserve officer on active duty, or I had retired just a few months before, and went in and had lunch at the base and thought about what an incredibly beautiful base this would be to serve at, at Hanscom.

I go back 13 years later, a U.S. Congressman in my 10th year, and I went back to get briefed on what Hanscom Air Force Base does.

The point of bringing this up is that Michael Dukakis has never gone out to this base between the city of Bedford, the headquarters of the Mitre Corp. and Lincoln, where Paul Revere, that great Massachusetts silversmith, was captured by the British troops that night of April 18, "The British are coming, the British are coming" was his cry, and between the east and west cities of Concord and Lexington, the birthplace of liberty, and that is what they call Massachusetts, or actually the cradle of liberty, Boston and its environs, which is the kickoff date for our 6½ years of the war of independence which ended precisely 6½ years later to the day on October 19 on the hills next to the York River at the Battle of Yorktown, which my wife and I were able to visit as a sitting Congressman at the bicentennial ending the combat part of that war, and now we are reliving all of these beautiful bicentennial period days of the Constitution and the founding of our Government.

I told GEORGE BUSH at his home the other night with BOB DOLE and JACK KEMP and several others of the former Presidential candidates, Pete Dupont, Pat Robertson, all of us came together for a July 4 dinner up there, or July 5, and I said, "Mr. Vice President, May I propose a toast that on the 200th anniversary of the swearing in of our first George, our first President, George Washington, on April 30 up there on a street named Wall in New York City, that you will be on that site at the 200th anniversary as the 41st President of the United States, our first George as President since George Washington, and that all of us in this room will be healthy and well and with all of our respective wives or husbands."—Elizabeth Dole was sitting there—"that we would all be standing on those steps behind that statue of George Washington as President George Bush celebrates the 200th anniversary of George Washington's swearing-in April 30, 1789." By now everyone has assumed that this Congressman likes to go to these 200th anniversary celebrations. You bet I do, and a lot of 125th anniversary Civil War celebrations all over this great historical area where the Californians have sent me to serve, and I am grateful.

The point is that Governor Dukakis in 10 years of elective office has never found 35 minutes to drive from his Governor's office out Battle Road to Lexington and Concord to enter the portals of one of the four gates of Hanscom Air Force Base. TEDDY KENNEDY and JOHN KERRY have been there, and at least 8 of the 11 Members of Congress from Massachusetts have been there. I saw the name of the gentleman from Massachusetts [Mr. MARKEY] there, and I saw Peggy Heckler's, and this base is the last major installation in Massachusetts. It is the center of the Civil Air Patrol, all the ROTC banquets and dinners, the Air Force Association, the Navy uses it, the Army uses it, and many times the Governor of Massachusetts has been invited out there. Governor King who served for 4 years between Dukakis' three terms, has been out there, and I will bet every Governor since the Second World War has been out there, but not Michael Dukakis.

I ask the people there at the base could there be any reason for this. They said, "We cannot deduce a rational reason. Rumor has it that his wife, Kitty, was married to a sergeant here and lived at the base, hated the place, and has never wanted to come out here and has kept him from coming here." What a disgrace if he is so petty, if he is so petty as to listen to Mrs. Kitty's objections about coming out to the base. I just refuse to believe that it could be such a petty reason.

Here is what Hanscom is. It has 10,000 military and civilian employees with a payroll of over $300 million. To accomplish its mission, the headquarters of the Electronic Systems Division, and they work with all of our operational forces worldwide, to harness electronic technology for ensuring effective use of all of our military personnel and all of the weaponry we have.

A key contributor to the mission is the Mitre Corp., which stands for Massachusetts Institute of Technology Research and Engineering when they broke away from Lincoln Labs a few years back, and they are stationed at Bedford. ESD normally has more than 120 projects going on at any one time. Here is just a sampling: long-range radars on the east, west, southeast and southwest coasts to detect missile attacks from the Soviet submarines at sea. Guess who has helped to thwart that, and there are 56 sites all the way around the country from the Pacific Northwest, the State of Washington and the State of Oregon, all the way through the South, and all the way up into New England, 52 sites are completed and operating, they are exactly like an AM radio site around this country, almost identical, and it is called the GWEN Program, which means Ground Wave Emergency Network, and there have been four sites not in, in Rhode Island, one in Maine, and two in Massachusetts, and they are being held up by groups that Dukakis supports, and his rationale is that if we have the GWEN system and are able to defend ourselves, then that will make nuclear war more attractive. Is he for real? People like myself and my wife and five kids, and we would

want our seven grandkids to be radiated and it would make it more fun so that we could have war and we could protect ourselves? No, the ability to protect yourself with a warning system gives the Soviet war planners in the Kremlin more problems, and they do not do anything. It keeps the peace.

Mr. Dukakis does not even understand the basic essence of the word "deterrent." That is the GWEN thing that they have worked on out there. Another program is a fleet of airborne command posts, jumbo jets, E-4's, equipped with communications, data processing and information display equipment, from which the national command authorities can direct military actions during times of national emergency.

Another is modernization of the Norad Command Center at Cheyenne Mountain. I have visited that a few years ago, and I noticed in that guest book the gentleman from Oregon [Mr. AuCoin], so even the liberals in the Chamber decided it is important enough to go out and visit Cheyenne Mountain. There is also transportable intelligence data-handling systems, the airborne warning and control system, and that is AWACS, debated so heavily in this House over the last decade, and that is used by both the Air Force and now by NATO, and a smaller AWACS system now used by the nation of Israel, the E-2 that was developed at Hanscom Air Force Base, and satellite communications terminals in a whole family of sizes from those carried by Jeeps and aircraft to large aircraft and large ground stations, a secure communications network for SAC, the Strategic Air Command, an air surveillance system for the United States and Canada, our allied NATO neighbors to the north, secure antijamming radios for all United States tactical forces, Green Berets, paratroopers, carried by the Navy SEAL's, radios that they can use that are secure.

The Governor of Massachusetts is for conventional forces, and everything today is the eyes and ears and communications ability of the forces, and one of the reasons we probably have peace is that we are so far technologically advanced in communications over the Soviets.

Just a word about the history of this base. It is named after a crusading journalist from a newspaper in the area who, at the beginning of the Second World War before Pearl Harbor, said that Boston was not defended, so the embryonic Army Air Corps, soon to be the Army Air Force, and in 1948, 40 years ago, became the U.S. Air Force where I served, and this crusading reporter said, "We must have airfields in the Army Air Corps to defend Boston," because his pleadings won, and I think he was a stringer for the Boston Globe, and that is a turn of events, they named the field the Lawrence Hanscom Field after him.

Listen to this statement. It is true. It comes in a history page on a book on the base:

> Electronics may be the deciding factor in the outcome of modern conflicts. Once battlefields covered miles with the speed of cavalry, but it was usually static trench lines and clearly defined enemy territory. Now communications must cover the entire planet.

□ 1800

At the Electronic Systems Division we developed systems to counter threats to our national security. Did you hear that, Governor Dukakis? Thirty-five minutes away from your office, for 10 years, you could not visit. They developed systems to counter threats to national security. Our capability at Hanscom in Electronic Systems Division, ESD, the Air Force focal point for command, control, communications, and intelligence.

What in shorthand the military calls C^3, Hanscom heritage is intimately linked to an area rich in history and revolutionary ideas. It is not surprising the electronics industry made rapid strides and the Air Force through the Electronic Systems Division and the forerunners has been the major force. It says it was turned over as a base to the Commonwealth of Massachusetts in May 1941 before Pearl Harbor by months, named after Lawrence E. Hanscom, a civil engineer enthusiast and political editor of the Worcester Telegram. His first mission was the traditional flight and fight mission of the Air Force. All active squadrons left in 1972, a petty move by Nixon because Massachusetts was the only State that went for George McGovern in 1972. O ye of little faith, Richard Nixon, did you not know they would come to their senses and go for Ronald Reagan in 1980 and in 1984, but Nixon was a man that shut down the bases, shut down Boston Naval Yard and everything and gave the order that Hanscom would be shut down, that because after World War II Hanscom Field had emerged as a key player in the growth of electronics and because the suburban area was such a hub, the Massachusetts Institute of Technology had become a World War II leader in electronics, the Department of Defense placed there the Air Force Cambridge Research Center, the Air Research and Development Command which eventually became ESD, and MIT's Lincoln Lab was also built on the field, so even though a shutdown order took place they could not duplicate except prohibitive costs, Lincoln Labs of the Cambridge Labs or Air Force Geophysics Laboratory Plant, and they were in a holding pattern 2 days after Nixon resigned, the word went out and at the Pentagon headquarters, a plan on keeping Hanscom as a national asset.

Research and development for future defense began to pay off in 1953 and Lincoln Lab, the semiautomatic ground environment, I forgot what the words meant, I have known them for so many years as SAGE, electronically link combination of radar systems through the United States and Canada to defend this part of the free world.

Several sections of Lincoln Lab broke away from MIT in the 1950's and formed the Mitre Corp., as I told you headquartered in Bedford, on the northern boundary of the field's perimeter, and worked out the DEW line system, distant early warning, and the BMEWS, ballistic missile early warning system through Canada defending the United States, worked out at Hanscom. Michael Dukakis has never been there.

April 1, when they formed the Air Force Systems Command right over here at Andrews Air Force Base and the Electronic Systems Command under it, as it is presently instituted, has been that way since April 1961, Governor, you must have known about this place. The bulk of ESD's work revolves around developing, command control, communications, and intelligence systems to give commanders tools to gather, process, and display information about potential enemies and our own forces. The systems help decisionmakers effectively use troops, the conventional forces you talk about, Governor Dukakis, and equipment and transmit orders accurately and rapidly to the right people. The systems developed by ESD cover a wide range of needs and it talks about the GWEN systems, [ground wave emergency network], and you are thwarting that, Governor.

That is why former Secretary of Defense, Secretary of Energy, James Schlesinger, wrote that letter, an open letter in Time magazine last month that I read openly on this floor in a special order like this.

Colorado, which directs the air defense of North America, Cheyenne Mountain, they developed that all the navigation and tracking systems that air flyers worldwide and helped the launch of Discovery later this month, hopefully October 29. I hope to be there. A plane will be made available to fly down every Member of this Chamber and the other Chamber, any Members who want to go down. It is all worked out. Specialized security systems to protect bases around the world including our allies' bases, ESD manages civilian contractors to develop, produce, and install these systems at every possible location worldwide.

The Lincoln Laboratory I mentioned, Federal Contract Research

Center, conducts research for ESD and other DOD agencies.

One thing, when I drove onto the base, here was a big beautiful Air Force jet fighter, the F-86-H Sabre jet. It had been flown by the Massachusetts Air Guard there when I was flying the same airplane in Van Nuys, CA, Rusty Swigert, who became one of our early astronauts, flew the F-86-H out of the base, went from flying there in the Guard to astronaut training, and it was kind of nostalgic for me to see the beautiful F-86-H, the greatest airplane ever made short of afterburners which gave birth to supersonic speed. The greatest plane I ever flew was the last combat ready-flight in the Air Force, in that H. There it is, beautifully on the pedestal, the only aircraft stationed at Hanscom. Nice base to visit for this U.S. Congressman.

Two final references and then I ask the question again, Governor, how is it you have never gone out to that base? A final thing about that, that you are obstructing, Mr. Governor, GWEN gives U.S. strategic forces the ability to maintain critical continental long-range command and control communications connectivity, a new interesting military word, connectivity, which is connecting everybody together, despite nuclear atomic atmosphere disturbances, that it prevents due to high altitudes, EMP [electromagnetic pulse bursts].

We need this ground system, which is why it is called emergency network.

Final economic things that could seduce or entice the Governor to go out to Hanscom Air Force Base. Hanscom Air Force Base works with the following companies, and I do not think you get votes out of these people unless you go to the base and rectify your 10-year thinking, General Electric Co. Raytheon, Grumman Aerospace, the Boeing Co., GTE Sylvania, Martin Marietta Corp., Magnavox, TRW, Singer Corp., Ford Aerospace, System Development Corp., Westinghouse Electric, Sierra Research Corp.; now the nonprofit organizations, MIT, Mitre Corp., IT&T Research Institute, Carnegie-Mellon University, Utah State University, SRI International, Boston College, three cheers for Mr. Sibler, Wentworth Institute of Technology, Northeastern University Corp., Riverside Research Institute, Emmanuel College, Southeastern Center for Electronic Engineering Education, University of California, Oklahoma State University and Regis College. The top one, MIT, has 375 million dollars' worth of contracts, down to half a million at Regis.

Now for the economic impact in your own State, Governor. This is why I predict, and I am going up to your State tomorrow, Governor. They love me up there. I keep campaigning there. It will be my fifth trip through there this year alone.

Third largest industrial organization in the State of Massachusetts. After Digital Equipment Corp. and Raytheon, the head of Gillette is the electronics systems, $3,258 billion in fiscal year 1986 sales, bigger last year than this year. Tenth overall largest industrial organization in all of New England, not just Massachusetts, is Electronics System Division, No. 1, General Electric; No. 2, United Technologies; No. 3, Xerox, and all the way down to No. 10, Electronics System Division, Twentieth largest employer in all of New England, 6 States, is the Hanscom complex. Incredible. And you have no time to go there.

Two final thoughts and I will adjourn this House. In the 50-mile radius outside of Hanscom Air Force Base, which has given birth to New England's what we call in California the Bay Area Silicon Valley, their Silicon Valley is an arc of highway called Route 128, which actually is swallowed by Highway 95 and goes right by the front of this beautiful building. Highway 95 is overlaying 128, and when you say to anybody in the world of electronics all the way from Europe to Japan, Highway 128, you are talking about the Hanscom Base area complex, which is like saying Silicon Valley iin California. Office civilians and officers at that base told me jets are constantly coming in and out of the civilian-owned field. Hanscom Air Force Base does not own its own field. The tower is run by the FAA and controlled by the cities in the area. Jets are constantly flying from California's Silicon Valley and southern California, and every other electronics firm down in Texas and to this important, critical base. Here is what is the 50-mile radius, Nashua, Lawrence, Fitchburg, Lowell, Worcester, Framingham, Brockton, Plymouth, MA, where our forefathers landed on Plymouth Rock. All within a 50-mile radius, including Providence, RI, and you have no time to go there? No wonder the colonists called you up there, well, I will not say that the way they write about you in the papers.

Final thoughts on who has been to Hanscom in the last year. Thirty; the annual Paul Revere relay run, you think he would go there with weights in his hands and run in that relay in this election year; one of the former commanders, four star general spoke at the ROTC night for the schools in New England. Massachusetts Civil Air Patrol Wing, headquartered in Hanscom, celebrates its 45th birthday, too bad you did not make that, Governor. Cardinal Law, the Cardinal, the main prelate in Boston, Cardinal Bernard Law leads national prayer breakfast. You missed that. A few more things, Strategic Air Command, Defense Secretary Cap Weinberger, briefed on all the major Electronics Systems Division programs on a visit to Hanscom just a few months before he resigned. Here is one, in June of 1987, Senator EDWARD M. KENNEDY tours Hanscom to view projects he supported. He said, "Do not bug me with the projects I support," but at least he showed up. NASA astronaut David Leestma speaks at Paul Revere Chapter of the Air Force Association. They were in town this week, thousands of them, over at the Sheraton Hotel. I did not get there, but a staffer went out there and said the byword of the whole Air Force Association convention was, help elect GEORGE BUSH the 41st President of the United States before we are shut down defending our country by this man who hates the military, Michael Dukakis, Governor of Massachusetts.

Last one, you will love this, Governor, as a politician this makes my heart pound. Welcome mat out for 300,000 people who came to the open house at Hanscom Air Force Base, a month later, the Air Force Ambassadors in blue, the Thunderbirds flying F-16 Falcons performed at the base, and you missed all of that. If it is Mrs. Kitty that is telling you not to go, she is wrong, wrong, wrong, and you are running to be Commander in Chief? I think that it is not the same level of what I think is the disgraceful deeds crushing freedom fighters that this Speaker of the House has engaged in the last few days. I said disgraceful. Nationwide on CNN television's Cross-Fire show last night, I said it is disgraceful, although by degree, maybe by degree it is not disgraceful, but the nonattendance at any function at this base or going out, because you have a high IQ, going out to get yourself smart on the defenses of not just the United States and Canada but all, all of the free world, the technology that we give to Israel to defend this little small country of 3 million people against angry neighbors, 140 million for you to not have gone to this base is a living disgrace.

You have 46 days to get with it. I am going up to that area. I will not go to the Air Force Base because I am going on a purely political visit, but I think I will have a press conference, Michael, at the pedestal base of the Minuteman and repeat what I said in a 1-minute speech at the beginning of this legislative day, Friday, September 23, that you are the antithesis of that young man with a rifle on Lexington Green, or his older brother or father at Concord Bridge, with one hand on a plow and one hand on his rifle, the Minuteman symbolizing he is ready to defend his farm, his State, his Nation in a minute. You are the antithesis. You are the manana man. Research it, but not too much, we will do it tomorrow. Put the program off, kill the B-1, the B-2, kill the Stealth, the Midgetman, kill the two carrier task force. Kill it,

kill it, kill it, manana, tomorrow we worry about the defense of the free world. Not the Minuteman, the manana man, the manana man Michael, get yourself out to Hanscom and learn why the people up there are praying, because they are voters, too, that you are not the next President or the Commander in Chief of the United States of America and the forces of the free world.

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

COMMUNICATION FROM CHAIRMAN OF COMMITTEE ON THE BUDGET REGARDING CURRENT LEVEL OF SPENDING AND REVENUES FOR FISCAL YEAR 1989

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from South Carolina [Mr. DERRICK], is recognized for 10 minutes.

Mr. DERRICK. Mr. Speaker, on behalf of Chairman WILLIAM H. GRAY III, pursuant to the procedures of the Committee on the Budget and section 311 of the Congressional Budget Act of 1974, as amended, I am submitting for printing in the CONGRESSIONAL RECORD the official letter to the Speaker advising him of the current level of spending, credit, and revenues for fiscal year 1989. Since the last report, Congress has cleared the following bills: Treasury-Postal Service Appropriations (H.R. 4775), Interior Appropriations (H.R. 4867), Military Construction Appropriations (H.R. 4586), Geothermal Steam Act Amendments (S. 1889), and the United States-Canada Free Trade Agreement (H.R. 5090). Additionally, the President has signed into law the Reservation for Grand Ronde Tribes (Public Law 100-425), the Hunger Prevention Act (Public Law 100-436), and the Labor-HHS-Education Appropriations Bill (Public Law 100-436). These actions have changed estimates of budget authority, outlays, and revenues.

The term "current level" refers to the estimated amount of budget authority, outlays, credit authority and revenues that are available—or will be used—for the full fiscal year in question based only on enacted law.

Current level reports are intended to provide Members information to compare enacted spending and revenues with the aggregate ceilings on budget authority, outlays, and revenues established in a budget resolution, and also to compare enacted legislation with the allocations of new discretionary budget authority, entitlement authority, and credit authority made to a committee pursuant to subsection 302(a) of the Budget Act. This report compares the spending, credit, and revenue levels in current level with those assumed in the budget resolution for fiscal year 1989 (H. Con. Res. 268), adopted on June 6, 1988.

Current level reports provide information that is necessary for enforcing section 311 of the Budget Act. Subsection 311(a) prohibits the consideration of a spending or revenue measure if the adoption of that measure would cause the ceiling on total new budget authority or total outlays set in the budget resolution for a fiscal year to be exceeded or would cause revenues to be less than the appropriate level of revenues set in the budget resolution.

Subsection 311(b) provides an exception to the 311(a) point of order for measures that would breach the ceilings on total spending set in the budget resolution but would not cause a committee to exceed its "appropriate allocation" of discretionary spending authority made pursuant to section 302(a) of the Budget Act. Such an exception was first provided by the Budget Resolution for fiscal year 1985 (H. Con. Res. 280, 98th Congress). The exception was made permanent by the amendments to the Budget Act included in the Balanced Budget and Emergency Deficit Control Act of 1985 (Public Law 99-177, Gramm-Rudman-Hollings). This exception is intended to protect a committee that has stayed within its allocation of discretionary budget authority and new entitlement authority from points of order if the total spending ceilings have been breached for reasons outside of its control. For fiscal year 1989, the 302(a) allocations to House committees made pursuant to the conference report on House Concurrent Resolution 268 were printed in House Report 100-662, June 1, 1988.

Section 311(c) of the Budget Act provides that, for purposes of enforcing section 311, the levels of new budget authority, entitlement authority, outlays, and revenues shall be determined on the basis of estimates made by the Committee on the Budget. Current level reports represent partial fulfillment of this enforcement responsibility of the Budget Committee by providing both estimates of enacted aggregate spending and revenues, and, for purposes of determining the applicability of the section 311(b) exception, estimates of the relationship between the budgetary effect of enacted legislation within a committee's jurisdiction and the allocation of spending authority made to that committee.

The estimates in this report are based on economic and technical assumptions in place at the time of the adoption of the budget resolution, House Concurrent Resolution 268, on June 6, 1988. This is intended to protect committees which acted on the basis of the assumptions of the budget resolution from changes in economic and technical factors over which they have no control. Unless the Congress adopts a subsequent budget resolution for a fiscal year that alters the assumptions about legislative actions, committees should be able to expect that measures that conform with the budget resolution will not be subject to points of order for violation of the Budget Act. To do othewise and base enforcement on constantly changing economic and technical estimates would seriously disrupt the legislative process, penalize committees that are unable to complete work on legislation within a short period after adoption of budget resolution, and undermine respect for budget enforcement procedures.

In addition to section 311, the Budget Act contains another point of order that requires Budget Committee estimates for enforcement. Section 302(f)(1) of the Budget Act prohibits the consideration of a measure providing new budget authority, new entitlement authority, or new credit authority if the adoption of that measure would cause a committee to exceed its allocation of new spending or credit authority made pursuant to subsection 302(b) of the Budget Act. The 302(b) allocation is a subdivision of the new spending, new entitlement, and new credit authority allocated to a committee pursuant to section 302(a), among either the subcommittees of that committee or among programs over which the committee has jurisdiction. This point of order was added to the Budget Act by the amendments included in the Balanced Budget and Emergency Deficit Control Act of 1985.

Section 302(g) provides that the enforcement of section 302 shall be based on estimates of spending and credit authority made by the Committee on the Budget. The Budget Committee fulfills this responsibility by providing, as necessary, a separate section 302 Status Report to the Speaker.

For information purposes only, current level reports will continue to include a comparison of the budget and credit authority divided among the Appropriations subcommittees by that committee's 302(b) division with the actual enacted spending and credit legislation within each subcommittee's jurisdiction.

As chairman of the Budget Process Task Force, and on behalf of Chairman GRAY, I intend to keep the House informed regularly on the status of the current level.

COMMITTEE ON THE BUDGET,
Washington, DC., September 23, 1988.

Hon. JAMES C. WRIGHT, JR.,
Speaker, U.S. House of Representatives, Washington, DC.

DEAR MR. SPEAKER: On January 30, 1976, the Committee on the Budget outlined the procedure which it had adopted in connection with its responsibilities under section 311 of the Congressional Budget Act of 1974, as amended, to provide estimates of the current level of revenues and spending.

I am herewith transmitting the status report under House Concurrent Resolution 268, the concurrent resolution on the budget for fiscal year 1989.

In the House of Representatives, the procedural situation with regard to the spending ceilings (total budget authority and total outlays) is affected by section 311(b) of the Congressional Budget Act of 1974, as amended by Public Law 99-177. Enforcement against possible breaches of the spending ceilings under 311(a) of the Budget Act would not apply when a measure would not cause a committee to exceed its "appropriate allocation" of "new discretionary budget authority" or "new entitlement authority" made pursuant to section 302(a) of the Budget Act. It should be noted that under this procedure the committee's outlay allocation is not considered.

The intent of section 311(b) of the Budget Act is to protect a committee that has stayed within its spending authority allocations—discretionary budget authority or new entitlement authority—from points of order if the total spending ceilings have been breached for reasons outside of its control. The 302(a) allocations to House committees made pursuant to the conference report on House Concurrent Resolution 268 were printed in House Report 100-662 (June 1, 1988).

The enclosed tables compare enacted legislation to each committee's 302(a) allocation of discretionary budget authority, new entitlement authority, new direct loan obligations and new primary loan guarantee

commitments. The estimates of spending and revenues for purposes of the application of points of order under the Budget Act are based upon the economic and technical assumptions underlying the fiscal year 1989 budget resolution, House Concurrent Resolution 268.

The Energy and Commerce Committee and the Ways and Means Committee have exceeded their targets because of the enactment of Public Law 100-360, the Medicare Catastrophic Coverage Act. The concurrent resolution on the budget for fiscal year 1989 assumed enactment of such legislation but made no allocations for it. The House report on the budget resolution explained that such legislation, if deficit-neutral, would be appropriate even though it exceeded the resolution's section 302 allocations or spending aggregates.

Revenues exceed the revenue floor established by the concurrent resolution on the budget for fiscal year 1989 because of enactment of Public Law 100-360, the Medicare Catastrophic Coverage Act. Passage of that legislation was assumed in the Budget Resolution but not reflected in the revenue floor. The budget resolution assumed deficit-neutral catastrophic health legislation, but not a specific dollar amount. As explained in the House report on the budget resolution, the revenue increase in Public Law 100-360 was intended to offset and make deficit neutral the multiyear spending in that bill. Therefore, it would not be consistent with the assumptions in the budget resolution to enact any additional revenue-losing legislation beyond the now-enacted Omnibus Trade Act and the Canada-United States Free Trade Agreement.

Sincerely,

WILLIAM H. GRAY III,
Chairman.

Enclosures.

REPORT TO THE SPEAKER OF THE U.S. HOUSE OF REPRESENTATIVES FROM THE COMMITTEE ON THE BUDGET ON THE STATUS OF THE FISCAL YEAR 1989 CONGRESSIONAL BUDGET ADOPTED IN H. CON. RES. 268—REFLECTING COMPLETED ACTION AS OF SEPTEMBER 20, 1988

[In millions of dollars]

	Budget authority	Outlays	Revenues
Appropriate level	1,231,700	1,099,700	964,400
Current level	894,513	894,098	964,704
Amount under ceilings	337,187	205,602	
Amount over ceilings			
Amount under floor			
Amount over floor			307

BUDGET AUTHORITY

Any measure providing budget or entitlement authority which is not included in the current level estimate and that exceeds $345,984 million in budget authority for fiscal year 1989, if adopted and enacted, would cause the appropriate level of budget authority for that year as set forth in H. Con. Res. 268 to be exceeded.

OUTLAYS

Any measure providing budget or entitlement authority which is not included in the current level estimate and that exceeds $208.219 million in outlays for fiscal 1989, if adopted and enacted, would cause the appropriate level of outlays for that year as set forth in H. Con. Res. 268 to be exceeded.

REVENUES

Any measure that would result in a revenue loss which is not included in the current level estimate and that exceeds $307 million in revenues for fiscal year 1989, if adopted and enacted, would cause revenues to be less than the appropriate level for that year as set forth in H. Con. Res. 268.

FISCAL YEAR 1989 DISCRETIONARY ACTION BUDGET AUTHORITY—COMPARISON OF CURRENT LEVEL AND BUDGET RESOLUTION ALLOCATION BY COMMITTEE PURSUANT TO SECTION 302

[In millions of dollars]

House Committee	Current level budget authority
Agriculture	(...)
Appropriations [1]	(−338,267)
Armed Services	(...)
Banking, Finance, and Urban Affairs	(...)
District of Columbia	(...)
Education and Labor	(...)
Energy and Commerce	(...)
Foreign Affairs	(...)
Government Operations	(...)
House Administration	(...)
Interior and Insular Affairs	(...)
Judiciary	(...)
Merchant Marine and Fisheries	(...)
Post Office and Civil Service	(...)
Public Works and Transportation	(...)
Science and Technology	(...)
Small Business	(...)
Veterans' Affairs	(−4)
Ways and Means [2]	(+321)

[1] See next table for detail.

[2] The Ways and Means Committee has exceeded its target because of the enactment of Public Law 100-360, the Medicare Catastrophic Coverage Act. The Fiscal year 1989 Budget Resolution assumed enactment of such legislation but made on allocation for it. The House report on the budget resolution explained that such legislation, if deficit neutral, would be appropriate even though it exceeded the Resolution's 302 allocations or spending aggregates.

Committees are over (+) or under (−) their 302(a) allocation for "discretionary action".

FISCAL YEAR 1989 HOUSE APPROPRIATIONS COMMITTEE DISCRETIONARY ACTION—COMPARISON OF CURRENT LEVEL AND BUDGET RESOLUTION SUBDIVISIONS OF THE HOUSE APPROPRIATIONS COMMITTEE PURSUANT TO SECTION 302

[In millions of dollars]

House Appropriations Subcommittee Subdivisions	Current level budget authority	Direct loans	Primary loan guarantees
Commerce, State, Justice	(−14,762)	(−405)	(−3,066)
Defense	(−282,304)	(...)	(...)
District of Columbia	(−543)	(...)	(...)
Energy and Water	(−47)	(...)	(...)
Foreign Operations	(−13,310)	(−4,772)	(−9,500)
HUD/Independent Agencies	(...)	(...)	(...)
Interior	(...)	(...)	(...)
Labor, HHS, Education	(−264)	(−33)	(...)
Legislative Branch	(−1,849)	(...)	(...)
Military Construction	(...)	(...)	(...)
Rural Development and Agriculture	(−14,787)	(−6,348)	(−2,867)
Transportation	(−10,401)	(−46)	(...)
Treasury, Postal Service	(...)	(...)	(...)
Total	−338,267	−11,649	−15,433

Subcommittees are over (+) or under (−) their 302(b) subdivisions of discretionary action.

FISCAL YEAR 1989—ALLOCATION OF NEW ENTITLEMENT AUTHORITY (NEA) PURSUANT TO SECTION 302

[In millions of dollars]

Committee	Allocation	Reported [1]	Enacted [2]	Enacted over (+)/under (−) allocation
Agriculture		+611	+542	+542
Energy and Commerce		+75	+45	+45
Interior and Insular Affairs		+20		
Judiciary		+41		
Veterans' Affairs	+408	+359	+40	−368
Ways and Means		+1,624	+1,318	+1,318
Undistributed to Committees	+125			

[1] These figures are used for 401(b)(2) of the Budget Act.

[2] These figures are used for 302(f) points of order.

Note.—The Energy and Commerce and the Ways and Means Committees have exceeded their targets because of the enactment of Public Law 100-360, the Medicare Catastrophic Act. The fiscal year 1989 Budget Resolution assumed enactmentos such legislation but made no allocations for it. The House report on the Budget Resolution explained that such legislation, if deficit-neutral, would be appropriate even though it exceeded the resolution's section 302 allocations or spending aggregates.

Further, H.R. 4848, the Omnibus Trade and Competitiveness Act, provided $111 million of NEA that is scored in the "enacted" column against the Ways and Means Committee Allocation. This amount can be counted against the Undistributed $125 million in NEA that was assumed by the Budget Conferees to be available for programs in functions 500, 550 and 600.

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, September 23, 1988.

Hon. WILLIAM H. GRAY III,
Chairman, Committee on the Budget, U.S. House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: Pursuant to section 308(b) and in aid of section 311 of the Congressional Budget Act, as amended, this letter and supporting detail provide an up-to-date tabulation of the current levels of new budget authority, estimated outlays, estimated revenues, and direct and guaranteed loan levels in comparison with the appropriate levels for those items contained in the most recently agreed to concurrent resolution on the 1989 budget (H. Con. Res. 268). This report for fiscal year 1989 is tabulated as of close of business September 20, 1988. A summary of this tabulation is as follows:

[In millions of dollars]

	Current level	Budget resolution H. Con. Res. 268	Current level +/− resolution
Budget authority	894,513	1,231,700	−337,187
Outlays	894,098	1,099,700	−205,602
Revenues	964,707	964,400	307
Direct loan obligations	16,632	28,300	−11,668
Guaranteed loan commitments	95,517	110,950	−15,433

Since my last report, the Congress has cleared the following bills which changed the estimates for budget authority, outlays, and revenues: Military Construction Appropriations (H.R. 4586), Treasury-Postal Service Appropriations (H.R. 4775), Interior Appropriations (H.R. 4867), Geothermal Steam Act (S. 1889), and the U.S.-Canada Free Trade Agreement (H.R. 5090). This report also reflects that the President has signed into law the Reservation for Grand Ronde Tribes (Public Law 100-425), the Hunger Prevention Act (Public Law 100-435), and the Labor-HHS Appropriations Bill (Public Law 100-436).

Sincerely,

JAMES L. BLUM,
Acting Director.

PARLIAMENTARIAN STATUS REPORT, 100TH CONG., 2D SESS., HOUSE SUPPORTING DETAIL, FISCAL YEAR 1989 AS OF CLOSE OF BUSINESS SEPT. 20, 1988

[In millions of dollars]

	Budget Authority	Outlays	Revenues
I. Enacted in previous sessions:			
Revenues			964,750
Permanent appropriations and trust funds	854,987	707,967	
Other appropriations		210,305	
Offsetting receipts	−180,826	−180,826	
Total enacted in previous sessions	674,161	737,446	964,750

PARLIAMENTARIAN STATUS REPORT, 100TH CONG., 2D SESS., HOUSE SUPPORTING DETAIL, FISCAL YEAR 1989 AS OF CLOSE OF BUSINESS SEPT. 20, 1988—Continued

[In millions of dollars]

	Budget Authority	Outlays	Revenues
II. Enacted this session:			
Veterans Home Loan Program Emergency Amendments (Public Law 100-253)		1	
Nevada-Florida Land Exchange Act (Public Law 100-275)	−3	−3	
Assistance and Support for Central America (Public Law 100-276)		−17	
Atomic Veterans Compensation Act (Public Law 100-321) [1]			
Veterans Benefits and Services Act of 1988 (Public Law 100-322)	−4	3	−6
College-aid Annual Appropriation for Territories (Public Law 100-339)	(3)	(3)	
Catastrophic Health Care (Public Law 100-360)	321	101	315
Energy-Water Development Appropriations (Public Law 100-371)	16,556	10,177	
Disaster Assistance Act of 1988 (Public Law 100-387)	410	410	
Dire Emergency Supplemental Appropriations (Public Law 100-393)		75	
HUD Independent Agencies Appropriations (Public Law 100-404)	59,536	34,773	
Offsetting receipts	−150	−150	
Relief for the Coushatta Tribe (Public Law 100-411)	1	1	
Omnibus Trade and Competitiveness Act (Public Law 100-418)			−255
Reservation for Grand Ronde Tribes (Public Law 100-425	2	2	
Hunger Prevention Act (Public Law 100-435			
Labor-HHS Appropriations (Public Law 100-436)	125,228	104,726	
Offsetting receipts	−31,445	−31,445	
Total enacted this session	170,453	118,654	54
III. Continuing resolution authority			
IV. Conference agreements ratified by both Houses:			
Military Construction Appropriations (H.R. 4586)	8,798	2,618	
Treasury-Postal Service Appropriations (H.R. 4775)	16,020	14,127	
Offsetting receipts	−4,859	−4,859	
Interior Appropriations (H.R. 4867)	9,352	6,750	
Geothermal Steam Act Amendments (S. 1889)	−1	−1	
United States-Canada Free Trade Agreement (H.R. 5090)	2	2	−97
Total conference agreements	29,312	18,637	−97
V. Entitlement authority and other mandatory items requiring further appropriation action:			
Salaries of Judges	109	109	
Compensation of the President	(3)	(3)	
Payment to Foreign Service Retirement and Disability	(148)	(148)	
Special Milk	24	18	
Food Stamp Program:			
Previous law	12,830	12,575	
(Public Law 100-435)	114	114	
Child Nutrition:			
Previous law	4,547	3,872	
(Public Law 100-435)	10	10	
Nutrition Assistance for Puerto Rico	908	885	
Federal Crop Insurance Corporation Fund	256		
Cash and Commodities for Selected Groups (Public Law 100-435)	40	40	
Temporary Emergency Food Assistance Program (Public Law 100-435)	120	120	
Compact of Free Association	1	1	
Federal Unemployment Benefits and Allowances	31	31	
Worker Training	32	32	

PARLIAMENTARIAN STATUS REPORT, 100TH CONG., 2D SESS., HOUSE SUPPORTING DETAIL, FISCAL YEAR 1989 AS OF CLOSE OF BUSINESS SEPT. 20, 1988—Continued

[In millions of dollars]

	Budget Authority	Outlays	Revenues
Special Benefits	37	37	
Payments to the Farm Credit System	210	210	
Payment to the Civil Service Retirement and Disability Trust Fund	(85)	(85)	
Payment to the C.I.A. Retirement and Disability Fund	145	145	
Coast Guard Retired Pay	382	381	
Supplemental Security Income	201	201	
Special Benefits for Disabled Coal Miners	3		
Medicaid	45	45	
Family Support Payments to States	355	355	
Social Services Block Grants		2	
Claims, Defense	187	179	
Total entitlement authority	20,587	19,361	
Total current level as of September 20, 1988	894,513	894,098	964,707
1989 budget resolution H. Con. Res. 268	1,231,700	1,099,700	964,400
Amount remaining:			
Over budget resolution			307
Under budget resolution	337,187	205,602	

[1] This act increased the current law estimate for veterans compensation which is included in the HUD-Independent Agencies Appropriations, P.L. 100-404.

[2] This act increased the current law estimates for child nutrition, food stamps, temporary emergency food assistance, and cash and commodities for selected groups. The amounts are shown in section V.

[3] Less than $500 thousand.

Notes.—Numbers may not add due to rounding.

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. COATS) to revise and extend their remarks and include extraneous material:)

Mr. ROTH, for 5 minutes, today.

Mr. KEMP, for 10 minutes, today.

Mr. MCEWEN, for 60 minutes, today.

(The following Members (at the request of Mr. GONZALEZ) to revise and extend their remarks and include extraneous material:)

Mr. CROCKETT, for 5 minutes, today.

Mr. STARK, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. DERRICK, for 10 minutes, today.

Mr. HAYES of Illinois, for 15 minutes, on September 28.

Mr. FRANK, for 60 minutes, on September 26, 27, 28, and 29.

Mr. BONIOR, for 60 minutes, on September 26, 27, 28, and 29.

Mr. GONZALEZ, for 60 minutes, on September 27 and 30.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mrs. SMITH of Nebraska, immediately before the vote on House Resolution 540 in the House today.

(The following Members (at the request of Mr. COATS) and to include extraneous matter:)

Mr. LIVINGSTON.

Mr. CRANE, in three instances.

Mr. DELAY.

Mr. SOLOMON.

Mr. ROTH.

Mrs. BENTLEY in two instances.

Mr. CONTE.

Mrs. ROUKEMA.

Mr. RITTER.

Mr. HOPKINS.

(The following Members (at the request of Mr. GONZALEZ) and to include extraneous matter:)

Ms. PELOSI.

Mr. EARLY.

Mr. RODINO.

Mr. MONTGOMERY.

Mr. CLAY.

Mr. SCHUMER.

Mr. JACOBS.

Mr. DONNELLY.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 1863. An act to amend the bankruptcy law to provide for special revenue bonds, and for other purposes; to the Committee on the Judiciary.

S. 1919. An act for the relief of Michael Wilding; to the Committee on the Judiciary.

ENROLLED BILL SIGNED

Mr. ANNUNZIO, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 1154. An act to remedy injury to the U.S. textile and apparel industries caused by increased imports.

SENATE ENROLLED BILL AND JOINT RESOLUTION SIGNED

The SPEAKER announced his signature to enrolled bills and a joint resolution of the Senate of the following titles:

S. 425. An act for the relief of Sukhjit Kuldip Singh Saund;

S. 1583. An act for the relief of Maria Antonieta Heird;

S. 1945. An act to amend the Second Supplemental Appropriation Act, 1961, relating to the lease of certain lands from the Isleta Indian Tribe for a seismological laboratory;

S. 1972. An act for the relief of Irma Purisch and Daniel Purisch; and

S.J. Res. 322. Joint resolution to designate the week of September 23-30, 1988, as "National American Indian Heritage Week."

BILLS AND JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. ANNUNZIO, from the Committee on House Administration, reported

that that committee did on this day present to the President, for his approval, bills and a joint resolution of the House of the following title:

H.R. 1223. An act entitled the "Indian Self-Determination Amendments of 1987";

H.R. 2046. An act to authorize the Secretary of State to conclude agreements with the appropriate representative of the Government of Mexico to correct pollution of the Rio Grande; and

H.J. Res. 518. Joint resolution designating the week of September 25, 1988, as "Religious Freedom Week."

AJOURNMENT

Mr. DORNAN of California. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 15 minutes p.m.), under its previous order, the House adjourned until Monday, September 26, 1988, at 12 noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

4372. A letter from the Secretary of Health and Human Services; transmitting the annual report for fiscal year 1987 of the activities under the Administration on Developmental Disabilities, Office of Human Development Services, and the Alcohol, Drug Abuse and Mental Health Administration, Public Health Service, pursuant to 42 U.S.C. 6006(c); to the Committee on Energy and Commerce.

4373. A letter from the Assistant Secretary of State, Legislative Affairs, transmitting copies of the original report of political contributions by Richard W. Boehm, of the District of Columbia, Ambassador Extraordinary and Plenipotentiary-designate to the Sultanate of Oman, and members of his family, pursuant to 22 U.S.C. 3944(b)(2); to the Committee on Foreign Affairs.

4374. A letter from the Special Counsel, U.S. Merit Systems Protection Board, transmitting a report on the findings and conclusions of the Attorney General's investigation into allegations involving the organization and funding of antismuggling functions in the Houston District Office, Southwest Region, Immigration and Naturalization Service, pursuant to 5 U.S.C. 1206(b)(5)(A); to the Committee on Post Office and Civil Service.

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. GAYDOS: Committee on House Administrations. House Resolution 531. Resolution providing amounts from the contingent fund of the House for further expenses of investigations and studies by the Committee on Standards of Official Conduct in the second session of the One Hundredth Congress (Rept. 100-958). Referred to the House Calendar.

Mr. UDALL: Committee on Interior and Insular Affairs. H.R. 3544. A bill to increase the size of the Big Thicket National Preserve in the State of Texas by adding the Village Creek Corridor unit, the Big Sandy Corridor unit, and the Canyonlands unit; with an amendment (Rept. 100-959). Referred to the Committee of the Whole House on the State of the Union.

Mr. UDALL: Committee on Interior and Insular Affairs. H.R. 3614. A bill to amend the Wild and Scenic Rivers Act to designate a section of the Columbia River in Washington State as a study area for inclusion in the National Wild and Scenic Rivers System and for other purposes; with amendments (Rept. 100-960). Referred to the Committee of the Whole House on the State of the Union.

Mr. UDALL: Committee on Interior and Insular Affairs. H.R. 4146. A bill to designate wilderness within Olympic National Park, Mount Rainier National Park, and North Cascades National Park Complex in the State of Washington, and for other purposes; with an amendment (Rept. 100-961). Referred to the Committee of the Whole House on the State of the Union.

Mr. DINGELL: Committee on Energy and Commerce. H.R. 3343. A bill to amend the Consumer Product Safety Act and related laws to improve the performance of the Consumer Product Safety Commission, to authorize appropriations for that Act, and for other purposes; with an amendment (Rept. 100-962). Referred to the Committee of the Whole House on the State of the Union.

Mr. MONTGOMERY: Committee on Veteran's Affairs. H.R. 5221. A bill to amend title 38, United States Code, with respect to the housing loan program carried out under chapter 37 of such title, and for other purposes; with an amendment (Rept. 100-964). Referred to the Committee of the Whole House on the State of the Union.

Mr. JONES of North Carolina: Committee on Merchant Marine and Fisheries. House Concurrent Resolution 322. Concurrent resolution recognizing the loyalty and dedication of the American and Panamanian employees of the Panama Canal Commission during the current political unrest in the Republic of Panama, and resolving to protect their personal safety and the integrity of their homes and workplaces; with amendments (Rept. 100-965). Referred to the House Calendar.

Mr. JONES of North Carolina: Committee on Merchant Marine and Fisheries. H.R. 4558. A bill to transfer administration of bridges and causeways over navigable waters from the Secretary of Transportation to the Secretary of the Army, and for other purposes; with an amendment (Rept. 100-966, Pt. 1). Ordered to be printed.

Mr. JONES of North Carolina: Committee on Merchant Marine and Fisheries. H.R. 4557. A bill to direct the Secretary of the department in which the Coast Guard is operating to require alerting and locating equipment, including emergency position indicating radio beacons, on United States uninspected vessels, and for other purposes; with amendments (Rept. 100-967). Referred to the Committee of the Whole House on the State of the Union.

Mr. JONES of North Carolina: Committee on Merchant Marine and Fisheries. H.R. 4919. A bill to approve the governing international fishery agreement between the United States and the Union of Soviet Socialist Republics; with amendments (Rept. 100-968). Referred to the Committee of the Whole House on the State of the Union.

Mr. JONES of North Carolina: Committee on Merchant Marine and Fisheries. H.R. 5287. A bill to establish the Panama Canal Commission Compensation Fund to provide for the accumulation of funds to meet the Panama Canal Commission's obligations under chapter 81 of title 5, United States Code, and for other purposes; with an amendment (Rept. 100-969). Referred to the Committee of the Whole House on the State of the Union.

Mr. JONES of North Carolina: Committee on Merchant Marine and Fisheries. H.R. 4189. A bill to authorize appropriations to carry out the Marine Mammal Protection Act of 1972 for fiscal years 1989 through 1993; with an amendment (Rept. 100-970). Referred to the Committee of the Whole House on the State of the Union.

Mr. JONES of North Carolina: Committee on Merchant Marine and Fisheries. H.R. 4272. A bill to enlarge the San Francisco Bay National Wildlife Refuge; with an amendment (Rept. 100-971). Referred to the Committee of the Whole House on the State of the Union.

Mr. DINGELL: Committee on Energy and Commerce. H.R. 4982. A bill to amend the Federal Food, Drug, and Cosmetic Act to authorize abbreviated new animal drug applications and to amend title 35, United States Code, to authorize the extension of the patents for animal drug products (Rept. 100-972, Pt. 1). Ordered to be printed.

Mr. KASTENMEIER: Committee on the Judiciary. H.R. 1596. A bill to amend title 28, United States Code, to create two divisions in the Judicial District of Maryland (Rept. 100-973). Referred to the Committee of the Whole House on the State of the Union.

Mr. UDALL: Committee on Interior and Insular Affairs. H.R. 4585. A bill to authorize the development of public outdoor recreation areas and facilities at Minidoka Dam in the State of Idaho; with an amendment (Rept. 100-974). Referred to the Committee of the Whole House on the State of the Union.

Mr. UDALL: Committee on Interior and Insular Affairs. H.R. 5001. A bill to establish the Delaware Water Gap National Recreation Area Citizen Advisory Commission; with an amendment (Rept. 100-975). Referred to the Committee of the Whole House on the State of the Union.

Mr. UDALL: Committee on Interior and Insular Affairs. S. 1259. An act to direct the Secretary of the Interior to permit access across certain Federal lands in the State of Arkansas, and for other purposes. (Rept. 100-976). Referred to the Committee of the Whole House on the State of the Union.

Mr. UDALL: Committee on Interior and Insular Affairs. S. 2018. An act to expand the boundaries of the Congaree Swamp National Monument, to designate wilderness therein, and for other purposes; with amendments (Rept. 100-977). Referred to the Committee of the Whole House on the State of the Union.

Mr. DE LA GARZA: Committee on Agriculture. H.R. 5056. A bill to authorize agricultural research programs, improve the operations of the National Agricultural Library, and for other purposes; with an amendment (Rept. 100-978, Pt. 1). Ordered to be printed.

REPORTED BILLS SEQUENTIALLY REFERRED

Under clause 5 of rule X, bills and reports were delivered to the Clerk for printing, and bills referred as follows:

Mr. MONTGOMERY: Committee on Veterans' Affairs. H.R. 5288. A bill to amend title 38, United States Code, to provide an improved system of review of decisions of the Veterans' Administration with respect to claims for veterans' benefits, and for other purposes, with an amendment, referred to the Committee on the Judiciary for a period ending not later than September 30, 1988, for consideration of such provisions of the bill as fall within the jurisdiction of that committee pursuant to clause 1(m), rule X. (Rept. 100-963, Pt. 1). 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. STAGGERS:

H.R. 5346. A bill to amend chapter 33 of title 18, United States Code, to prohibit the unauthorized use of the names "Visiting Nurse Association", "Visiting Nurse Service", "VNA", "VNS", or "VNAA", or the unauthorized use of the name or insignia of the Visiting Nurse Association of America; to the Committee on the Judiciary.

By Mr. EDWARDS of California (for himself, Mr. RODINO, Mr. FISH, Mr. MAZZOLI, Mr. HUGHES, Mr. GLICKMAN, Mr. FEIGHAN, Mr. SMITH of Florida, Mr. STAGGERS, Mr. MOORHEAD, and Mr. HYDE):

H.R. 5347. A bill to amend title 11 of the United States Code with respect to claims payable from special revenues by municipalities that are debtors; and for other purposes; to the Committee on the Judiciary.

By Mr. EDWARDS of California (for himself, Mr. FISH, Mr. HUGHES, Mr. STAGGERS, Mr. MOORHEAD, and Mr. HYDE):

H.R. 5348. A bill to amend title 11 of the United States Code with respect to the rejection of executory contracts licensing rights to intellectual property; to the Committee on the Judiciary.

By Mr. CLAY:

H.R. 5349. A bill to require that certain contracts between the United States and private contractors contain provisions requiring the contractor to provide certain pension and health benefits to its employees, and for other purposes; to the Committee on Education and Labor.

By Mr. DONNELLY (for himself and Mr. FORD of Tennessee):

H.R. 5350. A bill to amend the Internal Revenue Code of 1986 to provide that a State or local bond shall not be a tax-exempt bond if its issuance costs exceed certain limits, to reduce the ament of issuance costs which may be finance by tax-exempt private activity bonds, and for other purposes; to the committee on Ways and Means.

By Mr. COATS (for himself, Mr. MICHEL, Mr. CHENEY, Mr. LEWIS of California, Mr. EDWARDS of Oklahoma, Mrs. MARTIN of Illinois, Mr. LAGOMARSINO, Mr. VANDER JAGT, Mr. BLILEY, Mrs. VUCANOVICH, Mr. WORTLEY, Mr. PACKARD, Mr. HASTERT, and Mr. DORNAN of California):

H.R. 5351. A bill to amend the United States Housing Act of 1937 to provide for maximum economic rents applicable to all residents of public housing; to the Committee on Banking, Finance and Urban Affairs.

By Mr. COATS (for himself, Mr. MICHEL, Mr. CHENEY, Mr. LEWIS of California, Mr. EDWARDS of Oklahoma, Mrs. MARTIN of Illinois, Mr. LAGOMARSINO, Mr. VANDER JAGT, Mrs. VUCANOVICH, Mr. WORTLEY, Mr. PACKARD, Mr. HASTERT, and Mr. DORNAN of California):

H.R. 5352. A bill to direct the Secretary of Education to make grants for character education programs; to the Committee on Education and Labor.

By Mr. COATS (for himself, Mr. MICHEL, Mr. CHENEY, Mr. LEWIS of California, Mr. EDWARDS of Oklahoma, Mrs. MARTIN of Illinois, Mr. LAGOMARSINO, Mr. VANDER JAGT, Mr. BLILEY, Mrs. VUCANOVICH, Mr. WORTLEY, Mr. PACKARD, Mr. HASTERT, and Mr. DORNAN of California):

H.R. 5353. A bill to make grants to establish family preservation programs; to the Committee on Education and Labor.

By Mr. COATS (for himself, Mr. MICHEL, Mr. CHENEY, Mr. LEWIS of California, Mr. EDWARDS of Oklahoma, Mrs. MARTIN of Illinois, Mr. LAGOMARSINO, Mr. VANDER JAGT, Mrs. VUCANOVICH, Mr. WORTLEY, Mr. PACKARD, Mr. HASTERT, and Mr. DORNAN of California):

H.R. 5354. A bill to direct the Secretary of Education to make grants to State educational agencies for demonstration programs on early childhood family education, and for other purposes; to the Committee on Education and Labor.

H.R. 5355. A bill to amend the Elementary and Secondary Education Act of 1965 to establish Federal financial assistance for parental choice open enrollment programs in public schools; to the Committee on Education and Labor.

H.R. 5356. A bill to make grants to certain local educational agencies to enhance the quality of education through the establishment of bootstrap schools; to the Committee on Education and Labor.

H.R. 5357. A bill to establish a program of demonstration grants to State educational agencies for purposes of conducting school-based management projects; to the Committee on Education and Labor.

H.R. 5358. A bill to establish a clearinghouse of juvenile justice in the Office of Juvenile Justice and Delinquency Prevention; to the Committee on Education and Labor.

H.R. 5359. A bill to make grants to private nonprofit community-based organizations to prevent and reduce the participation of juveniles in the activities of gangs that commit crimes; to the Committee on Education and Labor.

H.R. 5360. A bill to provide a financial incentive to States to provide services to, and intensive supervision of, juveniles who are released after having been found to have committed acts in violation of State law that would have been crimes under such law if committed by adults; to the Committee on Education and Labor.

H.R. 5361. A bill to provide financial assistance to States to carry out demonstration projects to provide character education to juveniles confined to juvenile detention facilities; to the Committee on Education and Labor.

H.R. 5362. A bill to provide a finanical incentive to States to confine juveniles who commit unlawful violent acts, to require juveniles who commit certain nonviolent unlawful acts to perform community service, and to require all such juveniles to pay restitution to their victims; to the Committee on the Judiciary.

H.R. 5363. A bill to provide a financial incentive to States to require juveniles who commit unlawful acts to pay restitution to their victims, and for other purposes; to the Committee on the Judiciary.

H.R. 5364. A bill to amend part D of title IV of the Social Security Act to require States as a condition of receiving child support assistance under the AFDC Program to enact certain laws to improve child custody and support arrangements and to better enforce child support orders; to the Committee on Ways and Means.

H.R. 5365. A bill to make grants to improve the quality and availability of health, family, and preschool services for families with young children; jointly, to the Committees on Education and Labor and Energy and Commerce.

By Mr. COATS (for himself, Mr. MICHEL, Mr. CHENEY, Mr. LEWIS of California, Mr. EDWARDS of Oklahoma, Mrs. MARTIN of Illinois, Mr. LAGOMARSINO, Mr. VANDER JAGT, Mr. BLILEY, Mrs. VUCANOVICH, Mr. WORTLEY, Mr. PACKARD, Mr. HASTERT, and Mr. DORNAN of California):

H.R. 5366. A bill to require the preparation of family impact statements, and for other purposes; jointly, to the Committees on Rules and Government Operations.

By Mr. CRANE:

H.R. 5367. A bill to repeal the provision of the Internal Revenue Code of 1986 which provides that the accumulated earnings tax shall be applied without regard to the number of shareholders in the corporation; to the Committee on Ways and Means.

By Mr. CROCKETT (for himself, Mr. DE LUGO, Mr. FUSTER, Mr. BONKER, Mr. LAGOMARSINO, Mr. MINETA, Mr. WEISS, Mr. FAUNTROY, Mr. STUDDS, Mr. ROE, Mr. LEVIN of Michigan, Mr. RODINO, Mr. LELAND, Mr. FOGLIETTA, Mr. RANGEL, Mr. TOWNS, Mr. KEMP, Mr. GILMAN, Mr. MFUME, Mr. CLARKE, Mrs. COLLINS, Mr. EDWARDS of California, Mr. OWENS of New York, Mr. DELLUMS, Mr. CONYERS, Mr. KOSTMAYER, Mr. LOWRY of Washington, Mr. DYMALLY, Mr. WOLPE, Mr. WHEAT, Mr. SAVAGE, Mr. HAYES of Illinois, Mr. ESPY, Mr. DIXON, Mr. HYDE, Mr. GRAY of Pennsylvania, Mr. LEWIS of Georgia, Mr. FLAKE, Mr. ROYBAL, Mr. GEPHARDT and Mr. FORD of Tennessee):

H.R. 5368. A bill to amend the Foreign Assistant Act of 1961 to authorize international disaster assistance for Jamaica to assist in alleviating the human suffering caused by Hurricane Gilbert; to the Committee on Foreign Affairs.

By Mr. EDWARDS of California (for himself and Mr. CONYERS):

H.R. 5369. A bill to regulate the conduct of the Federal Bureau of Investigation in certain matters relating to the exercise of rights protected by the first article of amendment to the Federal Constitution; to the Committee on the Judiciary.

By Mr. FRENZEL:

H.R. 5370. A bill to provide for the temporary suspension of certain duties on two-stroke cycle piston engines, and for other

purposes; to the Committee on Ways and Means.

By Mr. GORDON:

H.R. 5371. A bill to ensure that amounts paid for home improvements to mitigate radon gas qualify for the tax deduction for medical care expenses; to the Committee on Ways and Means.

By Mr. KASTENMEIER:

H.R. 5372. A bill to amend the Trademark Act of 1946 to make certain revisions relating to the registration of trademarks, and for other purposes; to the Committee on the Judiciary.

By Mr. KENNEDY (for himself, Mr. GRAY of Pennsylvania, Mr. SOLARZ, Mr. ATKINS, Mr. DYMALLY, Mr. DWYER of New Jersey, Mr. WEISS, Mr. LEWIS of Georgia, Mr. TRAFICANT, Mr. BONKER, Mr. FAUNTROY, Mr. HAYES of Illinois, Mrs. MEYERS of Kansas, Mr. OWENS of New York, Ms. PELOSI, and Mr. JONTZ):

H.R. 5373. A bill to authorize a national program to reduce the threat to human health posed by exposure to contaminants in the air indoors; jointly, to the Committees on Energy and Commerce and Science, Space, and Technology.

By Mr. LEWIS of California (for himself, Mr. COATS, Mr. MICHEL, Mr. CHENEY, Mr. EDWARDS of Oklahoma, Mrs. MARTIN of Illinois, Mr. LAGOMARSINO, Mr. VANDER JAGT, Mr. BLILEY, Mrs. VUCANOVICH, Mr. WORTLEY, Mr. PACKARD, Mr. HASTERT, and Mr. DORNAN of California):

H.R. 5374. A bill to amend the Internal Revenue Code of 1986 to allow a credit against income tax for the expenses of adopting a child with special needs; to the Committee on Ways and Means.

By Mr. MILLER of California (for himself, Mr. KOLBE, Mr. STUMP, Mr. BEILENSON, Mr. TORRES, Mr. KYL, Mr. MARTINEZ, Mr. RHODES, Mr. COELHO, Mr. MATSUI, Ms. PELOSI, Mr. LEHMAN of California, Mr. PANETTA, Mr. HUNTER, Mr. MINETA, Mrs. BOXER, Mr. STARK, Mr. WAXMAN, Mr. BERMAN, Mr. BOSCO, Mr. LAGOMARSINO, Mr. EDWARDS of California, Mr. LANTOS, Mr. UDALL, and Mr. ROYBAL):

H.R. 5375. A bill to amend the National Trails System Act by designating the Juan Bautista de Anza National Historic Trail, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mrs. SMITH of Nebraska (for herself, Mr. MARLENEE, Mr. EMERSON, Mr. ROBERTS, Mr. SKEEN, Mr. BEREUTER, Mr. WEBER, and Mr. ENGLISH):

H.R. 5376. A bill to provide that the Secretary of Transportation may not issue regulations reclassifying anhydrous ammonia under the Hazardous Materials Transportation Act; jointly, to the Committees on Public Works and Transportation and Energy and Commerce.

By Mr. YATRON:

H.R. 5377. A bill to amend title XVIII of the Social Security Act to provide for coverage of telebinocular low vision aids or telescopic eyeglasses for individuals with low vision; jointly, to the Committee on Ways and Means and Energy and Commerce.

By Mr. CONYERS (for himself, Mr. HORTON, Mr. CARR, Mr. FOLEY, Mr. DYMALLY, Mr. LEACH of Iowa, Mr. RANGEL, Mr. STOKES, Mr. MFUME, Mr. LEWIS of Georgia, Mr. ESPY, Mr. FAZIO, Mr. TAUZIN, Mr. LAGOMARSINO, Mr. EMERSON, Mr. ATKINS, Mr. LEVIN of Michigan, Mr. LIPINSKI, Mr. DIXON, Mrs. COLLINS, Mr. OWENS of New York, Mr. VANDER JAGT, Mr. GREEN, Mr. HAYES of Illinois, Mr. MATSUI, Mr. GRAY of Pennsylvania, Mr. TOWNS, Mr. LELAND, Mr. FAUNTROY, Mr. LANCASTER, Mrs. MARTIN of Illinois, Mr. WEISS, and Mr. DELLUMS):

H.J. Res. 662. Joint resolution to designate May 25, 1989, as "National Tap Dance Day"; to the Committee on Post Office and Civil Service.

By Mr. HUNTER (for himself, Mr. LOWERY of California, Mr. BATES, and Mr. PACKARD):

H.J. Res. 663. Joint resolution to congratulate the crew of Stars and Stripes for their successful defense of the America's Cup; to the Committee on Post Office and Civil Service.

By Mr. STARK (for himself, Mr. COELHO, Mr. ANDERSON, Mr. BATES, Mr. BEILENSON, Mr. BERMAN, Mr. BOSCO, Mrs. BOXER, Mr. BROWN of California, Mr. DANNEMEYER, Mr. DIXON, Mr. DORNAN of California, Mr. DYMALLY, Mr. EDWARDS of California, Mr. FAZIO, Mr. GALLEGLY, Mr. HUNTER, Mr. KONNYU, Mr. LAGOMARSINO, Mr. LEHMAN of California, Mr. LEVINE of California, Mr. LEWIS of California, Mr. MCCANDLESS, Mr. MARTINEZ, Mr. MATSUI, Mr. MILLER of California, Mr. MINETA, Mr. MOORHEAD, Mr. PACKARD, Mr. PANETTA, Mr. PASHAYAN, Ms. PELOSI, Mr. ROYBAL, Mr. TORRES, and Mr. WAXMAN):

H. Con. Res. 372. Concurrent resolution expressing the sense of the Congress that the Postmaster General should provide and sell a postage stamp to commemorate the 450th anniversary of the discovery of Alta California by the Portuguese explorer John Rodriguez Cabrillo, to the Committee on Post Office and Civil Service.

By Mr. MICHEL:

H. Res. 543. Resolution electing Representative Emerson of Missouri to the Committee on Public Works and Transportation; considered and agreed to.

By Mr. ROSTENKOWSKI:

H. Res. 544. Resolution returning to the Senate the bill S. 2662; considered and agreed to.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 669: Mr. GLICKMAN.

H.R. 809: Mr. FRENZEL.

H.R. 1028: Mr. LEWIS of Georgia, Mr. BUSTAMANTE, Mr. TOWNS, Mr. TORRICELLI, Mr. WISE, Mr. PAYNE, Mr. FAZIO, Mr. BILBRAY, Mr. HAYES of Illinois, Mr. BRUCE, Mr. JOHNSON of South Dakota, Mr. SAWYER, and Mr. FEIGHAN.

H.R. 1352: Mr. WALGREN.

H.R. 1596: Mr. CARDIN.

H.R. 1966: Mr. WALGREN.

H.R. 2354: Mr. BOULTER.

H.R. 2508: Mr. ACKERMAN.

H.R. 2546: Mr. MACKAY and Mr. YOUNG of Alaska.

H.R. 2776: Mr. ECKART.

H.R. 2934: Mr. CHAPMAN.

H.R. 3454: Mr. SPENCE and Mr. EVANS.

H.R. 3565: Mr. VOLKMER.

H.R. 3628: Mr. BROOMFIELD, Mr. FISH, and Mr. CARR.

H.R. 3883: Mr. DOWDY of Mississippi and Mr. RAVENEL.

H.R. 4142: Mr. CAMPBELL, Mrs. BENTLEY, and Mr. LAGOMARSINO.

H.R. 4189: Mr. MILLER of California.

H.R. 4414: Mr. LEVIN of Michigan.

H.R. 4494: Mr. WALGREN and Mr. BATES.

H.R. 4531: Mr. BURTON of Indiana and Mr. SLATTERY.

H.R. 4576: Mr. THOMAS of California.

H.R. 4649: Mr. SHUMWAY and Mr. LEWIS of California.

H.R. 4680: Mr. DORNAN of California and Mr. RUSSO.

H.R. 4702: Mr. SUNDQUIST and Mrs. LLOYD.

H.R. 4880: Mr. NIELSON of Utah and Mr. FISH.

H.R. 4991: Mr. CALLAHAN.

H.R. 5023: Mr. ACKERMAN and Mr. BROWN of California.

H.R. 5041: Mr. DELLUMS, Mr. GILMAN, Mrs. SAIKI, Mr. SAWYER, Mr. HUBBARD, Mr. DIOGUARDI, Mr. VENTO, Mr. WALGREN, Mr. TRAXLER, Mr. SWEENEY, Mr. ATKINS, Mr. NAGLE, Mr. FAUNTROY, Mr. MARTINEZ, Mr. BOSCO, and Mr. LEVINE of California.

H.R. 5075: Mr. HAYES of Louisiana, Mr. BILIRAKIS, Mr. DAUB, Mr. PICKETT, Mrs. LLOYD, Mr. WALGREN, Mr. BLILEY, Mr. JONES of Tennessee, Mr. LAGOMARSINO, Mr. QUILLEN, Mr. RAVENEL, Mr. ORTIZ, and Mr. WYDEN.

H.R. 5086: Mr. GOODLING.

H.R. 5186: Mr. MARTINEZ.

H.R. 5214: Mr. HAWKINS and Mr. PAYNE.

H.R. 5221: Mr. MONTGOMERY, Mr. LEATH of Texas, Mr. HEFNER, Mr. JENKINS, and Mr. RICHARDSON.

H.R. 5229: Mr. FAZIO.

H.R. 5249: Mr. UPTON.

H.R. 5256: Mr. WISE, Mr. STAGGERS, and Mr. RAHALL.

H.R. 5271: Mr. GLICKMAN, Mr. KILDEE, Mr. OWENS of New York, Mr. PARRIS, and Mr. SHAYS.

H.R. 5288: Mr. ROBINSON, Mr. WYLIE, Mr. JENKINS, Mr. CLARKE, Mr. BLAZ, Mr. RICHARDSON, Mr. HILER, and Mr. HEFNER.

H.R. 5318: Mr. COELHO, Mr. THOMAS of Georgia, and Mr. STANGELAND.

H.R. 5319: Mr. SOLARZ, Mr. STOKES, Mr. FUSTER, Mr. MOAKLEY, Mr. MURTHA, Mr. DIOGUARDI, Mr. MURPHY, Mr. HOYER, Mr. DYMALLY, Mr. MRAZEK, Mr. JONES of North Carolina, Mr. RODINO, Mr. CARDIN, Mr. PARRIS, Mr. WORTLEY, and Mr. FAUNTROY.

H.J. Res. 438: Mr. MOAKLEY, Mr. BLILEY, Mr. HANSEN, Mr. HARRIS, Mr. BUSTAMANTE, Mr. MARTIN of New York, Mr. TRAXLER, Mr. ROBINSON, Mr. SHAW, Mr. TRAFICANT, Mr. FOLEY, Mr. WYDEN, Mr. MURPHY, Mr. LEWIS of California, Mr. GUNDERSON, Mr. FASCELL, Mr. DINGELL, Mr. KENNEDY, Mr. FRENZEL, Mr. COSTELLO, Mr. WYLIE, Mr. DOWDY of Mississippi, Mr. ACKERMAN, Mr. GALLEGLY, Mr. APPLEGATE, Mr. BONIOR, Mr. OXLEY, Mr. CARDIN, Mr. CLEMENT, Mrs. BENTLEY, Mr. DEWINE, Mr. UPTON, Mr. STOKES, Mr. SAWYER, Mr. PASHAYAN, Mr. ORTIZ, and Mr. YATES.

H.J. Res. 449: Mr. ROBERT F. SMITH.

H.J. Res. 528: Mr. IRELAND.

H.J. Res. 537: Mr. GALLEGLY.

H.J. Res. 556: Mr. CHANDLER, Mr. CRAIG, Mr. FASCELL, Mr. GEJDENSON, Mr. GRAY of Pennsylvania, Mr. KEMP, Mr. KENNEDY, Mr. KILDEE, Mr. LEHMAN of Florida, Mr. LENT, Mr. LIVINGSTON, Mr. MARKEY, Mr. MARLENEE, Mr. MCCLOSKEY, Mr. MINETA, Mr. MOODY, Mr. PARRIS, Mr. RHODES, Mr. RODINO, Mr. ROTH, Mr. TAUKE, Mr. TORRES, Mr. VALENTINE, Mr. VOLKMER, Mrs. KENNELLY, Mr. OLIN, Mr. COOPER, and Mr. RUSSO.

H.J. Res. 564: Mr. EVANS, Mr. NEAL, Mr. DARDEN, Mr. GOODLING, and Mr. KASTENMEIER.

H.J. Res. 595: Mr. BERMAN, Mr. QUILLEN, Mr. DARDEN, Mr. FRENZEL, Mr. MOLLOHAN, Mr. RODINO, Mr. BROWN of Colorado, Mr. EMERSON Mr. ATKINS, Mr. BUECHNER, Mr. PANETTA, Mrs. BOXER, Mr. FASCELL, Mr. CONYERS, Mr. BLILEY, Mr. BOUCHER, Mr. LEWIS of Georgia, Mr. SOLOMON, Mr. MARTINEZ, Mr. MURPHY, Mr. PERKINS, Mr. SOLARZ, Mr. EVANS, and Mr. BENNETT.

H.J. Res. 596: Mr. JOHNSON of South Dakota, Mr. JONES of Tennessee, Mr. CONTE, and Mr. FORD of Tennessee.

H.J. Res. 610: Mrs. BENTLEY, Mr. DAUB, and Mr. DICKINSON.

H.J. Res. 626: Mr. CHENEY, Mr. DE LUGO, Mr. FASCELL, Mr. FAZIO, Mr. GUNDERSON, Mr. INHOFE, Mr. LUNGREN, Mr. MCEWEN, Mr. MARTINEZ, Mr. RAVENEL, Mr. RODINO, Mr. ROE, Mr. ROTH, Mr. SPENCE, and Mr. WYLIE.

H.J. Res. 636: Mrs. BOXER, Mr. COELHO, Mr. DE LUGO, Mr. EVANS, Mr. GREEN, Mr. HORTON, Mr. LEVIN of Michigan, Mr. LUNGREN, Mr. MCGRATH, Mr. ROTH, Mr. SHAYS, Mr. STRATTON, and Mr. YATRON.

H.J. Res. 651: Mr. DYMALLY, Mr. RINALDO, Mr. BOLAND, Mr. LEHMAN of California, Mr. ANDERSON, Mr. WOLF, Mr. CONYERS, Mr. SMITH of Florida, Mr. TOWNS, Mr. FEIGHAN, Mr. SHAW, Mr. FROST, Mr. HUTTO, Mr. CHAPPELL, Mr. PACKARD, Mr. YATRON, Mrs. BOXER, Mr. GREEN, Mr. ATKINS, Mr. RUSSO, Mr. ROE, Mr. HANSEN, Mr. LANTOS, Mr. BEILENSON, Mr. HORTON, Mr. ARCHER, Mr. YOUNG of Alaska, Mr. HEFNER, Mr. MAZZOLI, Mr. LEWIS of California, Mr. HARRIS, Mr. BERMAN, Mr. KOSTMAYER, Mr. KASTENMEIER, Mr. BLILEY, Mr. JOHNSON of South Dakota, Mr. YOUNG of Florida, Mr. LEHMAN of Florida, Mr. GILMAN, Mr. FAZIO, Mr. FRANK, Mr. FRENZEL, Mr. LANCASTER, Mr. MARTINEZ, Mr. FIELDS, Mrs. BENTLEY, and Mr. LEVIN of Michigan.

H.J. Res. 652: Mr. GALLEGLY, Mr. LEWIS of California, Mr. HUNTER, Mr. DENNY SMITH, Mr. SKAGGS, Mr. LUJAN, Mr. HYDE, Mr. KEMP, Mrs. SCHROEDER, and Mr. HEFLEY.

H. Con. Res. 258: Mr. QUILLEN, Mr. SHAW, and Mr. FASCELL.

H. Con. Res. 276: Mr. SMITH of New Hampshire, Mr. NATCHER, Mrs. KENNELLY, Mr. CHAPPELL, Mr. BILIRAKIS, Mr. LEWIS of California, Mr. COBLE, Mr. SWIFT, Mr. RAVENEL, Mr. MARKEY, Mr. DONNELLY, Mr. KILDEE, Mr. JONES of Tennessee, Mr. MILLER of California, Mr. BATES, Mr. MOAKLEY, Mr. MURPHY, Mr. EMERSON, Mr. DIXON, Mr. BATEMAN, Mr. FRANK, Mrs. BYRON, Mr. ROGERS, Mr. GEKAS, Miss SCHNEIDER, Mr. MARTIN of New York, Mr. KOLTER, Mr. LEWIS of Georgia, Mr. ROBERTS, Mr. SLATTERY, Mr. SHUSTER, Mr. MFUME, Mr. GREGG, Mr. BARNARD, Mr. NIELSON of Utah, Mr. BILBRAY, Mr. COURTER, and Mr. LEVINE of California.

H. Con. Res. 317: Mr. GALLEGLY, Mr. THOMAS of California, Mr. DELAY, Mr. FRANK, Mr. BILBRAY, Mr. LANTOS, Mr. HILER, Mr. STARK, Mr. HENRY, Mr. UPTON, Mr. WOLF, and Mr. CLEMENT.

H. Con. Res. 342: Mr. GRAY of Illinois, Mr. CHAPPELL, Mr. SCHAEFER, Mr. DEFAZIO, Mr. CRAIG, Mr. CHAPMAN, Mr. MCGRATH, Mr. HARRIS, Mr. GALLO, Mr. SCHUETTE, Mr. HORTON, Mr. ECKART, Mr. HYDE, Mr. FAWELL, Mr. LEWIS of Florida, Mr. BALLENGER, Mr. UPTON, Mr. BARTON of Texas, Mr. WOLPE, Mr. DWYER of New Jersey, Mr. MCEWEN, Mr. MARTIN of New York, Mr. WYLIE, Mr. SHUSTER, Mr. COSTELLO, Mr. HOCHBRUECKNER, Mrs. BENTLEY, Mr. MINETA, Mr. ROSE, Mr. DANNEMEYER, Mr. THOMAS of Georgia, Mr. HEFNER, and Mr. MICHEL.

H. Con. Res. 362: Mr. MCGRATH.

H. Con. Res. 363: Mr. HORTON, Mr. VANDER JAGT, Mr. ROSE, Mr. DYSON, Mr. RAHALL, Mr. GRAY of Illinois, Mr. DE LUGO, Mr. MACK, Mr. BEVILL, Mr. HUGHES, Mr. HYDE, Mr. LANCASTER, Mr. GREGG, Mr. OLIN, Mr. CONTE, Mr. BOUCHER, Mrs. BENTLEY, Mr. ROE, Mr. WISE, Mr. DYMALLY, Mr. TAYLOR, Mr. TOWNS, Mr. MURPHY, Mr. NATCHER, Mr. SOLOMON, Mr. YOUNG of Alaska, Mr. DWYER of New Jersey, Mr. CHAPPELL, Mr. STANGELAND, Mr. FLIPPO, Mr. SMITH of Florida, Mr. MARTIN of New York, Mr. MOLLOHAN, Mr. KOLTER, Mr. HASTERT, Mr. THOMAS A. LUKEN, Mr. MOORHEAD, Mr. SHAW, Mr. ANDERSON, Mr. WORTLEY, Mr. WOLF, Mr. DINGELL, Mr. APPLEGATE, Mr. HARRIS, Mr. KASICH, Mr. PANETTA, Mr. MAVROULES, Mr. FROST, Mr. NIELSON of Utah, and Mr. BUSTAMANTE.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 387

By Mr. BARTLETT:

—Page 2, line 11, insert "and pay structures for congressional employees," after "title,".

—Page 9, line 9, insert "and any congressional office" after "agency".

—Page 9, line 10, strike "the head of".

—Page 9, line 11, insert "or office" after "agency".

—Page 11, strike lines 19 through 25 and insert in lieu thereof the following:

(b) COMPARISONS.—(1) In performing the study, comparisons shall be made—

(A) both within the same system and among the respective systems under this Act; and

(B) both on an intra-agency and on an inter-agency basis.

(2) for the purpose of this subsection—

(A) "system" means any system or structure referred to in section 2(a); and

(B) "agency" means any agency within the meaning of section 10(12) and any congressional office.

—Page 16, line 15, strike "title" and insert in lieu thereof "title, and any similar grouping of positions used by a congressional office;".

—Page 17, line 13, strike "and".

—Page 17, line 15, strike "States." and insert in lieu thereof "States; and".

—Page 17, after line 15, add the following new paragraphs:

(14) "congressional office" means any appointing authority in the legislative branch of the Government; and

(15) "congressional employee" means any individual employed in or under a congressional office.

—Page 16, line 18, add the following new paragraph:

"(14) 'equivalent in totality' means substantially equal each in terms of the skill, effort, qualification requirements, and responsibility necessary to perform the occupation, and performed under similar working conditions.".

H.R. 4986

By Mr. ATKINS:

—In Sec. 18, add a new subsection (a) and reletter existing sections accordingly:

(a) INCOME.—Section 480(f) of the Higher Education Act of 1965 (20 U.S.C. 1087vv(f)) is amended by adding a new subpart (3) to read:

"(3) An amount equal to the aggregate calculated in § 1087 pp(b)(1)(A) (i)–(iv), applicable to both dependent and independent students who are enrolled in a cooperative education program, as defined in Title VIII of this Act, from employment which is recognized by the institution of higher education as part of the co-op education program.".

SENATE—*Friday, September 23, 1988*

(Legislative day of Wednesday, September 7, 1988)

The Senate met at 9:30 a.m., on the expiration of the recess, and was called to order by the Honorable KENT CONRAD, a Senator from the State of North Dakota.

PRAYER

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

Let us pray:

Husbands, love your wives, even as Christ also loved the church, and gave Himself for it.—Ephesians 5:25. * * * *fathers, provoke not your children to wrath: but bring them up in the nurture and admonition of the Lord.*—Ephesians 6:4.

Father in Heaven, we pray for our families which are so often casualties because of the busyness of men not only in politics but in business and the professions. Philosopher Will Durant said, "The family is the nucleus of civilization." It is the family which holds society together—the family which is the mucilage of society. When the family disintegrates, society disintegrates.

Gracious Father in Heaven, help us to take seriously our priority responsibility as husbands and fathers. Give us and all husbands and fathers the will to take time, to make time for our families.

We pray in Jesus' 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, September 23, 1988.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable KENT CONRAD, a Senator from the State of North Dakota, to perform the duties of the Chair.

JOHN C. STENNIS,
President pro tempore.

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

RECOGNITION OF THE MAJORITY AND REPUBLICAN LEADERS

The ACTING PRESIDENT pro tempore. Under the previous order, the majority and minority leaders will be recognized for not to exceed 15 minutes.

THE CHAPLAIN'S PRAYER

Mr. BYRD. Mr. President, the Chaplain has talked about the responsibilities of wives and husbands and fathers and mothers.

A careful man I want to be,
A little fellow follows me.
I do not dare to go astray,
For fear he'll go the self-same way.

I cannot once escape his eyes,
What e'er he sees me do he tries.
Like me he says he's going to be,
The little chap that follows me.

He thinks that I am good and fine,
Believes in every word of mine,
The base in me he must not see,
The little chap that follows me.

I must not madly step aside,
Where pleasure's paths are smooth and wide,
And join in wine's red revelry,
A little fellow follows me.

I must remember as I go,
Through summer sun and winter's snow,
I'm building for the years to be,
The little chap that follows me.

RESERVATION OF THE REPUBLICAN LEADER'S TIME

Mr. STEVENS. Mr. President, I ask the time on this side of the aisle be reserved for the Republican leader for use later today.

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

MORNING BUSINESS

Mr. BYRD. Mr. President, I ask unanimous consent that morning business may be transacted between now and 9:50 a.m. and that Senators may speak therein.

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

The Senator from Wisconsin.

A GREAT DAY COMING FOR AMERICA WHOEVER WINS IN NOVEMBER

Mr. PROXMIRE. Mr. President, this is the last in my series of speeches on what is right about America. Today I will summarize the case I have made in detail. Once again I emphasize that whoever wins the 1988 elections in November, life in most respects for most Americans will improve and spectacularly improve. This will be true regardless of recessions or depressions that might intervene. How can this be? Answer: The elements in life that are most essential to the progress of most individual Americans are independent of whatever partisan policies a new President and new Congress may provide. They are also independent of economic fluctuations, even excessive economic fluctuations. Here's why.

In my opening speech I contended that the first sweeping change that is breezing into America's future is improved education at every level. Our children are going to continue to be better taught. More will graduate from high school. More will go on to college. More will progress through graduate schools. Vocational and technical education, already reaching far more Americans than are touched by higher education will continue to upgrade the skills of millions of Americans. Largely as a result of this advance in education, American technology will race ahead. The exciting dimension of the economic consequence of today's education for our economy is its coincidence with the information revolution. The computer age is bringing an ability to organize and correlate an infinity of critical information. We will create and produce products and services with less man hours and higher quality than ever before. The bright new world is on its way; nothing can stop it.

The second development that will inevitably make life better for Americans is the certain improvement in the single most important element in human happiness: health. Americans today are living longer. We have fewer aches and pains and more strength and vitality than ever for two prime reasons. First, American medicine has enormously improved with literally miraculous advances in saving and extending life. Second, life styles are beginning to progress for more and more Americans. Heart disease and cancer as well as many other killers have been on the run not simply because of the skill of our physicians and the geniuses in our pharmaceutical laboratories. More and more Americans are beginning to realize that good health is in their own hands. As a nation, we are smoking far less. We are eating less, especially less fat. And above all, we are exercising much more. The momentum for longer and far healthier lives is well underway.

Third, the world has begun to take a turn toward peace. The big wars in Iran, Iraq, Afghanistan, and Angola

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

are all winding down. Vietnam is withdrawing from Cambodia. The world's two most populous nations, India and China, are discussing how to improve their relations. Throughout the world, nations are realizing the utter futility and waste of war. The day of more vigorous Peace Corps-type activity is coming and swiftly.

Fourth, arms control is making painfully slow, but steady progress. What drives that progress? It is the realization by both Americans and Russians that a nuclear war would leave only losers, broken devastated losers. Superpower nuclear war would convert both the United States and the U.S.S.R. into vast cemeteries. The INF and START treaties both serve a purpose. But the terrible threat of accidental war will persist until we negotiate a verifiable end to nuclear weapons testing. Such a treaty could signal the end of the technology arms race. Without it, a reduction in the number of nuclear weapons on both sides has no meaning.

The fifth big good news flash is that democracy is sweeping the world. With that sweep comes the likelihood of a more peaceful world and a more prosperous world. A small, weak student movement in Burma is demanding an end to one-party rule. It is making surprising progress. The Polish revolt against the total suppression of Communist dictatorship is finally beginning to get somewhere. In the Soviet Union, the great bastion of totalitarian communism that for 70 years has tolerated no dissent and no freedom, a modest move toward free expression and criticism of the Communist government is taking place. It is accompanied by the beginning of a slight move toward the decentralization of the economy. This flirtation down the long path to democracy may or may not continue. It is beginning. China has moved much further away from doctrinaire communism, although it still has a long way to go. Even its small move has brought such a remarkable surge of energy to China that the Chinese economy is growing faster than the economy of any major nation in the world. In South Korea, democracy is edging forward. In the Philippines, President Aquino has put democracy on a far stronger basis than under President Marcos. But it is here in the Western Hemisphere and especially in Central America, where democracy has made its biggest advances with the unfortunate exceptions of Cuba and Nicaragua.

Sixth, in the past 30 years, the world has been electrified by the spectacular developments in space. Future space developments promise to be even more dazzling. Colonization of space may be a few centuries away, but more and more Americans will travel in space. Here is a marvelous opportunity for international cooperation as well as international funding that could both advance peace and hold down our taxes.

Seventh, civil rights made more progress in the past 30 years than at any time since Lincoln freed the slaves in 1864. Progress in providing equal opportunity in education, employment and housing has improved life for blacks and Hispanics and for whites too. Why for whites? Because we build a stronger and more prosperous country by building a country in which all Americans are better educated, more productively employed and better housed. More productive black and Hispanic Americans means a stronger and more prosperous country for white Americans.

So there it is, Mr. President, regardless of who wins the Presidential election in November, regardless of what ups and downs we may have to endure in our economy, life for Americans is going to be better. Americans will be better educated, more skilled. They will be healthier. They will live in a more peaceful world and a more democratic world. We can look forward to exciting progress in space, and to an America with greater justice for all—regardless of race or sex or creed.

MORE JOBS CAN BE OPENED TO MILITARY WOMEN UNDER CURRENT STATUTES

Mr. PROXMIRE. Mr. President, the General Accounting Office [GAO] released a report today to Senators COHEN, DECONCINI and myself entitled "Women in the Military: More Military Jobs Can Be Opened Under the Current Statutes."

As the title indicates, there are positions in the U.S. military which women are legally entitled to hold, but are prohibited from serving in due to the administrative policies of the individual services.

How does this happen?

There are two categories of positions that women are excluded from holding. One group consists of combat positions which women are prohibited from serving in due to the combat-exclusion law. This covers about 675,000 positions.

The second group consists of noncombat jobs that need to be left open to meet the program needs created by the existence of combat restrictions. According to the GAO report this category includes sea/shore rotations in the Navy, stateside and oversea locations in the Army and the Air Force, and the availability of noncombat career-enhancing opportunities for men in combat assignments. This category covers about 375,000 positions.

What positions remain after this classification? The unrestricted ones. This is where the problems arise. The individual services unnecessarily restrict women from these positions because of sloppy methodologies.

For example, in the Army female enlisted accession goals are based on the number of women the Army believes it can enlist on a regular basis. Therefore, accession goals for women govern the number of women who are recruited and the number of jobs made available to women applicants. The bottom line is the number of jobs will increase only when the Army increases these accession goals.

Clearly, this system for providing jobs for women makes little sense. There seems to be no apparent mechanism linking the number of women joining the Army and the number of positions actually available to them.

The Army is not alone in these utilization problems. The Navy, the Marines, and the Air Force also have problematic methodologies in the utilization of women. The bottom line is that women are not receiving the full opportunities they are entitled to by law in any of the services.

I urge not only my colleagues, but the Department of Defense and the individual services to examine the findings in this important report. It is an unacceptable situation when women are prevented from positions that are well within the parameters of the combat-exclusion law, but are made untouchable by the services' methodologies.

Mr. President, I ask unanimous consent that the General Accounting Office Report be printed in the RECORD.

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

WOMEN IN THE MILITARY: MORE MILITARY JOBS CAN BE OPENED UNDER CURRENT STATUTES

GENERAL ACCOUNTING OFFICE,
Washington, DC, September 7, 1988.

Hon. WILLIAM PROXMIRE,
Hon. WILLIAM S. COHEN,
Hon. DENNIS DECONCINI,
U.S. Senate.

This report responds to your March 24, 1987, request that we review how service policies implementing the combat exclusion provisions affect the number and assignment of women in the military, and whether other factors limit job opportunities for women. In the report we address the numerical impact of the statutory restrictions, and how service policies unrelated to statutory restrictions limit the availability of jobs for women.

As arranged with your offices, unless you publicly announce its contents earlier, we plan no further distribution of this report until 5 days from its issue date. At that time, we will send copies to interested committees and other Members of Congress; the Secretaries of Defense, the Air Force, Army, and Navy; and the Director of the Office of Management and Budget. We will make copies available to other parties upon request.

FRANK C. CONAHAN,
Assistant Comptroller General.

EXECUTIVE SUMMARY

PURPOSE

Because of concerns that the services might be unnecessarily limiting job opportunities for women, Senators William Proxmire, William S. Cohen, and Dennis DeConcini asked GAO to review—

How service policies implementing statutory prohibitions on combat jobs for women affect the number and assignment of military women, and

If service procedures unrelated to the combat exclusion limit job opportunities for women.

BACKGROUND

The number of women in the military services has increased from 55,500 (2.5 percent of forces) in 1973 when the All-Volunteer Force was established to 220,957 (10.2 percent of forces) in 1987. Statutes and service policies, however, restrict military jobs available to women.

Sections 6015 and 8549 of title 10 U.S.C. prohibit assigning women to aircraft and naval vessels having combat missions. Because the Women's Army Corps with its own exclusions existed in 1948 when title 10 provisions became law, title 10 includes no specific combat restriction on Army women. With the dissolution of the Corps in 1978, the Army prohibited women from jobs most likely to engage in direct combat, as a matter of policy.

To meet program needs created by the combat exclusion, the services prohibit women from filling certain noncombat jobs. Program needs include overseas/stateside rotation for the men in combat jobs in the Army and Air Force, sea/shore rotation in the Navy, and career progression opportunities for both men and women.

The services have opened new career fields and job opportunities to women. For example, the Navy opened pilot training to women in 1973 and the Air Force in 1976. More recently, Air Force women have been assigned to Minuteman firing crews and certain reconnaissance aircraft. After Secretary of Defense and Navy task forces on women in the military in 1987, the Navy opened shore based reconnaissance aircraft and 26 of its 37 combat logistics force ships which provide underway fleet replenishment. Further, the Marine Corps opened its security guard program. The services are evaluating whether closure of noncombat support units and positions is justified under a new Department of Defense definition of "risk."

RESULTS IN BRIEF

Based on the combat exclusion and related program needs, about 1.1 million of 2.2 million military jobs are closed to women. All of the 1.1 million remaining jobs, however, are not available to women. Through their policies and procedures for identifying job availability and for determining or implementing accession goals for women, the services further limit the jobs that women may compete for.

PRINCIPAL FINDINGS

The services limit the number of jobs that women may hold beyond their identification of the requirements of the combat exclusion and related program needs. As a result, women may not compete for all jobs identified by the services as unrestricted by the combat exclusion or their program needs.

The Marine Corps distributes some unrestricted noncombat jobs in both the Fleet Marine Force and Support Establishment equally between men and women to reflect the gender composition of the general civilian population.

The Navy limits women to no more than one-half of the unrestricted noncombat pilot positions.

The Air Force limits the number of new pilot and navigator openings available to women to its estimate of the proportion of women among those people interested in joining the Air Force and qualified to be Air Force pilots and navigators.

The Army enlisted accession goals limit the number of women recruited and the number of jobs made available to women.

The Navy does not consider the size of berthing areas (sleeping quarters) on noncombat ships when determining sea duty availability for women. Because the size of berthing areas is a constraint when assigning mixed crews, women may not be allowed to fill the number of sea duty positions identified as open to women by the Navy methodology.

RECOMMENDATIONS

To allow women to compete for all jobs not closed by statutes or program needs, GAO recommends that—

The Secretary of the Navy consider berthing area configurations when establishing the number of noncombat sea duty opportunities for women;

The Secretary of the Navy direct the Commandant of the Marine Corps to provide open access without regard to gender to noncombat assignments now prorated between men and women;

The Secretary of the Navy review procedures used by officer career field managers for determining proposed accession goals for women officers, to eliminate unnecessary limitations on job availability;

The Secretary of the Air Force allow all unrestricted pilot and navigator openings to be available for competition by women on an equal basis with men; and

The Secretary of the Army remove limits resulting from the implementation of gender specific accession goals for enlisted women.

AGENCY COMMENTS

The Department of Defense (DOD) generally concurred with GAO's findings and recommendations. However, DOD was awaiting a special analysis by the Marine Corps to determine if any as yet unidentified program needs affect those jobs now distributed on a 50/50 basis to reflect the gender composition of the general population. If the Marine Corps cannot demonstrate a program need for this procedure, DOD agrees that those positions should be available on a gender-neutral basis.

DOD partially concurred with GAO's recommendation on Air Force pilot and navigator accessions. DOD is awaiting an Air Force study assessing the cost of attrition and retention of men and women pilots and navigators, before deciding if accession policy should be changed. GAO agrees that attrition and retention are matters of concern but notes that the number of openings for women has been so small that Air Force data may not be sufficient for effective analysis. In GAO's opinion, removal of current limits may provide an expanded database that will enable the Air Force to more effectively address attrition and retention issues.

DOD did not concur with GAO's recommendation to the Secretary of the Army. DOD stated that Army accession objectives for women are not limits but goals that the Army must exert itself to achieve. GAO did not do a market survey to identify how many women the Army could expect to enlist each year. However, officials at the Army Recruiting Command told GAO that recruiting is directed primarily toward men, and female accession goals have been met without special effort.

CHAPTER 1—INTRODUCTION

Since the inception of the All-Volunteer Force in 1973, the number of women in the U.S. military services has increased from 2.5 percent of total forces in fiscal year 1973 to 10.2 percent in fiscal year 1987. Table 1.1 shows this growth by service.

TABLE 1.1: NUMBER AND PERCENT OF WOMEN IN THE SERVICES, FISCAL YEARS 1973 AND 1987

Service	1973		1987	
	Number of women	Percent of force	Number of women	Percent of force
Air Force	19,750	2.9	75,308	12.5
Army	20,736	2.6	82,700	10.7
Navy	12,628	2.3	53,161	9.1
Marine Corps	2,288	1.2	9,788	4.9
Total	55,402	2.5	220,957	10.2

STATUTES LIMIT OPPORTUNITIES FOR WOMEN

Although the number of women in the services has grown dramatically, statutes and service policies restrict the kind and number of military jobs available to women. Sections 6015 and 8549 of title 10 U.S.C. prohibit the assignment of Air Force, Navy, and Marine Corps women to aircraft having combat missions. Section 6015 also prohibits Navy and Marine Corps women from serving on naval vessels having combat missions. The Women's Army Corps, in existence since 1942 and having its own exclusions, precluded the need for statutory restrictions on the Army in the 1948 act establishing the current title 10 prohibitions. With the dissolution of the Corps in 1978 and the subsequent integration of women into the mainstream of the Army, the Army prohibited women from positions that are most likely to involve direct combat, as a matter of policy.

To meet program needs created by the combat restriction, the services also close some noncombat jobs to women. Program needs include, for example, rotation between stateside and overseas assignments for Army and Air Force personnel. A majority of the combat positions in a job category may be located overseas. To prevent excessively long overseas tours, the services close some noncombat jobs in the United States. Similarly, the Navy reserves a set number of shore positions to allow for sea/shore rotation for Navy combat personnel. Further, jobs available to women are limited by some service procedures for identifying and implementing accession goals for women.

OPPORTUNITIES FOR WOMEN HAVE EXPANDED

After periodic review of their policies, the services have expanded available assignments and career fields for women while maintaining applicable statutory restrictions. For example, the Navy opened pilot training to women in 1973 and surface warfare and special operations career fields in 1978. All service academies were opened to women in 1976. The Air Force opened pilot training to women in 1976, navigator training in 1977, Minuteman crews in 1985, and some reconnaissance aircraft such as the RC-135 in 1986. In 1986, the Army opened positions in forward support battalions, and

the Navy opened Military Sealift Command ships.

In the fall of 1987, in response to a report from the Chairwoman of the Defense Advisory Committee on Women in the Services, the Secretary of Defense established a Task Force on Women in the Military to address three areas of concern: attitudes toward women, combat exclusion, and career development. Concurrently with the Department of Defense (DOD) Task Force, the Navy and the Marine Corps reviewed their policies. Those reviews resulted in the standardization of the criteria used to determine when exposure to risk justifies closing noncombat jobs to women, the Navy's opening of 26 of its 37 combat logistics force ships and the land-based air reconnaissance squadrons flying the EP-3 aircraft, the Marine Corps' opening of its marine security guard program which serves the embassies around the world, and the reevaluation of closed noncombat support units and positions with the purpose of opening those that did not meet the criteria for risk justification. Each service was also directed to improve women officer leadership development, review key billet assignment policies affecting women officers, and integrate more women into nontraditional skill areas. The services will be reporting back to the Secretary of Defense.

OBJECTIVES, SCOPE, AND METHODOLOGY

Because of concerns that the services might be unnecessarily limiting opportunities for women, Senators William Proxmire, William S. Cohen, and Dennis DeConcini requested that we review certain issues related to job opportunities for women in the military. Specifically, the Senators asked that we determine—

How service policies implementing the combat exclusion affect the number and assignment of military women and

If service procedures unrelated to the combat exclusion limit job opportunities for women.

In testimony before the Subcommittee on Military Personnel and Compensation, House Committee on Armed Services, on November 19, 1987, we discussed the statutory restrictions, service policies for implementing those restrictions, and the inconsistent impact of those policies on the kinds of jobs women may hold. As agreed with congressional requesters, a copy of our statement appears as appendix I of this report. The remainder of this report addresses the numerical impact of the combat exclusion policies and limits on job opportunities caused by procedures unrelated to combat exclusion policies.

To determine how the services identify job opportunities for women, we interviewed service officials and reviewed documentation at the following locations:

The services' headquarters, including the Coast Guard, in Washington, D.C.:

Service recruiting agencies in Washington, D.C. (Navy and Marine Corps); San Antonio, Texas (Air Force); and Chicago, Illinois (Army);

Military entrance processing stations in Detroit, Michigan; Milwaukee, Wisconsin; El Paso and San Antonio, Texas; Baltimore, Maryland; and Harrisburg, Pennsylvania; and

U.S. Army Training and Doctrine Command at Forts Monroe, Lee, Eustis, and Belvoir, in Virginia.

The military entrance and processing stations were chosen on the basis of work load volume and geographic distribution; standardized interviews were completed with representatives of the four services at each location.

Our assessment of the extent to which the services may have unnecessarily limited opportunities for women focused on those positions identified by the services as able to be filled by either men or women under existing laws and service policies. We conducted our review from March 1987 through August 1988 in accordance with generally accepted government auditing standards. The Department of Defense provided written comments on a draft of this report. These comments are presented and evaluated in chapters 2 and 3, and are included in their entirety in an appendix II.

CHAPTER 2—COMBAT EXCLUSION PROVISIONS CLOSE THOUSANDS OF JOBS TO WOMEN

The combat exclusion statutes and service policies implementing those statutes prohibit women from serving in about 675,000 combat jobs. The services also restrict women from about 375,000 noncombat jobs to meet program needs created by the existence of combat restrictions. The needs vary among the services, but include consideration of rotation between stateside and overseas locations in the Air Force and Army, sea/shore rotation in the Navy, prevention of promotion bottlenecking for both men and women, and the availability of noncombat career-enhancing opportunities for men in combat assignments. The Army, Navy (for the enlisted ranks), and the Marine Corps use standardized methodologies to help identify the number of noncombat positions that are reserved to meet program needs created by the combat exclusion. The Air Force identified its combat and noncombat needs in 1985 through a special study. The Navy does not identify total combat and noncombat male-only requirements at officer grades. Instead, it determines job availability for women officers through its processes for setting accession goals.

We found that in addition to reserving positions to meet program needs, the Marine Corps apportions some jobs on an equal basis between men and women. This apportionment is unrelated to combat or program needs. We also found that the Navy methodology for enlisted ranks does not consider ship berthing capabilities (sleeping quarters) in determining the number of positions open to women. According to Navy requirements, a berthing area must be restricted to one gender.

DIRECT IMPACT OF COMBAT EXCLUSION PROVISIONS

By law, the Air Force, Navy, and Marine Corps cannot assign women to aircraft engaged in combat missions, and the Navy and Marine Corps cannot assign women to naval vessels having combat missions. The Air Force restricts additional positions because it interprets the intent of the combat exclusion statute to also protect women from capture. The Marine Corps identifies its direct combat requirement as enough positions to form two Marine Expeditionary Brigades in each of the three Marine Expeditionary Forces formed by the Fleet Marine Force. The Army, by policy, does not assign women to positions identified as the most likely to engage in direct combat. This policy is based on Army understanding of the intent of the exclusion laws.

Table 2.1 shows by service the number of positions the services close because of their interpretations of statutory restrictions.

TABLE 2.1: TOTAL NUMBER OF POSITIONS CLOSED DIRECTLY BY COMBAT EXCLUSION PROVISIONS BY SERVICE

Service	Number directly closed [1]		
	Officer	Enlisted	Total
Air Force (fiscal year 1988)	15,125	4,077	19,202
Army (fiscal year 1987)	22,311	254,283	276,594
Navy (fiscal year 1988) officers, fiscal year 1991 projected, enlisted)	28,997	264,071	[2]293,068
Marine Corps (fiscal year 1988)	[3]	90,788	90,788

[1] Comparable data for the same fiscal year were not available. Where data are now estimated for future years, actual numbers may differ.
[2] This total is an approximation based on data from 2 fiscal years.
[3] Data for Marine Corps officers were not available.

IMPACT OF CLOSURES TO MEET PROGRAM NEEDS

Each of the services reserves noncombat positions for men to meet program needs created by the combat exclusion as discussed below.

Air Force

The Air Force closes some noncombat positions to provide stateside rotation opportunities for men assigned to combat aircraft overseas. The number of positions was initially determined through a 1985 Air Force study. Although the number of noncombat jobs needed to provide rotation has changed since then, the Air Force maintains the same ratio of combat to noncombat positions as was established in the study. In fiscal year 1988, the Air Force reserved 504 officer and 1,452 enlisted positions to meet rotation needs. Rotation is the only program need the Air Force considers a constraint on female accessions.

Army

The Army considers several factors in determining the number of noncombat jobs needed to meet program needs. For officers, the Army determines the number of stateside jobs needed to provide rotation for men in overseas combat assignments and the number of combat casualty replacements that will be needed in the early days of a conflict. Only the higher of these two numbers is reserved since one position can fill both program needs. The Army then reviews career progression paths to ensure that the same percentage of total jobs (combat and noncombat) is reserved for men at each higher grade to provide for promotion opportunities. In fiscal year 1987, as a result of these program considerations, the Army set aside 5,731 noncombat officer positions for men.

For the enlisted ranks, the Army reviews four program needs that could require restricting noncombat jobs:

1. Sufficient men in lower grades to meet combat requirements for the grade with the highest percentage of combat jobs.

2. Sufficient stateside jobs to provide rotation for men in overseas restricted positions.

3. Availability of noncombat jobs to provide career-enhancing experience for men in combat jobs.

4. Prevention of promotion bottlenecking for women by restricting the maximum percentage of women in each job category within a career field to the percentage of women allowed in the job category with the lowest percentage of women.

The impact of these program needs may apply throughout a career field or only within a particular job category—military occupational specialty. A career field is generally comprised of two or more occupational specialities, and provides the opportunity for an enlistee to progress from a trainee to the highest enlisted grade attainable, E-9.

For example, the administration career field contains 16 occupational specialities, including physical activities specialist, personnel administration specialist, and legal specialist. To achieve the highert enlisted grade, a person generally needs to change occupational specialties at some point in the promotion path. For example, a physical activities specialist can remain in that job category from grades E-3 to E-7. To attain an E-8 or an E-9 promotion, that person must become an administrative specialist. A personnel administration specialist can progress only to grade E-6. To obtain further promotions that person must become a personnel sergeant. A legal specialist, on the other hand, may remain a legal specialist and still be promoted up through grade E-9. The Army identifies the requirements of the first three program needs listed above only within each job category. The fourth is applied within a career field, not within a single job category.

The Army closes enough enlisted positions to accommodate the program need that affects the greatest number of jobs. For example, in one job category, subsistence supply specialist, at the E-2 through E-4 grades, the four program needs would require 54, 27, 59, and 0 restricted jobs, respectively, during fiscal year 1987. Only 59 were restricted. At the next grade, E-5, these same program needs would require 0, 25, 18, and 0 jobs, respectively. Only 25 were restricted. This analysis occurs at each grade in each job category to produce the total number of jobs needed to meet these program needs. Based on this analysis, in fiscal year 1987 the Army set aside 72,779 enlisted noncombat positions for men.

After closing enlisted jobs based on the four program needs, the Army, where necessary, adjusts the maximum number of jobs available to women by grade within a job category, so that the ratio from grade to grade for women is the same as the ratio from grade to grade for total requirements within that category. An Army representative told us this is done to provide equitable promotion opportunities for both men and women. In fiscal year 1987, this adjustment closed an additional 20,171 positions.

Navy

Officers.—The Navy does not identify total combat and noncombat male-only requirements at officer grades. Instead, the Navy determines job availability for women officers through its processes for setting accession goals. Data on the impact of related program needs were, therefore, not available.

Enlisted.—To determine job availability and accession goals for enlisted women, the Navy identifies the number of sea duty positions on noncombat ships and allots a portion of them to women based on how the Navy categorizes the job. According to Navy officials, the percentages were established on the basis of the percentages necessary to provide sufficient openings to accommodate the Secretary of Defense mandated end strength goals for Navy women—9.6 percent for fiscal year 1991—and to account for the current distribution of women among sea intensive and shore intensive jobs.

Based on these considerations, the Navy currently allots 70 percent of the noncombat sea duty jobs that the Navy considers administrative/communication skills to women, and 40 percent of boiler technician, machinist mate, and fireman jobs. For the remaining sea duty jobs, the Navy allots 50 percent to women. In addition to the number of sea duty positions available to women, the Navy adds one-half of the overseas shore assignments that are credited as sea duty. According to Navy officials, these jobs are apportioned equally between men and women to offer more rotation opportunities for men and career-enhancing opportunities for both men and women. The 50/50 distribution is intended to achieve gender equality. The result of these calculations is the number of sea duty positions that women may fill. In the long run, the Navy intends to achieve a 50/50 distribution of noncombat sea duty jobs between men and women.

The Navy also (1) makes an appropriate number of each job category's shore positions open to women, and (2) allots to women a portion of positions scheduled for such activities as training, based on the ratio of female sea and shore positions to the Navy's total force structure.

The sum of the above calculations is the upper limit on the enlisted jobs that can be held by women. Reductions in that limit are made, if necessary, to provide equitable promotion opportunities for both men and women. Under this methodology, the Navy projects that 235,892 noncombat enlisted positions will be closed to women in fiscal year 1991, as shown in table 2.2.

TABLE 2.2: NAVY NONCOMBAT ENLISTED POSITIONS CLOSED TO WOMEN (PROJECTED FISCAL YEAR 1991)

Positions	Number
1. Male shore rotation for combat sea duty	118,293
2. Noncombat sea duty not programmed for women	18,401
3. Shore duty for noncombat sea duty closed	7,841
4. One-half overseas shore duty positions credited as sea duty and stateside shore duty for those positions	8,242
5. Training, etc., billets reserved for men	77,577
6. Reduction of female upper limit to provide equitable career progression for men and women	5,538
Total	235,892

The enlisted Navy methodology does not take into consideration berthing area configurations of the ships involved. The size of the berthing areas (sleeping area), however, is a constraint on assigning women to sea duty positions. There is no minimum male requirement on ships open to women because these ships do not have a combat mission. Because of Navy habitability and sanitation facilities requirements for crew members, however, the gender composition of crews on these ships, particularly in the enlisted grades, must coincide with the various male/female combinations that can be accommodated by the sizes of the ships' berthing areas. If a ship has four enlisted berthing areas, for example, each with a capacity for 40 people, then women and men must be assigned in increments of 40, such as 40/120 or 80/80.

Under the Navy's approach for identifying job availability for women, the Navy will be increasing (1) the number of women in sea-intensive job categories, (2) the number of noncombat sea duty positions filled by women, and (3) the percentage of women in mixed crews. The Navy is making these increases to accommodate the Secretary of Defense's mandated increase in the Navy's female end strength while providing both men and women in the same job category with the same sea/shore rotation ratio. The Navy can accommodate the increases because of the increased number of sea duty jobs for women resulting from the Navy's December 1987 decision to open 26 of its combat logistics force ships. However, because the navy methodology does not correlate the number of unrestricted sea duty positions targeted for women with the size of ships' berthing areas, it is not certain that the ships will be able to house the designated number of women. As a result, the Navy may not be able to assign women to all the sea duty positions that are theoretically open to them.

Marine Corps

The Marine Corps considers the following when reserving noncombat positions for men. The Marine Corps—

Reserves enlisted and officer noncombat positions equivalent to 25 percent of the total combat requirement (excluding aviation combat units) as casualty replacements for combat arms positions;[1]

Closes some noncombat officer positions that require combat arms experience to perform assigned duties;

Distributes positions in some job categories equally based on the split of men and women in the general population; and

Maintains the same percentage of men and women in job categories that offer or require rotation between the Fleet Marine Force and the Support Establishment, to provide equitable rotation opportunity.

The objective of the methodology is to calculate the minimum number of male-only positions related to combat needs, and, therefore, the maximum number of positions available to women. Based on this process, a total of 28,342 noncombat enlisted positions were closed to women in fiscal year 1988. Data for officers were not available.

These procedures establish the number of positions open to women by job category and grade. In the enlisted and unrestricted officer grades, that number is then adjusted to provide career progression opportunities for both men and women by establishing the same proportions of men and women at each grade level.

To determine the adjustment needed for career progression, the Marine Corps first calculates the proportion of total jobs open to women in each grade within a job category. The proportion of women allowed in each grade within a job category is then reduced or increased to equal the percentage of jobs in the grade with the second lowest proportion. The second lowest rather than the lowest proportion is used to minimize the limitation resulting from this process. For example, if women comprised 45, 35, 25, and 15 percent of personnel in grades E-2 to E-4, E-5 to E-7, E-8, and E-9, respectively, within a job category, then the number of women allowed in each grade would be changed to 25 percent throughout the job category.

However, since the grade that previously was the lowest will be increased, the Marine Corps limits openings for women to no more than 1.5 times the total number of female openings available in the job category before this adjustment. This adjustment for career progression needs closed an additional 3,130 enlisted positions in fiscal year 1988, leaving a total of 9,873 enlisted positions open to women. Data on officers were not available.

CONCLUSIONS

In addition to closing combat jobs as required by law, the services close noncombat jobs to meet program needs created by the

[1] The Marine Corps maximizes the positions open to women in this step by not counting fractional positions as closed to women. This results in 439 open positions that would otherwise be closed.

combat restrictions. This indirect impact of the combat exclusion provisions stems from service efforts to address the resulting resource management and equity problems affecting men and women in terms of assignment type, location, and career progression opportunities. Overall, about 1.1 million of 2.2 million military positions are closed to women. Of the remaining 1.1 million positions, women fill about 220,000. The positions closed because of statutory and program needs impacts are summarized in table 2.3.

TABLE 2.3: SUMMARY OF POSITIONS CLOSED TO WOMEN BECAUSE OF STATUTES AND PROGRAM NEEDS

Service [1]	Statutory impact	Program needs	Total
Air Force	19,202	1,956	21,158
Army	276,594	98,681	375,275
Navy	293,068	[2] 235,892	[3] 528,960
Marine Corps	[2] 90,788	[2] 31,472	[3] 122,260

[1] Comparable data for the same fiscal year were not available.
[2] Enlisted only. Data for officers were not available.
[3] Total understated because of the lack of data on officers.

We did not assess the validity of service calculations to identify the number of jobs that must be reserved for men to meet combat and related program requirements. In the Marine Corps methodology, however, some opportunities are equally divided between men and women to reflect the male/female composition of the general population. This distribution is not required by the combat exclusion laws or any related program needs. We recognize that this provision affects only about 375 positions, but unless the Marine Corps can show a program need for this distribution, we believe these jobs should be available on a gender-neutral, open-access basis.

We also believe that the Navy needs to consider the configuration of berthing areas when determining sea duty availability for women, rather than determining availability solely on the basis of whatever combination of job category inventories is needed to meet mandated inventory goals. The size of the berthing areas will act as a constraint on the assignment of women once they have entered the service.

RECOMMENDATIONS

We recommend that the Secretary of the Navy—

Direct the Commandant of the Marine Corps to provide open access on a gender-neutral basis to noncombat assignments now equally divided between men and women to reflect the gender composition of the general population and

Consider berthing area configurations when establishing the male/female distribution of noncombat sea duty positions.

AGENCY COMMENTS

DOD concurred with our findings and recommendations. DOD stated it was awaiting a special Marine Corps study to determine if any as yet unidentified program needs affect unrestricted positions now distributed equally between men and women to reflect the gender composition of the general population. DOD agreed that if the Marine Corps cannot demonstrate a program need for the 50/50 rule, then those positions should be made available on a gender-neutral, open-access basis.

DOD noted that the Navy has already taken action on berthing area capacities to enable it to assign women to 50 percent of the positions on noncombat ships. The Navy is currently reviewing a preliminary ship alteration plan, completed by the Naval Sea Systems Command on June 16, 1988, that identifies changes needed to provide sufficient berthing area capacities for women.

DOD stated that it did not concur with an implication that female officer accession goals were solely driven by positions on noncombat ships. This is an incorrect reading of our discussion of procedures related to enlisted personnel only, and we have clarified our discussion of officer and enlisted procedures for identifying program needs to avoid misunderstanding.

CHAPTER 3—SERVICE ACCESSION GOALS LIMIT JOB AVAILABILITY FOR WOMEN

The positions remaining after the services have set aside enough jobs to meet combat and program needs can be filled by either men or women. We found, however, that some service procedures for identifying and implementing accession goals limit the number of unrestricted noncombat jobs made available to women. These limits are not required by either combat exclusion or related program needs, and therefore, unnecessarily restrict the number of jobs that women may compete for under current statutory provisions. Such limits occur in the Air Force at both officer and enlisted grades, in the Army at enlisted grades, and in the Navy at officer grades.

We did do a market survey to identify how many women might enter the services if unnecessary limits were removed. We recognized that open access to all unrestricted positions on a gender-neutral basis would remove guaranteed minimums for men and women. Removal of unnecessary limits would expand job opportunities which both men and women could compete for.

AIR FORCE

Officers

The Air Force restricts entry to only two officer career fields because of the combat exclusion provisions—pilot and navigator. Combat and related program requirements for other career fields have not been sufficient to warrant restrictions. We found that after restricting enough pilot and navigator positions to meet combat mission requirements, the Air Force makes available to women a small percentage of these unrestricted noncombat openings, based on its estimate of the proportion of women in the general population who are interested in joining the Air Force and qualified to be pilots and navigators. That estimate (8.4 percent discussed below) is determined by multiplying the male/female ratio of (1) the general population by (2) the youth interested in joining the Air Force based on a survey of youths' interest, and educational, testing, and physical standards requirements for becoming pilots and navigators.

In 1986, the Air Force established a goal of producing 2,000 new pilots and 800 new navigators each year. Of these, 40 pilots and 10 navigators could be women. The Air Force derived these numbers by multiplying the number of noncombat positions (24 percent for pilots and 14 percent for navigators) by the qualified and interested rate for women (8.4 percent) for these fields. Allowing for attrition during training, 60 women could enter pilot training and 14 women could enter navigator training annually. Figures 3.1 and 3.2 show the impact of this process using the 2,000 pilot and 800 navigator positions from the original needs assessment.

[Figures 3.1 and 3.2 not reproductible for the RECORD.]

Because of recent officer reductions, the Air Force has reduced its annual goals for new pilots and navigators. In fiscal year 1987, the Air Force goals were 1,700 pilots and 685 navigators. The goals and training openings for women, however, were held constant because the initial numbers were so low.

Enlisted

The Air Force has controlled the number and kinds of jobs made available to women applicants and as a result has limited female accessions. The number of jobs available has been based on the Air Force estimate of the ratio of women among those persons in the general population qualified and interested in those jobs in the Air Force. In fiscal year 1987, the overall percentage estimate of the ratio of women among the qualified and interested pool ranged from 15 to 19 percent. In fiscal year 1988, the range increased to 18 to 22 percent.

Prior to 1986 the Air Force set a maximum for enlisted female accessions. To enforce that maximum, the Air Force used separate computer-accessed job listings for male and female applicants. In 1985, the House Committee on Armed Services directed the Air Force to review its enlisted accession system. As a result, in January 1986, the Air Force modified the system to allow the transfer of jobs from one listing to another to be more responsive to demand. According to Air Force officials, the dual system was retained to meet anticipated minimum quotas for women required by the Committee. Officials said implementation of a single, gender-free job listing would take a maximum of 18 months (or a total of 6,000 programming hours) to implement and would be costly and timeconsuming to reverse if quotas were imposed.

In February 1988, we briefed staff of the House Committee on Armed Services on the operation of the modified dual job list system. As a result, the Committee removed the minimum quotas and directed the Air Force, in the National Defense Authorization Bill for 1989, to develop and implement a gender-neutral system for enlisted accessions. That system is to be in use by October 1, 1989.

ARMY

Enlisted accession goals

The Army's implementation of annually established accession goals for nonprior service enlisted women (enlistees without prior Army service) limits job opportunities for women far below the 231,000 jobs remaining unrestricted after applying the combat exclusion and after accounting for program needs. In fiscal year 1987, about 70,000 enlisted women were in the Army. According to an Army official, accession goals are based on a consideration of how many women the Army believes it can enlist on a regular basis, and on an Army objective of reaching a female enlisted end strength of 74,000. Therefore, accession goals for women govern the number of women who are recruited and the number of jobs made available to women applicants.

Accession goals are implemented by the Army Recruiting Command as a maximum for men and women. The recruiting command receives gender-specific goals for nonprior service enlistees each year from the Army Deputy Chief of Staff for Personnel. The command then establishes separate male and female goals at each operational level down to the individual recruiter. Recruiting agency officials told us that recruit-

ers are not allowed to make gender substitutions in their assigned goals.

The Army uses separate male and female job listings when recruiting. The number of jobs for women is based on female accession goals and cannot be increased unless the Army increases these goals. Each increase also requires a corresponding decrease in the accession goals for nonprior service men because accession goals are governed by total authorized end strength.

NAVY

Officers

The Navy determines job availability for women officers through its procedures for setting accession goals for each career field.[2] Officer career field managers prepare initial accession goal estimates that may be adjusted by Navy planners. Although the 10 career field managers we met with used some similar concepts in arriving at proposed accession goals, a unique process was used for each career field. Navy officials told us that processes differed because each career field has its own career path requirements.

In the absence of good documentation on either the criteria used by the career field managers to determine proposed female officer accession goals or implementation of the criteria, the impact was not always clear. We did determine, however, that the separate processes do not generally assess total combat and related program needs for the entire career field. Further, the results of the Navy's 1987 special study group on women and reviews related to specific officer career fields have brought about some changes in job opportunities available to women that can affect the processes and/or data used to establish female accessions.

We found that the procedures used by the officer career field managers placed unnecessary limits on the number of jobs made available to women in three career fields—pilots, surface warfare, and special operations—before the 1987 special task force completed its work. Further, in one field, pilots, changes in job opportunities for women, resulting from task force recommendations, were not incorporated by the officer career field manager into the formulation of annual accession goals.

In the pilot career field, female accessions for trainee positions are based on the number of available initial assignment openings—about 1,000 pilots are needed each year. We were told that accession goals for women are arbitrarily limited to one-half of the 62 unrestricted noncombat openings. Although the Navy subsequently opened the EP-3 aircraft to women as a result of the work of the special task force, the Navy has not increased the number of unrestricted noncombat pilot positions made available to women. According to a Navy official, the Navy will continue to limit women to no more than 31 of the unrestricted noncombat openings and will provide pilots for the EP-3 aircraft by replacing some women in training positions with men.

In the surface warfare career field, female accessions had been based on the availability of only one commander position (0-5), although 6 captain (0-6) positions were open and adequate junior grade sea duty positions were available to support more than the one commander (0-5) position. The availability of only one commander position limited female accessions to 17 per year. The special task force review resulted in the opening of 26 of the Navy's 37 combat logistics force ships, thereby making available up to 9 unrestricted commander (0-5) positions. The Navy has incorporated this change into its determination of accession goals. Using the male rate for grade progression to commander, annual female accessions were increased from 17 in fiscal year 1987, to a projected 50 in fiscal year 1990.

Navy officials said female accessions in special operations were constrained by the limited availability of appropriate shipboard facilities for women officers below the command level. The Navy placement officer had designated only 8 of a possible 20 ships as suitable for women. Officials told us that private facilities are more difficult to provide on small ships and these positions tend to be on small ships. A Navy review of the remaining 12 ships resulted in 9 more being designated as suitable for assigning women.

CONCLUSIONS

As discussed in chapter 2, the combat exclusion laws and service policies and procedures for implementing those laws, including resource management and equity considerations, limit the number of jobs women can fill. In addition, some service procedures for identifying and implementing accession goals further limit the number of women who can join the military. Unless the services have compelling reasons that they have not yet identified, all unrestricted jobs should be available to men and women on an equitable basis. Opening all unrestricted jobs for equal competition would remove the current limits on the number of women in unrestricted noncombat positions. Neither gender would then be guaranteed a minimum percentage of the available jobs.

Air Force

The Air Force limits the number of unrestricted pilot and navigator positions that can be held by women based on its estimate of the percentage of women in the qualified and interested pool. In our opinion, the Air Force policy of limiting the number of jobs made available to women to this estimate is unnecessarily restrictive. For example, of 480 unrestricted pilot positions, only 40 may be filled by women under current Air Force policy.

Army

Army accession goals for nonprior service enlisted women and men have been implemented as a maximum. Based on Army accession goals, the Army Recruiting Command establishes separate male and female goals at each operational level down to the individual recruiter. Recruiters are not allowed to make gender substitutions. Further, the Army uses separate male and female job listings when recruiting. The number of jobs on either list is the maximum made available to men or women unless Army-wide accession goals are adjusted. We believe the number of unrestricted noncombat jobs and the available supply of interested and qualified women should govern the maximum number of enlisted women rather than annual accession goals specifically for women. Reprogramming the Army enlisted job system to reflect "male only" and "unrestricted" positions could provide the mechanism for implementing a gender-neutral accession system for unrestricted positions. The system could allow male applicants to access both job lists and female applicants to access only the "unrestricted" job list.

Navy

The procedures used by officer career field managers to determine proposed female accession goals for Navy officer career fields do not generally assess total combat and related program needs. The impact of the various processes on job opportunities for women, therefore, was not always clear. In three career fields, opportunities for women appeared to be unnecessarily limited prior to changes in job availability resulting from the work of the task force on women and an internal Navy review. Although increased job availability brought about by resulting changes was incorporated into formulation of accession goals for two of those career fields, it was not incorporated into determining female pilot accessions. We believe the Navy should review the procedures used by officer career field managers to determine job availability for women officers, to ensure that unnecessary limitations do not exist and that changes in job availability have been incorporated into their procedures.

RECOMMENDATIONS

To enable the services to obtain the most capable people overall, and to gain the maximum benefit possible from available resources, we recommend that—

The Secretary of the Air Force allow all unrestricted pilot and navigator openings to be available for competition based on individual qualifications without regard to gender,

The Secretary of the Army remove limits resulting from the implementation of accession goals for women enlistees, and

The Secretary of the Navy review procedures used by officer career field managers for determining proposed female accession goals for women officers to eliminate unnecessary restrictions on job availability which may result from those procedures.

AGENCY COMMENTS AND OUR EVALUATION

Air Force

DOD partially concurred with our finding and recommendation on Air Force pilot and navigator accessions. DOD believes that implementation of a gender-neutral pilot training entry program would be premature until additional research on attrition and continuation rates can demonstrate that expanding opportunities for women would permit the meeting of qualified air crew requirements at an affordable cost. DOD noted that pilot training attrition is 34 percent for women compared to 26 percent for men, and that the current 6-11 year voluntary continuation rates for women pilots and navigators are at least 20 percent lower than the rates for men flying similar aircraft. DOD added that in view of current and projected pilot shortfalls and the very high cost of training pilots, the relative cost-effectiveness of expanding women entrants will be dependent upon the development of a flight training selection method-

[2] Unlike the other services that have a standardized methodology for determining job availability for women, the Navy determines job availability for its women officers through its procedures for setting accession goals. These procedures differ for each Navy officer career field. We reviewed procedures used by 10 of the 17 Navy officer career field managers who establish proposed female accession goals. We did not look at the career fields of two managers because combat restrictions precluded assignment of women to one, and assignment of women to the other was open only at the Commander level of above. Of the remaining 15 managers, we reviewed the processes used by the 6 responsible for career fields with more than 3,000 officers in fiscal year 1986, 3 of the 6 responsible for career fields with 1,000 to 3,000 officers, and 1 of the 3 responsible for career fields with less than 1,000 officers. The career fields reviewed totaled 62,704 officers, or 87 percent of the Navy's fiscal year 1986 of 72,051.

ology that can predict successful pilot training completion equally well for men and women.

We agree that the Air Force should be concerned with attrition and retention rates. However, the 60 positions ascribed to women each year is so small that a few women can have a major impact on female attrition and retention rates. For example, only 5 additional women in any year would have to complete pilot training to reduce the female attrition rate from 34 to 26 percent. Removing limits could provide the Air Force with a larger database for more effectively and equitably evaluating attrition and retention.

DOD also stated that current Air Force methodology provides opportunity in flying careers open to both men and women in proportion to the interested and qualified population of the entry cohort. We disagree with the Air Force's use of a proportional distribution of noncombat pilot and navigator positions based on estimates of the interested and qualified population. Application of this process limits job availability beyond the requirements of the law or identified program needs.

Army

DOD agreed with our description of the Army's accession procedures but did not concur with our recommendation. DOD stated that the Army's accession goals for women were not limits that restrict women entrants, but were goals that the Army must exert itself to achieve. DOD stated that if the female accession floor were removed and the recruiting force allowed to recruit on a gender-neutral basis, a significant reduction in female accessions would occur. Further, DOD noted that while accession goals limit the number of both men and women who may enlist in a given year, they do not restrict the number who may enlist in the delayed entry program.[3]

One objective of our review was to determine if service policies or procedures unrelated to the combat exclusion provisions limit job opportunities for women. DOD stated that accession goals through fiscal year 1994 would bring women up to 74,000, an increase of about 3,000 over current numbers. Even though 40 percent of Army enlisted positions are unrestricted, only about one-third of those are held by women. We are not suggesting that the number of women be controlled so as to artificially increase their portion of Army accessions or end strength. We recognize that removal of limits means that neither men nor women would be guaranteed a minimum number of available unrestricted jobs. We did not do a market survey to identify the number of women the Army might expect to access each year. However, it is difficult to understand how female accessions would decrease significantly in an all-volunteer environment since officials at the U.S. Army Recruiting Command stated that the Army directed its recruiting efforts primarily toward men and was able to meet its female accession goals without any special effort.

We believe that precluding women from competing for all unrestricted positions imposes unnecessary limits on job availability. The fact that the actual number of women enlistees may not exceed the limit does not negate its existence. Nor do changes in accession goals change the existence of the limit as long as those goals prevent women from competing for all available unrestricted jobs.

The ability to enroll in the delayed entry program for the following fiscal year also does not negate the limitation. Once women reach the number of jobs available to them in a given fiscal year they must resort to the delayed entry program for the following fiscal year. According to data from the Army Recruiting Command, the longer a person is listed in the delayed entry program before actual entry on active duty, the less likely that person is to enlist.

Navy

DOD concurred with our findings and recommendation regarding Navy officers. DOD noted, however, that the Navy conducts various annual reviews of procedures for determining accession goals for women officers to ensure increasing participation in all aspects of the Navy. DOD noted that the Navy has a study in progress to determine the correct number of women officers that can be supported by the newly authorized aviation career patterns, and that the Navy intends to increase the number of women pilots above the level stated in this report as soon as the study is complete.

We recognize that the determination of final accession goals is based on various levels of review by the Navy, and that the Navy is and has been examining several questions regarding the assignment of women. Our findings and recommendation, however, are directed specifically at the procedures used by officer career field managers to establish initial accession goal estimates. We have clarified the report text and recommendation to indicate that.

ASSISTANT SECRETARY OF DEFENSE,
Washington, D.C., August 15, 1988.

Mr. FRANK C. CONAHAN,
Assistant Comptroller General, National Security and International Affairs Division, U.S. General Accounting Office, Washington, DC.

DEAR MR. CONAHAN: This is the Department of Defense response to the General Accounting Office draft report, "Military Women: More Jobs Can Be Opened Under Current Statutes" (GAO Code 391082/OSD Case 7688).

The report accurately describes steps the Department has taken to expand opportunities for women since the draft was terminated in 1973, and briefly outlines recent DoD actions to standardize, to the extent practicable, Service interpretations of combat exclusion statutes. It is the position of the Secretary of Defense that the combat exclusion statutes under 10 U.S.C. and derivative Service policies (e.g., to assure sea/shore rotation opportunities) are the only restrictions to women in equitably competing with men for assignment to all positions in the military. Additionally, within the past 6 months, the Department has reviewed its policies regarding combat exclusion and has issued guidance to the Secretaries of the Military Departments to ensure that there is no misinterpretation of the combat exclusion laws.

Recent Department decisions to open additional positions to women have necessitated many changes now being initiated in the Services' administrative, operational, training and logistical functions. Examples of these include developing a comprehensive plan to attract more women toward nontraditional occupational fields; changing assignment policies to allow more women into previously excluded positions and units, key billet and command positions, and career schools; changing training policies and procedures to allow women to qualify for newly opened positions; and altering ship berthing arrangements to accommodate women. Many of these issues were addressed by the GAO.

The Department of Defense concurs with most of the findings in the draft report, but does not concur with all of the GAO recommendations. Specifically, the Department agrees that Marine Corps noncombat skills now subject to equal accession goals for men and women should be opened on a gender-neutral basis, unless an analysis of program needs indicates a requirement for gender-specific goals. The Department also concurs that the Navy should consider berthing area configurations when establishing male/female distribution of noncombat sea duty positions, and the Navy is already taking action on this issue.

The Department partially concurs with the GAO concern about the restriction of 8.4 percent for female pilot training seats. Additional justification of this restriction needs to be made in light of our broad goal to maximize opportunities for women. However, it would be premature to change this entry policy until additional research is conducted.

Finally, the Department does not agree with the GAO recommendation that the Army should remove limits resulting from the implementation of accession goals for women. These goals constitute *minimum* goals, rather than limits, for female accessions, goals the Army must exert itself to achieve. Should the goals be removed, a significant decline in female accessions would result.

Detailed Department of Defense comments on all of the GAO findings and recommendations are provided in the enclosure. (Some suggested technical changes were also separately provided to the GAO Staff.) The Department appreciates the opportunity to comment on this draft report.

Sincerely,

DAVID J. ARMOR,
Principal Deputy.

GAO FINAL REPORT—DATED JUNE 15, 1988 (GAO CODE 391082) OSD CASE 7688

"MILITARY WOMEN: MORE MILITARY JOBS CAN BE OPENED UNDER CURRENT STATUTES"

SUMMARY OF FINDINGS TO BE ADDRESSED IN THE DOD RESPONSE TO THE GAO DRAFT REPORT

Findings

Finding A: Statutes Limit Opportunities For Women. The GAO observed that, since the inception of the All-Volunteer Force in 1973, the number of women in the U.S. Military Service has increased from 2.5 percent of total forces in FY 1973, to 10.2 percent in FY 1987. The GAO concluded, however, that although the number of women in the Services has grown dramatically, statutes and Service policies restrict the kinds and numbers of military jobs available to women. The GAO cited sections 6015 and 8549 of 10 USC, which prohibit the assignment of Air Force, Navy and Marine Corps women to aircraft engaged in combat missions and prohibit Navy and Marine Corps women from serving on Naval vessels engaged in combat missions. The GAO further found that the Army, although not covered by statutory restrictions, by policy excludes women from positions likely to be involved in combat. The GAO observed that there is also an indirect impact from the combat exclusion provisions, which stems from Service efforts to address the resulting resource

[3] Enlistees may commit to enter the Army as far in advance as 12 months through registration in the delayed entry program.

management and equity problems affecting men and women in terms of assignment type, location and career progression opportunities. The GAO found that, to meet these program needs created by combat restriction provisions, the Services close some noncombat jobs to women and, in addition, jobs available to women are further limited by some Service procedures for identifying and implementing accession goals for women. (pp. 7-8/GAO Draft Report)

DoD Response: Concur.

Since the inception of the All-Volunteer Force, however, the Department has taken and continues to take the necessary measures to ensure that women have full opportunity for rewarding careers in the military services. The Secretary of Defense stated in July 1983: "It is the policy of the Department that women will be provided full and equal opportunity with men to pursue appropriate careers in the military services for which they can qualify. This means that military women can and should be utilized in all roles except those prohibited by combat exclusion statutes and related policy. This does not mean that the combat exclusion policy can be used to justify closing career opportunities to women. The combat exclusion rule should be interpreted to allow as many as possible career opportunities for women to be kept open.

* * * civilian and military leadership of this Department must ensure that military personnel policies afford individuals the opportunity to contribute and advance commensurate with their aspirations and qualifications. While recruiting, training, assignment, promotion, and retention of individuals, of course, must be predicated on Service needs and individual capabilities, no artificial barriers to career opportunity for women will be constructed or tolerated."

The DoD Task Force Report on Women in the Military (January 1988) included an in-depth study pertaining to the combat exclusion statutes and the effect that the various interpretations and applications of those statutes had on limiting career opportunities for women. The statutes, established in 1948, provide only minimum criteria for excluding women from military positions; namely, ships and aircraft with combat missions. Nothing in the law prohibited the Services from applying combat exclusion policies to units other than ships or aircraft, and all Services have done so.

More important, the law does not define "combat mission." The task has been left to the Department of Defense and, in fact, to each Military Service. Given the differences in mission, organization, and operational practice, the Services have developed somewhat different definitions of combat mission, and these definitions have changed over time in response to changes in military doctrine, technology, and utilization of forces.

Not all differences in combat exclusion policies, however, arise from Service differences in combat forces. The differences of greatest concern to the Task Force arose from specific interpretations of the law (in all Services) concerning placing women at risk of exposure to hostile fire or capture. While the statutes do not mention such risks, their legislative histories can support the view that Congress intended the combat exclusion laws to protect women from the most serious risks of harm and capture.

In order to maintain a proper nexus to combat, the Secretary's guidance to the Secretaries of the Military Departments stated that risks of direct combat, exposure to hostile fire, or capture are proper criteria for closing noncombat positions or units to women, providing that the type, degree, and duration of such risks are equal to or greater than the combat units with which they are normally associated within a given theater of operations. If the risk of noncombat units or positions is less than comparable to land, air, or sea combat units with which they are associated, then they should be open to women.

Given this rule for determining the extent of risk, the Secretary of Defense has tasked the Secretaries of the Military Departments to review specified areas identified in the DoD Task Force Report for the possible inclusion of women. The Military Department reviews will be completed and briefed to the Secretary of Defense by September 1, 1988.

Finding B: Opportunities For Women In The Services Have Expanded. The GAO found that, through revisions based on periodic policy review, the Services have expanded some available assignment and career fields for women, while still maintaining application of the statutory restrictions. The GAO reported that, in the fall of 1987, the Office of the Secretary of Defense, the Navy and the Marine Corps, in response to a report from the Chairman of the Defense Advisory Committee on Women in the Services, once again reviewed their policies on the assignment of women. The GAO observed that these reviews resulted in:

Standardization of the criteria used to determine when exposure to risk justifies closing noncombat jobs to women; and

Opening to women 26 of the Navy's combat logistics force ships, reconnaissance missions of the EP-3 Aircraft, and some Marine Corps embassy security guard assignments.

The GAO concluded that, despite the restrictions, some opportunities for women have expanded. (pp. 8-9/GAO Draft Report)

DoD Response: Concur.

The recent Secretary of Defense decisions on the recommendations from the DoD Task Force on Women in the Military opened a significant number of positions to women from which they were previously excluded. Additionally, in response to the Secretary of Defense guidance for opening more noncombat billets to women, the Military Departments have completed their reviews of noncombat support units and positions currently closed to women. They will report their findings and initiatives to the Secretary of Defense before September 1, 1988.

Finding C: Direct Impact of Combat Exclusion Provision. The GAO reiterated that, by law, the Air Force, Navy and Marine Corps cannot assign women to an aircraft with combat missions; and the Navy and Marine Corps cannot assign women to Naval vessels having combat missions. The GAO observed that the Air Force also restricts additional positions because it interprets the intent of the combat exclusion statute to also protect women from capture. The GAO explained that the Marine Corps identifies its direct combat requirements as enough positions to form two Marine Expeditionary Brigades from each of the three Marine Expeditionary Forces. The GAO further explained that, on the other hand, by policy (based on its understanding of the intent of the statutory exclusion), the Army does not assign women to positions identified as the most likely to be engaged in combat activity. The GAO calculated that, as a result of the statute and policy restrictions, about 1.1 million of the 2.2 million military jobs are closed to women. (pp. 13-14/GAO Draft Report)

DoD Response: Concur.

Finding D: Impact of Closure To Meet Program Needs: Air Force. The GAO found that the Air Force closes some noncombat positions to provide assignment rotation opportunties for men assigned to overseas billets affected by the combat exclusion statute. The GAO pointed out, however, that the number of positions in this category was initially determined by a 1985 study and, although the number of noncombat jobs needed to provide rotation has changed since then, the Air Force has continued the same ratio of combat to noncombat positions. The GAO concluded that, in FY 1988, the Air Force reserved 504 officer and 1,452 enlisted positions to meet rotation needs. (The GAO noted that rotation is the only program need the Air Force considers a constraint on female accession.) (p. 14/GAO Draft Report)

DoD Response: Concur.

Finding E: Impact of Closure To Meet Program Needs: Army. The GAO observed that the Army closes some stateside noncombat officer jobs to women in order to meet program needs created by the combat restriction policy to provide (1) rotational assignments and (2) combat casualty replacements that would be needed in the early days of a conflict. According to the GAO, the Army also reviews career progression paths to ensure the same percentage of total jobs (combat and noncombat) is reserved at each higher grade to provide promotion opportunities. The GAO concludes that, in FY 1987, the program considerations led the Army to set aside 5,371 noncombat officer positions for men. (p. 15/GAO Draft Report)

DoD Reponse: Concur.

Finding F: Army Policy Which Excludes Women From Combat Also Closes Noncombat Jobs To Women In The Enlisted Ranks. The GAO found that the Army considers four program needs in restricting noncombat enlisted jobs:

Sufficient men in the lower grades to meet combat requirements;

Sufficient stateside jobs to provide rotational assignments for men in overseas restricted positions;

Availability of noncombat jobs to provide career enhancing experience for men in combat jobs; and

Prevention of promotion bottlenecking for women by restricting the maximum percentage of women in each job category within a career field to the percentage of women allowed in the job category with the lowest percentage of women.

The GAO explained that the Army closes enough enlisted positions to accommodate the program need affecting the greatest number of jobs at each grade in each job category. The GAO further explained that, in addition, the Army also adjusts the maximum number of jobs available to women at a specific grade level, within a job category, to reflect the ratio of women to total requirements within that category—in order to ensure equitable promotion opportunities for both men and women, as may be necessary. The GAO concluded that, in FY 1987, these four considerations led the Army to set aside 72,779 enlisted noncombat positions for men and the related ratio adjustment to ensure equitable promotion opportunities closed an additional 20,171 noncombat positions to women. (pp. 15-17/GAO Draft Report)

DoD Response: Concur.

Finding G: Impact of Closures To Meet Program Needs: Navy Officers. The GAO found that the Navy does not identify total combat and noncombat male-only requirements at officer grades. Instead, the Navy determines jobs available for women officers through its processes for setting accession goals, where the Navy identifies the number of sea duty positions on noncombat ships, and allots a portion of them to women based on the categorization of the job. The GAO reported that, as a result, the data on the impact of related program needs is not available. (pp. 17-19/GAO Draft Report)

DoD Response: Partially concur.

The DoD does not concur with the implication that the setting of female officer accession goals is solely driven by identification of sea duty positions on noncombatant ships.

For each officer community, the Navy uses a complex set of career development factors, such as skill requirements, rotation and promotion factors, and available talent pool, in assigning accession goals or quotas. Accession quotas are established for those officer communities which require sea duty experience on board ships or squadrons, to ensure that women officers are able to pursue a career path similar to men in the same community. The aviation officer community currently has a study in progress to determine ways to increase the number of female officers based on the newly authorized aviation officer career patterns. Accession goals for the other officer communities are developed to provide the optimum number of women that will be gained in a specific officer community during the year.

All goals and quotas are designed to provide women officers with meaningful, viable and professional career opportunities to preclude career path stagnation. The Navy conducts annual reviews, for each officer community, of its procedures for determining women officer accession goals and quotas. As data and trends are developed, necessary changes to accession goals and quotas are developed and instituted.

Finding H: Impact of Closures To Meet Program Needs: Navy Enlisted. The GAO reported that, in order to determine job availability and accession goals for enlisted women, the Navy identifies the number of sea duty positions on noncombat ships and allots a portion to women, based upon the categorization of the job. The GAO further reported that allotment percentages are set to (1) provide sufficient openings to accommodate the Secretary of Defense mandated end strength goals for Navy women of 9.6 percent for FY 1991, and (2) account for the current distribution of women among sea intensive and shore intensive jobs. According to the GAO, based on these considerations, the Navy allots 50 percent of sea duty enlisted jobs to women, except for jobs requiring administrative/communication skills, where the percentage is 70, and boiler technician, machinist mate and fireman jobs, where the percentage is 40. The GAO found that, in addition, 50 percent of the overseas shore assignments credited as sea duty are allocated to women. According to the GAO, the 50/50 distribution is intended to achieve gender equality. The GAO concluded that, under this methodology, the Navy projects 235,892 noncombat enlisted positions will be closed to women in FY 1991.

DoD Response: Concur.

Finding I: The Navy Methodology For Allocating Enlisted Positions To Women Does Not Take Into Consideration Berthing Area Configurations Of Ships. The GAO found the gender composition of crews on noncombat ships is constrained by the male/female combinations that can be accommodated by the sizes of the ships' berthing areas. The GAO observed that, while the Navy intends to increase the number of women at sea, because it does not correlate positions targeted for women with the size of ships' berthing areas, there is no certainty that the ships will be able to accommodate the designated number of women and, as a result, the Navy may not be able to assign women to all sea duty positions theoretically open to them. The GAO concluded that the Navy needs to consider the configuration of berthing areas when determining sea duty availability for women rather than determining availability solely on the basis of whatever combinations of job category inventories is needed to meet mandated inventory goals. The GAO further concluded that, unless this is done, the size of the berthing area will act as a constraint on the assignment of women once they have entered the Service. (pp. 19-21/GAO Draft Report)

DoD Response: Concur.

A Navy review of the total noncombat shipboard billets available to women was completed in March 1988. The plan for shipboard alterations will provide for segregated open-bay berthing areas for men and women. It is necessary to make incremental changes to ensure that each noncombatant ship will be able to receive women in increments equivalent to berthing space capacities varying from 12 to over 60 accommodations per space. Based on this, the following actions have been taken:

The available noncombat shipboard billets will be allotted equitably (50 percent each) between men and women.

The Naval Sea Systems Command (NAVSEA) was asked on March 30, 1988, to plan ship alterations to configure ships available for the assignment of women to berth one-half of the Enlisted Basic Allowance on each ship to women. Specific number of berths that must be made available has been provided to the NAVSEA for planning.

The preliminary NAVSEA ship alteration plan, completed on June 16, 1988, is currently under review.

The Navy objective, within the constraints of shipboard habitability and environment, is to make sufficient shipboard billets available to women to achieve the goals outlined in Finding H.

Finding J: The Marine Corps Limits The Number Of Positions Women May Hold Beyond The Restrictions Required By The Combat Exclusion Provisions And Related Program Needs. The GAO found that the Marine Corps apportions positions in some job categories equally between men and women without any justification directly related to combat exclusion or program needs. The GAO observed that, in FY 1988, Marine Corps procedures led to 28,432 noncombat enlisted positions being closed to women. The GAO also noted that, once the number of enlisted positions open to women is determined, adjustments are made to provide career progression opportunities for both men and women. According to the GAO, the adjustments limit the number of women in any job category to the second lowest proportion of women in all grade levels within that category. The GAO found that, in FY 1988, these limits closed an additional 3,130 enlisted positions to women. The GAO concluded that the Marine Corps methodology limits the filling of some positions with women to their proportion in the general population, when the positions should be open without limitation. The GAO further concluded that this distribution is not required by the combat exclusion laws or any related program needs and, unless the Marine Corps can show a program need for this distribution, these jobs should be available on a gender-neutral, open-access basis. (pp. 21-23/GAO Draft Report)

DoD Response: Concur.

Based on existing legislation, guidance from the Secretary of Defense February 2, 1988, memorandum and the Secretary of the Navy definition of "combat mission," the Marine Corps developed its combat exclusion policy. This policy ensures that women are not classified into combat occupational fields, or Military Occupational Specialties (MOSs). Further, regardless of their individual MOSs, it precludes women from assignment to units whose normal mission requires the unit to seek out, reconnoiter or engage the enemy in offensive combat action, or units whose employment subjects women to essentially the same risk (in terms of degree and duration) as combat units employed in the same area.

An examination of the Marine Corps 473 enlisted MOSs reveals that the combat exclusion and related policies forms the basis for the restrictions in all but four specialties. In these four, which have no combat requirements, the Marine Corps uses the "50/50" rule to allocate accessions equally between men and women. The four skills encompass a total of 376 potential billets. Of these, 188 are currently allocated and recruited to be filled by women. The Marine Corps advises that one specialty in the Marine Corps Exchange field is being eliminated for both men and women and a second converts to a combat photographer specialty at the E-5 pay grade, which entails some combat restrictions for women once attaining that grade. The intent of the Marine Corps in implementing the "50/50" rule has been to ensure equitable career opportunities for both men and women in these specialties. However, the Department agrees with the GAO that the Marine Corps should demonstrate a program need for the "50/50" rule or otherwise make the positions available on a gender-neutral, open-access basis.

Finding K: Air Force Flying Officer Training Quotas Restrict The Number Of Jobs Made Available To Women. The GAO reported that the Air Force restricts entry to only two officer career fields because of combat exclusion provisions—pilot and navigator. The GAO found, however, that the Air Force makes available to women only a small percentage of unrestricted noncombat pilot and navigator openings based on its estimate of the proportion of women among those in the general population who are interested in joining the Air Force and qualified to become Air Force pilots and navigators. The GAO observed that, as a result of this policy, of 480 unrestricted pilot positions only 40 may be filled by women (8.4 percent). The GAO concluded that this policy is unnecessarily restrictive. (pp. 26-28/GAO Draft Report)

DoD Response: Partially concur.

Additional research is required to ensure that expansion of flying training opportunities for women would permit the Air Force to meet requirements for qualified aircrews at an affordable cost.

The Current Air Force methodology provides opportunity for those flying careers open to both men and women in proportion to the interested and qualified population of the entry cohort. Every Air Force Academy cadet who is qualified and volunteers for flight training is assured a quota. The Reserve Officer Training Corps and Officer Training School graduates, both men and women, compete for the remaining positions.

Before any decision can be made on a gender-neutral flying training entry policy, additional issues require further study. First, the undergraduate pilot training attrition rate (FY 1981 through FY 1987, inclusive) for women is 34 percent, compared to 26 percent for men. This means that relatively fewer women complete training, given equal numbers of entrants. In view of current and projected pilot shortfalls and the very high cost of training pilots, the relative cost-effectiveness of expanding women entrants will be dependant upon the development of a flight training selection methodology that can predict successful pilot training completion equally well for men and women. Second, the current 6-11 year voluntary continuation rates for women pilots and navigators are at least 20 percent lower than those for their male counterparts flying similar aircraft. This experience indicates a probability that expansion of the number of women flyers in the initial term of service would detract from longer term efforts to reverse the projected critical pilot shortage.

In view of these considerations, implementation of a gender-neutral pilot training program would be premature without further analysis.

Finding L: Air Force Has Controlled The Number and Kinds of Jobs Made Available To Women Applicants. The GAO found that the number of jobs made available to women enlisted personnel is, again, based on the Air Force estimate of the ratio of women among those persons in the general population qualified and interested in those Air Force jobs. The GAO observed that, as a result of this policy, in FY 1987, the overall percentage estimate of the ratio of women among the qualified and interested jobs ranges from 15 to 19 percent of the total pool of qualified and interested personnel; in FY 1988, it increased from 18 to 22 percent. The GAO observed that the Air Force enlisted personnel system stemmed from procedures in place prior to 1986, which set a maximum for enlisted female accessions. The GAO noted that, according to Air Force officials, implementation of a single, gender-free job listing would take a maximum of 18 months (or a total of 6,000 programming hours) to implement and would be costly and time-consuming to revise if quotas were imposed. The GAO noted, however, that following its February 1988 briefing to the House Armed Services Committee, the Committee removed the minimum enlisted accession quotas and, in the National Defense Authorization Bill for FY 1989, directed the Air Force to develop and implement a gender-neutral system for enlisted accessions, to be implemented within 18 months after the bill is signed into law. (pp. 27-29/GAO Draft Report)

DoD Response: Concur.

Finding M: Army Enlisted Accession Policy Limits The Number Of Women Recruited And The Job Opportunities For Women. The GAO found that (1) the Army Recruiting Command sets gender-specific accession goals, (2) gender substitutions are not permitted, and (3) separate male and female job listings are used in recruiting. The GAO noted that the number of jobs open to women is far below the 231,000 unrestricted Army jobs. The GAO concluded that the number of unrestricted jobs and the available supply of interested and qualified women should govern the number of Army enlisted women, instead of separate annual accession goals for women. (pp. 30-34/GAO Draft Report)

DoD Response: Partially concur.

The DoD agrees with the GAO description of the Army accession procedures, but does not agree with the conclusion that the number of unrestricted jobs and the available supply of interested and qualified women should govern the number of Army enlisted women.

The GAO conclusion implies that there is a large number of females who desire to enter the Army, but cannot because of the implemented accession goals. Qualified females are not being denied enlistment in the Army. Current Youth Attitude Tracking surveys have shown that females are only one third as likely to want to join the Army as males, and that only about 8 percent of the eligible female population expressed any interest toward joining the Army. Therefore, of the 231,000 interchangeable positions cited by the GAO, approximately 76,000 could be expected to be filled by females. Currently, 71,059 are filled by females. The Army is programmed to increase female end strength annually to approximately 74,000 by FY 1994.

If the female accession floor was removed and the recruiting force allowed to recruit on a gender-neutral basis, a significant reduction in female accessions would occur. Accession goals for women are not ceilings; rather they represent the minimum number of females required to meet end strength objectives. While accession goals do limit, to some degree, the number of both males and females allowed to access onto active duty in a given fiscal year, they do not limit the opportunity for either men or women to enlist into the Delayed Entry Program.

Finding N: The Navy Determines Job Availability For Women Officers Through Unique Procedures For Setting Accession Goals For Each Career Field. The GAO found that each of ten Navy career field managers applied similar concepts, but unique processes in setting proposed accession goals. The GAO noted that the impact of these various processes on job opportunities for women was unclear. The GAO further noted that a 1987 Navy special study group on women has brought about some changes in job opportunities for women, but the effect remains to be seen. The GAO did find unnecessary limits placed on jobs for women in three career fields, prior to completion of the 1987 special Task Force report. In the pilot area field, the GAO found that where accession goals for women had been arbitrarily limited to one-half of the unrestricted combat openings, changes in opportunities for women recommended by the Task Force were not incorporated in the formulation of annual accession goals. The GAO concluded that, despite the opening of the EP-3 aircraft to women as a result of the Task Force study, the Navy has not increased the number of unrestricted noncombat positions available to women. The GAO also observed that, while increased job availability was incorporated into the formulation of accession goals in the other two career fields (surface warfare and special operations), the extent to which the changes removed unnecessary limitations on female accessions could not be determined. The GAO concluded that the Navy should review all of its approaches for determining job availability for women officers to ensure that unnecessary limitations do not exist and that changes in job availability are incorporated into determination of accession goals. (pp. 31-36/GAO Draft Report)

DoD Response: Concur.

The DoD concurs with the GAO statements regarding job opportunities for female naval officers prior to 1987 and appreciates acknowledgement of the Navy efforts to increase women officer career opportunities subsequent to 1987. The Navy routinely conducts thorough reviews of opportunities for women in all career fields. These reviews consider feasible policy changes to eliminate restrictions on the number of type of positions which are available to women. The Navy has a study of all naval pilot programs in progress, which will determine the correct number of women officers that can be supported by the newly authorized aviation career patterns. The Navy intends to increase the number of women pilots above the level referenced in the GAO report as soon as the study is complete.

Recommendations

Recommendation 1: The GAO recommended that the Secretary of the Navy direct the Marine Corps to provide open access on a gender-neutral basis to noncombat assignments now equally divided between men and women to reflect the gender composition of the general population. (p. 25/GAO Draft Report)

DoD Response: Concur. The DoD agreement is subject to an analysis of program need, which the Marine Corps has been tasked to submit to the Office of the Secretary of Defense for review by August 31, 1988. (If the Marine Corps can demonstrate such a need, open access could be inappropriate.)

Recommendation 2: The GAO recommended that the Secretary of the Navy consider berthing area configurations when establishing the male/female distribution of noncombat sea duty positions. (p. 25/GAO Draft Report)

DoD Response: Concur. The Navy has completed a review of the billets necessary to achieve FY 1991 goals for sea duty billets for women. Preliminary plans for ships alterations, to accommodate the required number of women at sea in FY 1991, have been completed. Overall action is expected to make 50 percent of noncombat shipboard billets available to women.

Recommendation 3: The GAO recommended that the Secretary of the Air Force allow all unrestricted pilot and navigator openings be available for competition based on individual qualifications without regard to gender. (p. 36/GAO Draft Report)

DoD Response: Partially Concur. Implementation of a gender-neutral pilot training entry program would be premature until additional research on attrition and continuation rates can demonstrate that expansion of flying training opportunities for women would permit the Department to meet qualified aircrew requirements at an affordable cost. The DoD does agree, however, the situation needs additional evaluation. The Air Force has been tasked to provide an analysis of this matter to the Office of the Secretary of Defense by October 31, 1988, for review.

Recommendation 4: The GAO recommended that the Secretary of the Army remove limits resulting from the implementation of accession goals for women enlistees. (p. 36/GAO Draft Report)

DoD Response: Nonconcur. The objectives established by the Army are not limits that restrict women entrants, but goals that the Army must exert itself to achieve. Such goals are essential accession flow management tools to ensure the Army remains within budgeted resource and manpower constraints, and scheduled training base capacity.

Recommendation 5: The GAO recommended that the Secretary of the Navy review procedures for determining female accession goals for women officers to eliminate unnecessary restrictions on job availability which may result from those procedures. (p. 36/GAO Draft Report)

DoD Response: Concur. The GAO implies, however, that the Navy should execute a task that is already incorporated in the planning and execution of its accession program. The Navy has and will continue to conduct rigorous annual reviews of the procedures for determining accession goals for women officers to ensure increasing participation in all aspects of the Navy. These reviews also consider feasible policy changes to eliminate restrictions on the number and type of positions which are available for women officers in each community as changes in technology and society change the interpretation of law, regulations and customs. The Navy does and will continue to ensure that any necessary restrictions on job availabilities are identified, and that compelling reasons do exist for considering these restrictions in the determination of female accession goals. Annual reviews of the officer communities and their accession plans are conducted throughout the calendar year.

DEADLY CHEMICALS IN AMERICA'S AEROSPACE AND DEFENSE INDUSTRY

Mr. REID. Mr. President, during the Second World War, German U-boats were sinking Allied ships in the North Atlantic at a fearsome rate. The fate of civilization literally hung by the slender life line of merchant vessels carrying the materials of war to our troops and Allies in England and Russia.

American workers and American industry responded to that call. Through feats of Herculean proportion, shipyard workers labored on what became giant assembly lines turning out a ship a day. It was the efforts of those American working men and women which enabled us to maintain the flow of vital supplies and to turn the tide against Hitler and his minions.

It was not until more than 30 years later that those same men and women found that they had given more than their toil, tears, and sweat to the cause of freedom. They had also given their health. To its sadness, America learned that those shipyards had swirled with asbestos dust, and that the dust had been discovered to be a deadly carcinogen.

As American labor reaped that harvest of death, and as American industry paid the costs of caring for those who were dying, we thought to ourselves: If only we had known. If only we could have had the opportunity to have those patriotic and hardworking people take simple precautions like wearing respirators. How we wished we could go back and change the past.

After 1945, another war, a cold war, descended on the Earth. Faced for the first time with the threat of nuclear weapons, and their use against American combat troops, our civilian and military leaders asked questions to which we had no answer. How would soldiers react to nuclear bombs? Could they continue to fight in a nuclear environment?

To answer that question, a series of tests were conducted in Nevada's giant test range north of Las Vegas. Troops and civilians were intentionally exposed to radiation. On occasion, when the winds changed, whole civilian towns were accidentally poisoned.

It was not until years later, when they started to die, slowly at first and then in ever-increasing numbers, that we learned the folly of our policy. Why couldn't we have done it differently? Why couldn't we have taken precautions? Now, America as a whole must bear the burden of the societal and medical costs imposed from those deadly diseases caused by our ignorance and folly.

If only we had known. We could have done something about it. State health systems would not have been faced with disaster. We could have prevented so many individual tragedies.

Mr. President, I rise today to bring to the attention of this body another situation as grave for those who toil in America's defense as any in the past. I am speaking of the use of potentially deadly chemicals in America's aerospace and defense industry, and especially to the use of composite compounds and resins.

I speak to this issue neither to denegrate the value of those industries to the national defense nor to question the importance of the aircraft they produce. Rather, I wish to ask this question: Is the Congress and American industry doing everything it can to make safe the lives and health of those working men and women as they toil on the front lines of America's defense?

I can tell you the answer. It is, clearly, no.

Over the past months, I have read with increasing interest and concern a series of articles in the Seattle Post-Intelligencer dealing with chemical exposure and diseases of aerospace industry workers, and our fundamental lack of knowledge about the effects of chemicals to which they are exposed.

These chemicals are: Methyl ethyl ketone and methyl isobutyl ketone, two solvents used for cleaning aircraft hulls and machine parts.

Other chemicals are bonding agents applied to aircraft exteriors, dried and then sanded to a smooth finish to aid flight. One such chemical used by Lockheed is methylene dianiline, shown in studies to cause cancer in rats.

Chemical resins, mixed with carbon or graphite fibers to form lightweight, flame-resistant composite parts, many of which contain cancer-causing agents or suspected carcinogens. Some even contain chemicals shown to cause human cell mutations in laboratory experiments.

The victims? There are many. Lori Liberty, a 32-year-old Lockheed worker in Burbank, CA, cleaned the outer skins of airplane bodies with solvents. Now, she suffers recurrent pain in her shriveled, prune-like fingertips. She must wear rubber gloves just to shampoo her hair.

Workers at the Boeing plant in Auburn, WA, are showing signs of dizziness, nausea, rashes, irritability, memory lapse and, in some cases, blood in the urine. A chemical compound called phenolic resin, containing the suspected carcinogen formaldehyde and used to manufacture airplane interior parts, could be to blame.

John Carpenter, a representative for the Machinists local representing 8,000 workers at the top-secret Burbank Lockheed plant, says:

> We're ending up with colon cancers in people 36 and 37 years old. We have groups of people who are scared to death.

Burbanks' union leaders also suspect chemicals in the cancer deaths of 5 of about 150 workers in a highly classified area of the plant where the Stealth fighter is allegedly being built.

I repeat, when these people brought this issue before the public, industry and the Government responded by threatening these people with prosecution for national security violations.

Mr. President, I am not calling on industry to stop producing the means for defending our Nation from foreign aggression. I am proud of them for doing the work they do.

But I am calling on the aerospace industry, and on the Government as its customer and regulator, to determine the effects of the materials we use in producing that vital machinery of defense, and I am demanding that they produce that machinery in the safest possible way.

We can demand no less of the producers, of the Defense Department or of ourselves on behalf of those workers who toil so long and hard on behalf of our Nation.

That is why I am announcing today my intent for the Senate Environment

and Public Works Committee to investigate the use and disposal of these hazardous materials in Department of Defense plants, without regard to the safety of the workers. This is a matter of life and death for these people and the rest of our defense industry workforce.

"There isn't one person I work with who wouldn't give their life for their country in a war," says Mark Gillaspie, a Lockheed worker. "But to have to worry about dying like this—from chemicals—there's no hope. We know we're going to die from this."

In World War II, we glorified Rosie the Riveter. Thirty years later, we buried her, while we shook our heads and said, "If we had only known."

Today, we know. Let us do something about it.

Mr. President, I ask unanimous consent that a series of articles from the Seattle Post-Intelligencer, written by Larry Werner, be printed in the RECORD.

There being no objection, the articles were order to be printed in the RECORD, as follows:

WORKER'S WORRY: IS SHE DYING FOR THE DEFENSE OF HER NATION?

(By Larry Werner)

"BURBANK, CALIF.—Lori Liberty, a 32-year old Lockheed worker, wonders if she might literally be dying for her nation's defense working at a top secret aerospace plant here in the San Fernando Valley.

She wonders each morning, when she dons protective rubber gloves to shampoo her hair. Or when she becomes dizzy for no apparent reason, and her speech becomes slurred. At times, she finds herself "standing in a daze, like I've spaced out."

Despite the gloves she wears for the most common household chores, pain still sears her hands and fingers the tips of which have shriveled to a prune texture.

Her hands react to even minute amounts of chemicals in newsprint, household cleaners, soap, and pesticides on fruit and vegetables.

"My skin starts bleeding and cracking, I don't want to see any more people go through this," says Liberty, among a handful of Lockheed workers willing to be identified publicly.

For in the secretive environment of Lockheed Aeronautical Systems Co.'s Burbank plant, site of construction of the state-of-the-art Stealth fighter, most employees resist talking because of federal overseers, like the FBI.

But now, literally fearing for their lives, some workers are beginning to speak out about what they view as a deadly threat to aerospace employees nationwide.

They fear the chemicals used to produce a new generation of futuristic "plastic" aircraft—lighter, faster and less detectable by radar because they are being built with synthetic compounds called "composites."

Southern California leaders of the International Association of Machinists and Aerospace Workers have joined their union counterparts in Washington—where Boeing workers have complained of illness in warning about the chemicals to which the nation's aerospace workers are now exposed.

"These people are being used as guinea pigs," said John Carpenter, a business agent for the Burbank Machinists' local, representing about 8,000 Lockheed workers.

One of the most dangerous areas in Lockheed's Burbank plant, say workers, is a massive World War II-era hangar, large enough to house a bomber, and where more than 60 employees now complain of illness.

Known as Building No. 351, the "undistinguished hangar is the site of defense projects described by those who work on them simply as "Black World"—a top-secret environment "where workers pass through multiple sets of security doors overseen by everpresent cameras."

It is an environment, too, they say, where acrid heat and poor ventilation create clouds of chemical-laden dust, obscuring the view from one end of the vast building to the other.

And where a large American flag hangs prominently in the shop, its stripes yellowed by airborne contaminants.

"People are exposed to chemicals time and time again without proper protection, and it can get to be 115 degrees in there," said one Burbank union official. "The materials we're working with are so fine, if you get hot and sweaty the stuff goes into your pores."

Among worrisome agents cited by workers and their union:

Methyl ethyl ketone and methyl isobutyl ketone, two solvents used for cleaning aircraft hulls and machine parts.

Bonding agents that are applied to aircraft exteriors, dried, then sanded to a smooth finish to aid flight.

One chemical in a "bondo" material manufactured by Lockheed is methylene dianiline, shown in studies to cause cancer in rats.

The company's own safety instructions call for employees to wear respirators when working with the material, a precaution many workers say does not take place.

In addition, the material data safety sheet on the compound—required by federal regulations to inform workers of chemical risks—warns that cyanide gas may be vented in "small quantities" from the material.

Chemical "resins" mixed in combination with carbon or graphite fibers to form lightweight flame-resistant composite parts.

Many of the resin materials contain cancer-causing agents or suspected carcinogens. Some contain chemicals shown to cause human cell mutations in laboratory experiments.

Lockheed officials, citing a pending class action suit against the company by workers alleging chemical poisoning, declined all comment on chemical use or safety procedures at the Burbank plant.

Lori Liberty worked with solvents before she was transferred earlier this year to a filing job on the recommendation of Lockheed doctors.

Her work with solvents consisted of cleaning the outer "skins" of airplane bodies. After a year on the job, she developed upper extremity dermatitis, a condition manifested in particular by the "sensitized" condition of her fingertips.

"I can't touch anything that has any type of chemical or alcohol," says Liberty, a petite and tanned California native, who adds that the pain in her fingers becomes so bad at times that "I can't even cut my own meat with a knife when I go out for dinner."

A formerly active life, she says, has come to an agonizing halt.

"I can't play baseball, I can't bowl. I'm a fanatic on a clean house, and I can't clean house because it hurts my hands. When I'm done laundering and I take the clothes out, it feels like it's pulling my skin," she says.

More frightening to her is what she describes as loss of concentration and short-term memory.

"My subject of discussion changes. I can't concentrate," says Liberty, who, during an interview, at times did appear to lose track of the subject she was discussing. "I get real lightheaded. My speech has been impaired and I have lost my equilibrium."

Mark Gillaspie, a Lockheed employee since 1979, began working with a resin putty in 1985. Three months later, he began to notice he was fatigued and irritable, even after work.

"I sit in a chair. I can't get up. I can't move," says Gillaspie, whose arms and upper body bear a rash for which doctors have yet to pinpoint a cause. "By 7 o'clock, I'm out, like I've been drugged."

Gillaspie says he also experiences an almost continual ringing in his ears, while his body became sensitized to even small doses of common, household chemicals, like hair spray and ointments.

"If I'd put Vicks on my chest, I'd break out in blisters, like someone burned me with cigarettes," he says. "I have a complete fit if my wife uses hairspray it smells like chemicals to me."

As with Liberty, Gillaspie says he has noticed a loss in his ability to concentrate. His medical reports also note a loss of nerve function in the outer extremities.

As much as he fears for his own health, however, Gillaspie says he has a greater worry, one he is reminded of each day after work.

"Every time I come home, my little 5-year-old boy wants to give me a hug. And I can't hug him because I'm covered with toxic chemicals. I worry about the stuff getting in the rug, and my little boy getting it on him."

Gillaspie, too, has noticed a loss of memory, one that at times can be terrifying. "Sometimes I'm at work and I don't even know how the hell I got there."

For many aerospace workers, chemical exposure may be an unwanted risk, but wages at the nation's aerospace plants are often better than in other industries. And many workers feel hard-pressed to walk away from jobs that often pay more than they have ever made.

"These people are making $15 an hour," said Timothy Larson, a Burbank attorney representing the more than 80 employees who have filed suit against Lockheed in Los Angeles County Superior Court. "It's pretty difficult when you're making $15 an hour to want to give it up. . . . Until you start getting sick yourself."

For workers like Liberty and Gillaspie, who believe they already are sick from chemicals, an equally heavy burden may be uncertainty.

They are seeking state workers' compensation, but their claims have been contested by their employer. And the specter of lifelong physical symptoms or recurring medical treatment, they say, never leaves them.

"I feel helpless to fight these people," says Gillaspie. "I don't have the money, the time or the lawyers. It could take 20 years. I don't know if I even have 20 years left to fight these people."

[From the Seattle Post-Intelligences, June 3, 1988]

STATE PROBES ILLNESSES AT BOEING PLANT

(By Larry Warner)

AUBURN.—At the vast Boeing plant in this Kent Valley community, a group of assembly workers begins each work day with apprehension.

Some of them are already showing the ominous signs—dizziness, nausea, rashes, irritability, memory lapse and, in some cases, blood in the urine.

A chemical compound called "phenolic resin," containing the suspected carcinogen formaldehyde and used to manufacture airplane interior parts, could be to blame.

State health officials and the union representing some 7,000 plant employees are investigating the illnesses of dozens of workers, including pregnant women and single parents, who worked in an aging postwar structure known as the No. 2 Building.

"It's the most serious situation I've ever seen involving a group of employees," said Dr. Gordon Baker, a Burien physician knowledgeable in chemical poisoning and to whom the International Association of Machinists refers its ailing members. "In many cases, people exposed to these kinds of chemicals may never fully recover."

Among at least six workers diagnosed by Baker, three have exhibited definite symptoms of chemicals poisoning, and at least one suffers memory lapse to the point where she may need a guardian to care for her, he said.

Meanwhile, many workers feel their complaints about the chemical—one which may become widely used in the aerospace industry—should have been investigated sooner.

"I'm not worried about having a job anymore," says one worker, a single mother in her 20s. "I'm just worried about living."

Boeing officials, whose safety record is often praised by the machinists' union, say there is no direct evidence linking the new resin material at the plant to illness among more than 50 of some 90 employees on three shifts in the No. 2 Building.

The company says it has not violated federal air quality standards. And, it says, workers have been provided with equipment to safeguard them from the resin wrap, a fabric-like material shaped around molds and baked to form component parts, such as cockpit clash panels.

The company also is planning to install a new ventilation system in the building this summer, even though tests by Boeing hygienists have not turned up any air standards violations.

Union leaders say the company should have installed adequate ventilation more than a year ago, when the new compound was introduced in the work place.

"The only air conditioning they've got in that area is in the supervisor's office," says machinists' union President Tom Baker. "There is no question the company should have had the proper ventilation system in before they started using that material."

While the company has apparently complied with federal air standards for using the material, occupational health experts say the manufacturing process could be releasing unknown gases, exacerbating hazardous exposure.

"If you're heating it, that creates a whole other ball game," said Roger Tatken, a spokesman for the National Institute of Occupational Safety and Health, which advises the federal government. "Obviously, they're concerned, I would be with those kind of effects."

Boeing officials say they are examining the entire manufacturing process to ensure it is safe.

"We're analyzing it from every perspective we can," said Mike Stewart, Boeing corporate health and safety manager.

The new chemical compound is being used to comply with a Federal Aviation Administration order requiring less flammable materials in aircraft to avoid the release of toxic fumes during a fire.

Among the compound's contents: formaldehyde, a suspected cancer-causing agent that irritates the skin and lungs; phenol, a crystalline substance that can cause dark urine, dizziness, mental disturbance and liver damage; and antimony trioxide, a silver-white metal known to cause acute congestion of the heart, liver and kidneys in laboratory animals.

Several employees at the Auburn plant, speaking on condition their real names not be used, said their health has deteriorated since they began working with the new compound.

Suzanne worked in the "wrap area" of the No. 2 building, where the taffy-like fabric material is shaped by hand over molds before baking.

Five months after she started working with the material, she began to experience dizziness and blackouts, a direct result, she believes, of exposure to the chemically impregnated fabric.

"I got sick and started throwing up," she says, "I go home at night and I'm irritable and I can't breathe. I can honestly say that six months ago, I didn't feel this way."

In April, she became terrified, when blood appeared in her urine. "I don't know what to do," she says. "I'm afraid about what the long-term effects are. I can't even sleep at night."

She has since been transferred from the work area, has been to a physician and is awaiting the analysis of medical tests.

Like Suzanne, Beth began having chest pains and headaches after starting to work with the resin. Later, she developed sores inside and outside her nose, "My stomach has a rash on it like I have measles," she says. "I have sores all over my arms."

One day at work she began gasping for air at her work station. She went to the plant's medical facility, where she says she was examined and informed she had an allergy.

A private physician who later examined her, however, now believes his patient's lung irritation "more likely than not" resulted from chemical exposure.

"She has been a patient of mine since 1965 and I have no reason to believe she would lie," Dr. Walter Payne said of his patient's symptoms, the first in her medical history. "My recommendation was to stay away from the fumes."

A third employee, Anne, began having migraine headaches and nausea after working with the chemical. "It builds up in you," she says. "You feel like you're more sensitive to it over time. You just get sicker and sicker from it."

Workers described an environment in the No. 2 Building that is often hot and filled with the acrid smell of the resin material. The only ventilation in the aging structure is provided by portable fans, assisted occasionally when large bay doors in the building's sides are opened.

"The problem is a failure to provide more adequate ventilation," said one supervisor, who asked not to be named. "They've been hedging on the cost. Boeing's own safety people have urged them to replace the ventilation system."

Last month, Auburn plant officials told employees a new ventilation system would be installed in the plant by July or August. The announcement came only weeks after state Department of Labor and Industries officials began monitoring the plant after receiving a confidential employee complaint.

Before then, however, according to union officials and employees, company supervisors said the cost of installing a new ventilation system—estimated at $700,000—was prohibitive.

Meanwhile, many employees say they have worked without gloves or other protective clothing because of the overheated working conditions, as well as the loss of hand dexterity in handling the resin material.

Skin contact with materials containing formaldehyde carries an extreme danger, according to occupational health experts, because of the chemical's ability to "sensitize" a person's immune system.

Once sensitization occurs, it lasts a lifetime experts say. Reactions, like dermatitis or lung irritation, can be stimulated by everyday exposure to formaldehyde, found in home-building materials and even in clothing.

"People must be protected against skin contact because formaldehyde has very severe skin effects," says Eric Furmin, health and safety director of the Amalgamated Clothing and Textile Workers Union, whose 350,000 members are exposed to formaldehyde in the manufacture of permanent press clothing.

Frumin also said it was crucial for workers exposed to formaldehyde to be educated about its risks, something Auburn plant workers claim did not take place when the new chemical was introduced.

"They never told us a thing about the stuff. They just said, 'Here's your new wrap material,'" said one.

Boeing officials say employee training programs were carried out. And they point out that the amount of formaldehyde in the material—which they estimate at less than one half of 1 percent—is below the federal level of 1 percent considered dangerous for skin contact.

Baker, the physician who has diagnosed more than 300 cases of formaldehyde poisoning, said his patients, all women, have displayed numerous symptoms related to formaldehyde.

For three of the six women, tests showed their blood carried antibodies to formaldehyde, a possible immune system response to formaldehyde exposure.

"What is more frightening than any of the (other) symptoms is the central nervous system symptom of memory lapse," said Baker, whose diagnosis was exposure to chemicals at work.

The other two chemicals, phenol and antimony trioxide, listed in federally required reports as being part of the resin substance, also can be extremely hazardous.

The Department of Labor warns that phenol is corrosive to tissue and may cause blindness. Skin contact can cause burns, while long term exposure can result in phenol poisoning.

By federal standards, employees exposed to high levels of phenol "should be provided with and required to use impervious clothing, gloves (and) face shields" to reduce exposure.

In the case of antimony trioxide, the principal flame retardant in the chemical, tests on laboratory animals have demonstrated

congestion of the heart, liver and kidneys. The federal Environmental Protection Agency currently is testing the substance to determine if it is a carcinogen as well.

As with formaldehyde, Boeing officials stress that no federal standards have been violated in the exposure limits for either of the chemicals.

Air quality tests, they say, have shown the highest levels at 0.2 parts per million parts of atmosphere, well below the federal standard of 1 part per million.

Before the FAA order, the aircraft component parts were often made with fiberglass and other resins, which employees say never caused the current symptoms.

In January 1987, about the time the substance was first used in large amounts at the Auburn plant, Boeing hygienists conducted air quality monitoring at the plant.

The air sampling showed formaldehyde and phenol levels well below federal standards, according to a memorandum from the plant's hygienist.

However, the memorandum noted that skin exposures to the "uncured phenol-formaldehyde resin are of concern because of the potential for employees to develop a sensitivity to the resin, and because residual phenol may be absorbed through the skin."

The report went on to say that "protective gloves will be required to limit exposures."

Employees interviewed say they were told by supervisors that protective clothing was optional—a charge company officials deny.

"The gloves are mandatory," said Lee Lathrop, a Boeing Company spokesman, adding he was "unable to confirm whether people have to wear the same gloves all day."

Two superviors at the plant, who requested anonymity, said numerous employees had worked with the material without protective clothing.

In recent weeks, employees said they were told to wear gloves when working with the material. But union leaders never instructed their members to wear the protective gear, they said.

Baker, the union president, said he was unaware if the choice of wearing protective clothing when working with the potentially hazardous substance had been left to employees. "If that's the case, it should be something we require them to do," he said.

Meanwhile, a number of employees wonder why their union did not take a more aggressive stance in urging the company to take prompt action when the illnesses began.

Union officials, who requested an analysis of the material late last year from the University of Washington, were informed in January that it contained hazardous chemicals.

"I informed the union that somebody better get to the workers and find out how many are having problems," said Peter Bryesse, a UW industrial hygienist, adding that "after you heat it up, more contamination is likely to evolve."

Baker, the president, said the union was in the process of completing an investigation of the complaints, and could not take action until a case was put together.

"The burden of proof is always on the union," said Baker. "We have to investigate and interview and ask individuals for information from their private doctors."

He maintained the confidential complaint that brought the state in to investigate resulted from the union's fact gathering.

The employee, Suzanne, like a number of other workers, sees it differently: "The union never did anything. At Boeing, the union and the company are one."

Her co-worker, Anne, is afraid of losing her job if she obtains a doctor's restriction against working with the chemical.

"The people in my area make $10 an hour—more than they've ever made," she says. "There's a great deal of financial pressure, and then our jobs are held over our heads."

She and other employees claim they are pressured by supervisors to remove medical restrictions that keep them from having to work with the new material.

The restrictions, issued by the plant's medical staff or private doctors, allow employees to be transferred to another work area, something Boeing officials say has been done for all those affected.

Boeing spokesman Lathrop said if employees, in fact, had been pressured toward to have medical restrictions removed, it would be a violation of company policy. "We would not pressure anyone to remove a restriction," he said.

As state health officials and the company begin to investigate the illnesses, some employees say they are relieved.

Others wonder why it took months of reported employee illness before significant action was taken. They wonder what additional health effects could stem from the lack of ventilation in the plant until July or August, and what, if any, will be the long-term health consequences of exposure thus far.

For those with such doubts, the testing currently under way brings little comfort.

"I don't care about their damn tests," said a concerned supervisor. "People are getting ill. Something is wrong."

[From the Seattle Post-Intelligencer, Aug. 7, 1988]

JOB CONDITIONS THAT NEED FIXING

There is no justification for working conditions that damage the physical and mental well-being of workers.

Yet, P-I reporter Larry Werner's recent accounts of severe health problems in workers in the aerospace and defense industries at Boeing and Lockheed plants document circumstances warranting full investigation.

How sadly ironic. Women and men working in the taxpayer-supported defense industry whose purpose—presumably—is protecting the good life in the United States, and they apparently are sustaining severe physical and mental ailments in the process. That's not right.

Workers suspect that new composite chemical materials they use in the manufacture of commercial airliners and warplanes cause their troubles. Among the bad effects they report suffering are loss of the ability to maintain concentration, dizziness, skin maladies of several varieties and ringing in the ears.

Lockheed worker Mark Gillaspie says he began working with resin putty three years ago and became so sensitive to common household chemicals that, "If I'd put Vicks on my chest, I'd break out in blisters, like someone burned me with cigarettes."

Lori Liberty, another Lockheed worker, used solvents to clean the outer skins of airplane bodies. Now, she suffers recurrent pain in her shriveled, prune-like finger tips, as Werner described them. Liberty must wear rubber gloves just to shampoo her hair.

This cannot be justified.

Why are people allowed to work in buildings not properly ventilated to exhaust heat and fumes? One Lockheed hangar reportedly reaches 115 degrees.

Why are workers allowed to use chemicals without proper protective clothing and equipment, like gloves, chemical-proof suits and breathing masks?

Why are there too few federal Occupational Health and Safety Administration inspectors hard on the job to police possible hazards? Part of the answer is that when it took office in 1981, the administration and Congress greatly cut back OHSA's ability to police private industry.

It is unacceptable that OHSA inspectors are denied access to top-secret weapons plants on grounds of national security. What is national security for, anyway?

Why are these new chemicals not being tested for their toxicity and safe use? Part of the answer is that the administration and Congress have curtailed operations of the Environmental Protection Agency.

Clearly, not all risk can be eliminated from work. Clearly, workers must adhere strictly to safety practices and wear protective equipment and clothing.

But just as clearly, people in the aerospace industry are being exposed to dangerous, perhaps debilitating work hazards that are wrong and must either be corrected or eliminated.

Mr. REID. I yield the floor and suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

(Mr. REID assumed the chair.)

Mr. CONRAD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

SENATOR REID'S SPEECH

Mr. CONRAD. Mr. President, I first want to commend my colleague, the Senator from Nevada, for bringing to the attention of this body and to the country the very serious plight of those workers who are involved in the highly classified projects that he has described.

I think this is a disturbing fact that all of us have become aware of in the last several days, and the Senator from Nevada is quite correct to bring it to the attention of our colleagues that something must be done to assure the safety and health of those who are working in our defense industries. It would indeed be ironic if those who are on the front lines of America's defense are given short shrift by their Government and the industries for whom they work in terms of their health.

Again, I want to publicly commend and thank my colleague, the Senator from Nevada.

PLIGHT OF JEWS IN THE SOVIET UNION

Mr. CONRAD. Mr. President, 2 days ago, Jews around the world celebrated Yom Kippur, the day of atonement,

the holiest day on the Jewish religious calendar. Today, Secretary of State Schultz and Soviet Foreign Minister Shevardnadze are meeting at the United Nations in New York to discuss United States-Soviet relations, and human rights. These two dissimilar events draw our attention once again to the plight of Jews in the Soviet Union.

Mr. President, as my colleagues are well aware, Soviet Jews are not free to worship and study their religion as they please. Many thousands have taken the brave step of applying for visas to emigrate to Israel and the West—and thousands have been refused permission to leave. Once refused, many lose their jobs, and are subject to surveillance and harassment by the authorities.

Although approximately 260,000 Jews have been allowed to leave the Soviet Union since 1968, at least 400,000 more continue to fight for the fundamental right to relocate to a country of their choosing. In 1979, 51,320 Jews were permitted to emigrate—the highest single-year number ever. In the 1980's, emigration declined to a low of 896 in 1984—the lowest number in more than 10 years—and rose only slightly to 1,140 in 1985, and 914 in 1986.

The picture has improved somewhat in the last 2 years with Mr. Gorbachev's increasing emphasis on the policy of glasnost. In 1987, over 8,000 Soviet Jews received permission to emigrate, and the encouraging numbers have continued into 1988. From January to August of this year, 9,187 Jews have received permission to emigrate. While this increase is a welcome development, these numbers pale in comparison to the number of Jews who wish to leave. If this truly is a new era of openness, Jewish emigration will have to receive more than token treatment by Soviet authorities.

In examining the rationale used to decide emigration cases, we are confronted with a maze of regulations that are inconsistently implemented. Although new regulations were put into effect last year to speed the process, the effect has been to codify the restrictive practices that have been in effect for years.

For example, Jews may not emigrate if they cannot produce signed statements from their relatives that they will leave no outstanding debts or obligations to family members remaining in the Soviet Union. These statements are requested even though there is no Soviet law requiring an individual to provide such a statement. This tactic intimidates relatives who will not be leaving the country, because they are required to sign documents which support emigration, and which will be placed in KGB files. If the individual's relatives do not sign the statement—because of intimidation by the Government or personal opposition to the individual's request—the visa request is effectively denied.

Another rule of particular concern requires prospective emigrants to produce invitations from "close family members" who live abroad. The definition of "family" is so narrow that it effectively eliminates many who would like to emigrate.

The practice of denying visas to individuals who may have knowledge of state secret continues. While a country may have legitimate security concerns, and limit exit permission to those exposed to miltiary secrets, the Soviets have not defined what constitutes a "state secret" or put a limit on the amount of time an individual can be refused a visa for security reasons. During my trip to the Soviet Union in April, I met a refusenik who quit his job 24 years ago, and still is refused an exit visa on the grounds of state security. There are hundreds, perhaps thousands more, who have been refused time and time again because of questionable allegations regarding state security.

The new regulation spells out eight other reasons for denying requests for emigration, including a provision that gives Soviet authorities the right to reject applications on the grounds of "insuring the protection of social order, or the morals of the population."

Mr. President, it is time that the Soviets stop raising unnecessary barriers to Jewish emigration and stop using the Jewish emigration issue as a tool of foreign policy. We are talking about human lives—and basic human rights that the Soviets have agreed to honor. The Soviets signed the Helsinki Final Act and the International Declaration of Civil and Political Rights—international agreements which guarantee individuals the right to leave their country. It is time that they start honoring their word.

When I visited the Soviet Union in April, our group—which included Senators WIRTH and GRAHAM who join me today—met with refuseniks in Leningrad, Kiev, and Moscow. We met with about 75 refuseniks and dissidents, most of whom had applied several times for exit visas. As I have mentioned, the most common reason for refusal was for state security reasons—even though, almost without exception, these people quit their jobs years ago. The scenario always seems to be the same: the Soviet authorities tell them that their "secret" will no longer be applicable in 1979; when 1979 comes, they say is 1982; when 1982 comes, they say 1988, and so forth. It is an endless waiting game.

During our trip, the members of our delegation presented the vice president of the Soviet Academy of Sciences with a list of several of individuals in whose cases we had a particular interest. We asked him to convey our concerns to the appropriate officials. I ask unanimous that this list be printed in the RECORD.

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

LENINGRAD

Israel Sigalov and Family (Senator Hecht's relative), Roald Zelinchonok, Eugeny Lein, Alexander Blinov, Lev Sheibas, Gregory Gimpelson, Eduard Aleksandrovich Markov, Lyudmila Addifouna Markova (wife), Zus Sklyar, Yetin Okun, Yalena Keys, Vladimir Knock, Tamara Rosenbaum, and Josef Latinsky.

KIEV

Alexander Pyatetsky, Seymon Gluzman, Mark Ocheretyansky, Mark Kotlyavo, Oksana Kotlyavo (wife), Luba Kotlyavo (mother), Ura Kotlyavo (son.)

MOSCOW

Sergei Petrov, Pyatras Pakenas, Yuliy Kosharovskiy, Yuriy Chernyak, Boris Chernobiliskiy, Michael Cheloff, Ros Stlock, Vladimir Kislik, Vladimir Meshkov, Igor Uspenskiy, Leona Gaisinskaya, Viktoria Gorelikova-Khassin, Judith Lurie, Inna Ioffe Uspensky, Helen Chernobilisky, Galina Kremen, Asya Gorokhova, Genya Lukatzky, Mariya Lachman, Inna Kosharovskaya, Galina Zelichenok, Helen Keis, and Dmitril Protopopov.

OTHER

Grigory and Ninel Bravve, Pyatras Pakenas pf Vilnius, Vladimir Rais and Family of Vilnius, Mark and Lena Chernobrodov of Vilnius, Griogory Belickiy of Vilnius.

Mr. CONRAD. Mr. President, I would like to share some of these cases with you:

Vladimir Kislik and his family first applied for visas in 1973. His wife and son were permitted to leave, but Vladimir was refused permission due to "state security." He subsequently lost his job at the Kiev Institute of Nuclear Research, and has been harassed by the government for his repeated attempts to emigrate.

The Raiz family first applied to emigrate in 1972, but were denied because of security interests. After applying to emigrate, Vladimir Raiz was fired from his job at the Institute of Molecular Biology, and since then has had difficulty securing gainful employment. The family's most recent refusal came after the summit in Washington last year, and Soviet authorities have told them that their request will not be reconsidered until 1992.

Dmitri Protopopov and his family have been denied permission to leave the Soviet Union 14 times since 1977. The denials are based on state security reasons, although Dmitri left his job at a classified installation in 1974—14 years ago. Dmitri and his wife Mariana both suffer from health problems and wish to emigrate to Israel, where his mother and brother live.

Mr. President, I visited the Soviet Union nearly 6 months ago, and haven't heard one word from the Soviets about any of these people. Accord-

ing to reliable sources, some of these people have received permission to emigrate. The majority, however, remain in the Soviet Union. This lack of communication is frustrating for us and must be agonizing for the refuseniks who wait—6 months, 16 months, 16 years—for permission to leave.

Congress has been a strong voice for human rights in the Soviet Union and has continually pressed for the right of Soviet Jews to emigrate. We send letters to Secretary Gorbachev, Foreign Minister Shevradnadze, and Ambassador Dubinin almost weekly; we make phone calls to refuseniks; and we pass legislation such as Jackson-Vanik, which ties United States-Soviet trade with emigration.

We need to keep the pressure on—we need to follow up on these cases and let the Soviets know that we will come back again and again until the Soviets have eased their emigration rules and the last refusenik has been permitted to leave.

On October 4, Senators WIRTH and GRAHAM will join me in a visit to the Soviet Embassy to meet with Ambassador Dubinin to discuss the refusenik situation and the cases that I mentioned here today. We intend to put the Ambassador on notice that refuseniks, and in particular these individuals, are important to us—and we will keep calling, writing, and visiting until these people are granted the fundamental right to leave.

THE CONTRAS

Mr. HOLLINGS. Mr. President, one of the most consistent supporters of the Contras' valiant attempt to bring peace and democracy to Nicaragua has been the Washington Times. I share this objective with the Times and regret that both the Congress and President Reagan have failed to act responsibly in this matter. A September 21 editorial in the Times capably describes the current situation and lays the blame exactly where it should be.

The Vietnam mindset paralyzes the Congress from taking action to defend freedom in our hemisphere—while spending billions in the Philippines, Afghanistan, and Angola to fight the Soviet Communist menace. Why this Soviet threat can be challenged thousands of miles from the United States but ignored 500 miles from our borders escapes me. It is a very sad spectacle.

Equally sad is the lack of leadership by the President in garnishing support for the Contras. Make no mistake about it—the Soviets have a stronghold in Nicaragua that is being used to wreak havoc throughout the hemisphere—particularly in Central America against the fragile democracies that have developed there. The repression of the Sandinistas is ominous. Either we help the Contras win the fight for freedom and democracy in Nicaragua or we will have American troops fighting throughout Central America to keep the peace. It will take more than lip service to help the Contras regain the momentum they had in 1987 if it is at all possible. The Soviet bloc has given between $5 and $6 billion to the Sandinists; we have given the Contras about $250 million. We have to give more, lots more, and show the Contras that America's backing for free societies can still be counted on.

I ask unanimous consent that the Times editorial be printed in the RECORD.

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

[From the Washington Times, Sept. 21, 1988]

BETRAYAL

You probably missed it, but the leadership of the Nicaraguan Resistance passed through Washington last week, hoping to build some support for its efforts to liberate Nicaragua. The problem is that the Nicaraguan resistance no longer conducts anything as organized as an "effort." Its uncertain American sponsors have denied it any significant military or humanitarian aid, forcing its fighters to flee across neighboring borders instead of forcing the Sandinistas to bargain in good faith. More than 15,000 resistance forces were making inroads in Nicaragua just 13 months ago, and their successes had forced the junta in Managua to talk with at least mock seriousness about internal reform.

That hopeful episode ended in August, 1987 when the White House unaccountably joined in the short-lived Wright-Reagan peace plan, which in turn gave way to the embarrassingly utopian Arias peace plan. The resistance since has been betrayed, stripped of its credibility, and reduced to bickering about the best way to save face. The Sandinistas in contrast have stiffened internal repressions and begun murdering resistance supporters by the dozens, especially in remote country villages.

Those who support liberal democracy in Central America have reacted to this slaughter with what at best might be called confusion and at worst characterized as hypocrisy. President Reagan has continued to offer rhetorical support for the freedom fighters, but in substantive matters has stopped scratching lines in the sand and begun carving them in water. His recent vow to seek humanitarian aid to the resistance after the present aid package expires at the end of the month would provide enough beans and socks to keep the resistance alive, but not enough ammunition to prevent its members and supporters from being slaughtered by the Sandinista forces. While we would send at most $3 million a month in food and clothing, the Soviets could continue sending the Sandinistas upwards of $100 million a month in military hardware.

The resistance leadership should have made a strong case for some military aid last week. Instead, its members debated about whether to cozy up to the same Congress that put them in their present mess. A plan to rejoin negotiations with the Sandinistas, who haven't abided by a single treaty or settlement since 1979, would allow anti-resistance forces in Congress to argue that the Arias peace process works and that the freedom fighters obviously don't need more arms in order to bring the Sandinistas to the peace table.

The Reagan administration historically has been able to rely on Sandinista miscues to keep its pro-freedom fighter initiatives alive, but it's managed to lose even that reliable gambit. The Sandinistas continue to embarrass their American supporters, but that's old news. People have resigned themselves to tyranny south of our border.

Unless the president himself takes a firm stand soon, and there's no evidence that he will, the end game has begun in Nicaragua and the Sandinistas soon will consolidate a Cuban-style despotism in Nicaragua. If and when such a consolidation occurs, anti-communists in America quite correctly will point fingers at Oscar Arias and the Democratic leadership in the House. But those anti-resistance forces couldn't have achieved their ends without help. The timid, wavering, inconsistent efforts of the White House—and now even of the resistance itself—have made the Sandinista end game possible.

BICENTENNIAL MINUTE

SEPTEMBER 24, 1918: FRENCH TRIBUTE TO THE SENATE

Mr. DOLE. Mr. President, this Chamber has witnessed many dramatic events in the 130 years that it has served the Senate. One of the most poignant of those events occurred 70 years ago tomorrow, on September 24, 1918, at a time of an intensifying U.S. role in World War I.

As the Senate convened that day, the Nation rejoiced to news from the western front that the first distinctively United States offensive of the war had resulted in a major victory, seriously weakening the position of German forces. Plans were then underway for a final major United States-French offensive that would ultimately bring victory.

Against this hopeful background, the Government of France requested the opportunity to pay a special tribute to the United States Senate. In a Chamber packed to capacity, with the American and French flags brightly displayed behind the Presiding Officer's desk, French Ambassador Jules Jusserand addressed the Senate.

He officially thanked Members for the friendly reception accorded to the French Prime Minister when he had conveyed his nation's appreciation to the Senate in May 1917 for United States entry on the allied side of the war.

Recalling that the decision had "sent a thrill of joy throughout France," the Ambassador declared:

Our Faith that our living and our dead have made their manifold sacrifices for a supremely great and just cause received its most telling confirmation when, from across the ocean, the voice of this great Nation was heard above the din of battle, saying from now on "until the last gun is fired", until right triumphs, not for a time, but for all times, we take our place by your side.

Following this moving address and a warm response from Vice President Thomas Marshall, the Senate received as a gift from France, two magnificent, 68-inch-tall servers porcelain vases. Members of the Senate and the French delegation then posed for a photograph on the Senate steps outside the Capitol. Today, those vases are displayed in the lobby to the north of this Chamber as a continuing reminder of United States-French friendship.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Time for morning business has expired.

MINIMUM WAGE RESTORATION ACT

The PRESIDING OFFICER. The Senate will now resume consideration of the pending business, S. 837, which the clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 837) to amend the Fair Labor Standards Act of 1938 to restore the minimum wage to a fair and equitable rate, and for other purposes.

The Senate resumed consideration of the bill.

Pending:

(1) Hatch Amendment No. 3040, to provide for a new hire wage.

(2) Kennedy Modified Amendment No. 3041 (to Amendment No. 3040), of a perfecting nature.

The PRESIDING OFFICER. Under the previous order, the time until 11 a.m. today shall be equally divided and controlled by the Senator from Massachusetts [Mr. KENNEDY] and the Senator from Utah [Mr. HATCH].

Mr. BYRD. Mr. President, I suggest the absence of a quorum. I ask that the time be equally charged.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HATCH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. SANFORD). Without objection, it is so ordered.

Mr. HATCH. Mr. President, one thing that should be clear to all Senators as a result of the debate on this bill so far is that this bill is not as simple as it looks.

Sure, this bill is only a few pages long; it is not as long as the tax bill, the trade bill, the elementary and secondary education bill, or any of the other monster pieces of legislation we have considered in this body in the last couple of years. Still, I believe those few pages of S. 837 pack every bit of the complexity and impact as these other bills. What disturbs me, as I am sure it disturbs many Senators on both sides of the aisle, is that the impact of this bill will be primarily negative. No question about it.

It is negative for many reasons.

Study after study has indicated that if you increase the minimum wage, as they desire to do here, jobs will be lost. The estimates of the disemployment effect from this type of legislation range from a low of 200,000 lost jobs to 800,000, and some say as high as 1 million lost jobs in our society. These are the jobs which traditionally give people their first break or their first job reference. Few inexperienced workers can walk into a business and reasonably expect to earn high wages. Most of us need to earn minimum wages before we can earn a dollar or two more, and then a dollar or two more than that.

This bill will also result in wage inflation not justified by economic or productivity growth. The "ripple effect," admitted by my esteemed colleague on the other side of this issue, is another negative outcome of this bill. It will push all wages up from the bottom. That sounds good, except that the ripple effect amounts to inflation. It is estimated that the ripple effect will add no less than $48 billion annually to the labor costs of production—and that is just labor costs. That is not other inflationary costs. These costs must be made up somehow, and most likely they will be made up through payroll cutbacks, price increases, or both.

I certainly am not against any American earning more, especially those on the lower end of the spectrum, but we must remember that there is no such thing as a free lunch. Pay raises must occur as a result of economic and productivity gains, or we invite reinitiating the wage spiral that cost us so much during the Carter years and the early years of the Reagan administration; and the four increases of the minimum wage played a role in those increases—in inflation, interest rates, cost of goods and services, uncompetitive approaches which have hurt us in the international trade, and so forth.

If we pass this proposal to raise the minimum wage by 36 percent, it stands to reason that prices will increase as well. It is true that estimates of the impact of the minimum wage hike on price increases vary and that many other factors affect inflation, but there is little doubt that prices are affected by increases in the minimum wage.

And common sense tells us that the effect is not going to be positive. Everyone will pay for this bill, and the people who are struggling to make ends meet are going to be the ones who pay the most—those on fixed income. The few cents increase in the price of groceries or gasoline matter most to those with lower incomes and especially those with fixed incomes.

Additionally, studies have shown that the minimum wage is ineffective as a weapon against poverty. Not only do low income people pay proportionately more in higher prices, but they are most likely to face increased employment barriers due to job losses. One study commissioned by the Minimum Wage Study Commission found that more than 80 percent of low-income households are harmed by increases in the minimum wage. In fact they say "harmed by the minimum wage," period.

We have also been debating the effect of a 36-percent increase in the minimum wage on unskilled and inexperienced workers. Clearly, the loss of hundreds of thousands of entry-level job opportunities will hurt these individuals the most. How can we even think of passing such legislation without a meaningful, substantive training wage? How can we? How can we when it seems so logical and so reasonable?

One issue we have barely touched on so far in this debate, and one which I think we need to discuss much more fully, is the disproportionate impact of this increase on certain States and localities. While some areas have labor shortages and high average wages which will, to some degree, mitigate the job losses that will occur, other areas in our country do not. These areas will find their unemployment situation compounded.

Let us just examine that problem a little further. Why should a minimum wage increase have disparate impacts on States? Dr. Gerard Adams, an economist from the Wharton School who testified during the Labor Committee's hearings last summer, noted that the impact of the increase depends on the ratio of the minimum wage to the average wage. The concept is that an increase in the minimum will just fill in the gap between the wage floor and the average.

The committee report correctly states that the current ratio of the minimum wage to national average wage is 36 percent. Naturally, however, when dealing with averages, there are areas which have lower than average wages and would, therefore, suffer greater adverse effects from these increases. There are obviously 25 States in which the ratio between the minimum wage and average wages exceeds the national average.

Additionally, while our Nation's economy has created 17 million new jobs at good wages, there are still pockets of high unemployment in our country. I think we could look at the map on that. There are 27 States that have counties which have unemployment rates greater than 10 percent. As anyone can see, the 27 States in this category range from Pennsylvania to

Washington State, affecting the South and Midwest in between. The Senator from Massachusetts will be pleased to know that his State is not among them. While areas with a big demand for workers, and which consequently offer higher wages to attract them, may not suffer the same adverse impacts from the increased minimum, the counties in these other States do not have the same prospect.

We know that when there is a surplus of labor, many people are willing to work for a lower wage in order to be employed. We also know that most people would rather be working than to remain idle. In areas of high unemployment, a minimum wage increase, which will drive up all wages due to the ripple effect, will limit even further the ability of these people to find jobs. What do we say to these workers when we make their job search even more difficult by raising the minimum wage? Do we console them by saying that we are sorry they cannot get a job but is it not great that they will be paid more if they finally do get a job?

We need to remember two things: one, the evidence is overwhelming that this bill will cause the loss of hundreds of thousands of jobs; and two, a higher wage will not mean a thing to a person who does not have a job.

And Senator GRAMM's analysis that zero times zero really equals zero means exactly that.

In short, any benefits that may accrue to any person as a result of this legislation will come only at the expense of others in our society. The bill joepardizes the employment opportunities and wage growth of some in order to improve the economic situation of others. It raises prices for consumer goods and services for everyone, despite the fact that many of our citizens in this country are on fixed incomes. It benefits areas in our country which are booming at the expense of areas in our country which are not.

Mr. President, I would hope we could continue our discussion of these issues. I do not think we are finished yet. The bill may be short, but the ramifications are extensive. I certainly urge my colleagues to vote against cloture.

With that, I reserve the remainder of my time and yield the floor. 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.

Mr. HATCH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATCH. Mr. President, I ask unanimous consent that the remaining time prior to the vote be divided equally between the distinguished Senator from Massachusetts and the Senator from Utah.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATCH. Mr. President, I suggest the absence of a quorum and ask unanimous consent that the time be divided equally.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. KENNEDY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 18 minutes.

Mr. KENNEDY. I yield myself 7 minutes.

Mr. President, we are now in the eighth day of debate on the pending bill. And for 8 days we have been waiting for a vote on the pending amendment, the Kennedy-Byrd "stay in school" wage.

That proposal is an alternative to the Republican so-called training wage. The Republican proposal is a sham, travelling under an alias that it does not deserve. In fact, the training wage would lead to no training at all—it would, for reasons I have set out with care and at length in this debate, lead to rapid firing of employees when they become eligible for the full minimum wage.

This morning, I want to review for my colleagues the vast array of real training opportunities that exist for the underskilled worker, and particularly for underskilled youth. We know all about the need for training of the work force in the Labor and Human Resources Committee, and there are a host of responses to the problem.

Consider the Job Training Partnership Act. Now, Senator HATCH and I had a great deal to do with the creation of that program—right here in this century—though there is a fellow talking quite a bit more about it than we have been lately. I want to remind my colleagues just how much is accomplished through that effort. Last year, more than 2 million Americans received training under the JTPA program. And this was real training, not training in name only—1.3 million Americans received services under title II-A of the program. That section of the program is targeted at the economically disadvantaged. The committee believes that we can do a better job of targetting those efforts at the more severely disadvantaged, and we have reported and passed the JEDI Program to achieve that result.

And look at title II-B of the program. This is the program for youth. Last year 706,000 youths received services under that title. Presently, the program is limited to the summer months. But DAN QUAYLE has proposed to make the program operate year round and to focus on welfare dependent youth. I support that amendment—it was reported unanimously from our committee. The Senate agreed to it unanimously in March of last year. We have again put that amendment on the reauthorization of the homeless legislation which will shortly be approved by this body. That is 700,000 youths who need real training and they get it.

These two titles together train far more people in a given year than would get anything at all under the Republican proposal which would do little more than chisel their wages.

As Senator HATCH is well aware, we also have the Job Corps Program in JTPA—70,000 youths received training under that program last year. That program is expensive—it costs about $16,000 per student. But the Department of Labor has found that it saves more money than it costs because of the positive effects that it has on the lives of the program's participants. These are the kinds of resources we need to turn the corner in the lives of the very disadvantaged; it cannot be done with nickels and dimes. The dimes we save for employers with the subminimum training wage will add up all right, but not for the employees. It will save billions for employers over the years, but at a cost of billions more to the students whose lives will be hurt by this substandard effort to cut their pay and their educations.

If employers really want to hire youths at lower wages, let them use the Targeted Jobs Tax Credit. This credit entitles employers to a refund of 40 percent of the wages up to $6,000 paid to economically disadvantaged youth. In the last program year, 600,000 such vouchers were turned in. If an employer is paying $3.35 an hour and gets a rebate of 40 percent of his or her labor cost, then they are only paying in real terms $2.01 an hour. And only half of those eligible actually used it. The wingspan of that program alone greatly exceeds the estimated job losses touted here on the Senate floor in the last several days.

The point, Mr. President, is that much training already goes on. And it is real training. The Republican proposal is a promise that was broken at the same moment that it was made, because there is nothing in it that will actually help our workers acquire skills.

Shortly, we will vote again on whether to limit debate on the minimum wage. We heard yesterday morning that the Senate needed more time to think about it, that there were speeches yet to be made that would bring us insight and information that

we have not yet seen. I waited for those speeches. And I wondered if we would hear anything that we have not heard in the last 50 years from the chamber of commerce and its allies in the Senate.

We heard from one Senator who actually read the chamber of commerce briefing materials on the minimum wage as a speech. We heard recitations from the studies collected by the chamber as though these were news to the Senate. We heard nothing that we have not heard before. And silent hours passed while we waited for speakers to come here and tell us something new.

Mr. President, the truth is that there is nothing new under the Sun concerning the minimum wage. What was just the last six times we have raised the wage is justice today—and what was false and alarmist then is false and alarmist today.

But the White House stands opposed, and has asked my Republican colleagues to join arms against letting the working poor in on a share of the American dream.

I must tell you that I find this filibuster outrageous. This filibuster is the very incarnation of power used to obstruct the progress of the people. It is shameful that this body will allow the business lobby to keep its heel on the necks of our most deserving workers. And if this filibuster succeeds, there will be champagne corks popping at business dinners all over town as overpaid lobbyists buy dinners for their allies in this body. Those dinners will cost more in an evening than a minimum wage worker makes in a month. They will laugh at their success; they will be giddy with their tricks. And when they leave the restaurants and the minimum wage workers come in to clean up behind them, they will talk about the prosperity that their years of power have brought to America. The shame and the outrage of this claim is that while GEORGE BUSH and others are running on the prosperity that some in our country have seen in the last few years, they are unwilling to share any of that prosperity with the working men and women of this country who have helped to produce it. It was not the work of paper-traders on Wall Street that has made this country prosperous. It has not been the efforts of overfed lobbyists that have made us strong. It is real men and women, doing hard work all the livelong day that has brought prosperity to others. But for them, the America and the lives we all hope for will remain but a dream; a promise, as Justice Jackson once wrote, made to the ear, but broken to the heart, like a munificent bequest in a pauper's will.

This Government owes them better. We owe them this bill and we have owed it for 8 years. We have a debt to pay, and our chance to make good on it comes with this vote.

Mr. HATCH. Mr. President, I never cease to be amazed by the articulate Senator from Massachusetts, but I also never cease to be amazed at some of the logic that he uses.

He has a tendency to lump together everybody who has raised important and significant issues, issues that really are backed up by statistics, backed up by real time understanding, backed up by real logic, and backed up by real oppressive hurt to this Nation. He ignores all of that. He ignores the hundreds of thousands of young people, dropouts, if you will, who have no chance in this society and never will if this legislation he proposes passes in its present form.

He sweeps all arguments away as though this is the gospel of St. Teddy, irrevocably, from God through this spokesman for the poor.

The fact of the matter is, it is not the gospel from anywhere except straight out of the old worn out textbooks of the past. The fact of it is that it completely ignores the hundreds of thousands—let us change it, let us be accurate in our statistics—millions of young people who will never get a job it these archaic ideas are not amended and do not make sense in the future.

There is kind of an attitude that only this wonderfully written document exemplified by this bill is true; that there is no reason for decent amendments, no reason for a training wage, no reason to try something new, and above all, no chance at all to have an earned income tax credit refundable to those who are working poor—a way of rifle shooting the problem that really will solve it.

No, we will just give obeisance to the past. Let us bow down before the shrine of the minimum wage, even though thousands of editorial writers all over the country have now refused to do so because they see perhaps greater pillars of truth to follow.

We do not deny the importance of these Federal employment and training and education programs, and I appreciate my good friend from Massachusetts mentioning we have both worked very hard in all of those areas. And I do give him credit because he has worked hard and, in many ways, has done many good things for this Nation.

I wish those good things were not offset by so many bad things. But nevertheless, I give him credit for the good things. Along with the Senator from Massachusetts, I was proud to be part of enacting many of those excellent pieces of legislation, and he knows I was proud to help save Job Corps, even though it is an expensive program, because it is the only program we have got to help hard core unemployed people. And he was right there cheering me on and helping me every step of the way, for which I am very grateful. And I appreciate that.

Why can he not listen to his old buddy and learn about the future a little bit? Not that I have all the answers, but I can tell you this, I have got some. And they come from people who are much more experienced and brighter than I.

I might add that these programs that we have both worked so hard on are limited because we can only appropriate so many dollars. We cannot solve every problem in this society by appropriating Federal dollars. There is just no way. There are not enough tax dollars available. No Federal program can reach every person who needs help. No Federal program can do that. Nevertheless, we have tried and we are going to continue.

Why can we not utilize the private sector more? Why can we not give it a chance, since that is really what has made this Government great? That is really what provides the taxes that pay for these wonderful programs he has described but which cannot solve the problem in and of themselves. Why can we not mobilize these resources in the private sector that could do some good? Why do we have to give obeisance to the literature of the past and act like it is the only scriptural document that exists?

Why can we not provide even more opportunities for those who are hard to employ? Why do we write off all the dropouts in our society because we are unwilling to try some new ideas, like a training wage?

I will make a commitment to my friend from Massachusetts right now. I will modify that training wage in a reasonable way, any reasonable way he wants to do it. Certainly not just for full-time students, which is what he wants to do, although I am willing to go with his amendment on full-time students. It is an improvement. It is not much of an improvement; it does not do much good, but I will go with it because it is an improvement. But I would like him to go with me once, and not just me but millions of people who feel the same way I do, that we ought to give these people a chance.

I tell you what is more, I will even go for increases in the minimum wage that are reasonable, even though I do not think it does much good and I think it does more harm over the long run. Because it will reject those who are the hardest to employ in our society because jobs will be gone. It is just the law of economics. Small business people, where two-thirds of all the jobs in our society are created, just simply pay beyond a certain number.

And they are not lobbyists that go into these restaurants and have these wonderful dinners, and the cleanup afterward by minimum wage employees—no, they are not those type. They

are people who are humble, devoted, decent people, trying to confront all of the plethora of Government interference that they have to go through in this life, much of which has been enacted by our distinguished friend from Massachusetts. Facing bureaucratic interference and dominance every day of their lives, facing the economic problems of their lives, facing transportation, energy, employment, and other problems, the small business people who make this country go, they are just going to do without, they are going to automate or they are going to get out of business if we keep increasing the minimum wage.

It is a fiction. It really does not work. As much as I support our Federal efforts to help, I believe my proposal for a training wage will enhance every one of those programs that the distinguished Senator from Massachusetts, my friend, and I agree are important programs. One thing I learned as a conservative chairman of the Labor and Human Resources Committee is that these programs are not only well intentioned but many of them work very well. I think they still can be improved, and I intend to do that through the years, but I have to give credit where credit is due.

As much as I support our Federal efforts to help, I believe that my proposal for a training wage will enhance every one of those programs with real jobs and real opportunities. A job with a private-sector employer is the key to the future of many teenagers, many unskilled workers, many undereducated in our society. It is the sum and total of their opportunities for the future. Why not give them a chance. That is all I am asking. I am asking my good friend to open his mind and let them have a chance. I think I have expressed a real desire to compromise and to work these things out, but it is a matter of principle to do something for those who cannot help themselves. This is not a filibuster, and there was not much time wasted yesterday. There were people on this floor almost every bit of the day speaking about this issue, mostly against the present bill.

Why write off all these unfortunate people because of obeisance to the past, obeisance to things that really have never worked very well and have always resulted in an inflationary pushup.

Now, I have to acknowledge that by agreeing to modify my training wage, if the Senator will agree, and by agreeing to modest increases in the minimum wage, it really is a compromise. I do not believe increases in the minimum wage really help anybody for long because the ratcheting effect not only in salaries but the cost of goods and services in every aspect of society takes away anything they get from increasing the minimum wage. In the end they are worse off than they were before as inflation increases, and as interest rates increase.

This administration must be doing something right because 17 million new jobs, the most in any other corresponding period of time in history, have been created and 12 million of them are for $12 an hour or more and 3 million more are for $6 an hour or more, and that is 15 million of the 17 million. Fourteen percent of the 4.7 million presently earning the wage are heads of household who are workers in poverty. The fact is we could attack that problem with a fundable earned income tax credit and attack it intelligently and do what is right for America. Almost everybody else is somebody who comes from a better economic climate and who needs that job and frankly will go on from there to make more than the minimum wage.

That is what is involved here. It is time we look at it intelligently and effectively and let us look at it with open minds and let us work together. Let us not say it is novena, this is divine wit, because it has been written by certain special-interest groups in our country. I do not think the chamber of commerce or any other business group is saying we are not willing to compromise or work this out. I do not know what they are saying because I have not chatted with them. The fact is if they are not on the side of increases in the minimum wage, there are legitimate and good reasons for them not being there, and we have been stating them over each of the days that we have been on this bill.

It is time Members of this body start thinking about it. The past is over. Let us not cling to the bad things of the past. Let us start looking to the future to do something for these young kids who absolutely have no chance if we do not do something for them. Let us look to the private sector to do what is right. There are not going to be any fat cats either way. In fact, if this bill passes and inflation starts going up again, we will not have many people in our society who are well off.

Mr. President, this is all I want to say at this time. I will be happy to yield the floor. I reserve the remainder of my time.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. How much time do I have?

The PRESIDING OFFICER. Nine minutes.

Mr. KENNEDY. I yield myself 5 minutes.

Mr. President, I will respond briefly to the observations by my friend, the Senator from Utah, on how we got to where we are and what really is taking place in the Senate, although I do not think there is anyone in doubt as to what is happening.

The measure we brought out of our Human Resources Committee is different from the one that was introduced on the minimum wage. We dropped the indexing provision that would permit the minimum wage to go up with the average hourly earnings. We eliminated that. That is a pretty significant change, Mr. President. We provide a cost of living increase to the 32 million seniors of our country, and I am all for it. In the past, many of those who have been opposed to Social Security fought tooth and nail against a cost of living increase for the elderly people of this country who have made it the great country it is. They have fought against it, and we have heard many of those same voices opposed to the increase in the minimum wage.

We have dropped indexing so we have, Mr. President, a very simple piece of legislation, three stages that will attempt to return the purchasing power—no increase, just return the purchasing power—to the 16 million Americans who will be affected by this piece of legislation.

We know what is happening. If it looks like a duck and quacks like a duck and walks like a duck, it is a duck. This is a filibuster and that is what we are facing now. No one should be very surprised about it.

I have before me the debate of August 1960. The manager said:

> I am wondering whether there is a chance to get to a vote on this amendment tonight. We began consideration of this bill on Wednesdsay evening. It was discussed all day Thursday and now all day Friday. The presentation is expected to be limited in length. Many bills are before the Congress. I think the people know what is at issue. As I understand it 40 amendments are to be offered. Can we not get at least one vote?

That is 1960 and now in 1988 the same tactic, Mr. President. Make no mistake about that. Those filibustering the minimum wage would not call them up then, and they will not call up any amendment now. It is clear and simple.

As I mentioned on other occasions, Mr. President, the idea that the Hatch subminimum is a training wage makes a mockery of the whole concept of training. As I have pointed out there is not one word about training.

We now have, Mr. President, 725,000 economically disadvantaged youth in training programs. And I just read the kinds of things that happen in these training programs. They get basic and remedial education, institutional on-the-job training, work experience programs, employment counseling, occupational training, preparation for work, outreach enrollment activities, employability assessment, job referral and placement, supportive services necessary to enable individuals to participate. That is real training. That is what disadvantaged youth need. These are the kinds of things which are

going to increase the possibility and the eligibility of the young to be able to receive employment.

Then we have 1,300,000 adults who need skills in order to be employable—we have the same types of programs for which they are eligible. Those are real training programs, not just a subminimum chisel program, Mr. President.

So we have outlined in this debate what exists for the economically disadvantaged, the types of training programs for which they are eligible. We have outlined programs where you have over 1,200,000 young people who will be eligible if they went to work, if employers were interested in them. So if the issue is the employability and what employers must pay, employers may qualify to pay the minimum wage and get a 40-percent tax credit—far preferable in terms of the employer's point of view than what is being suggested here.

So we cannot come to any other conclusion than that this is basically a ruse, Mr. President. It does not provide the training. There are other ways which deal with this. We have tried to spell that out over the course of the debate.

Mr. President, in the final moments before another cloture vote, I certainly hope that we would be able to get cloture, but I have no expectations that those who are opposed to this legislation are going to permit us to get resolved what is the pending business, which is the Kennedy-Byrd amendment to the Hatch amendment.

The first amendment was offered by the Republicans, and a second amendment, perfecting, by myself and Senator BYRD. I hope we can get on with the resolution of this issue. We have been on it now over a week. It is not a new issue. It is understandable. And it is something which cries out for action, Mr. President. I hope very much that we will be able to get cloture today, and if we are not able to do it I certainly hope we will be able to get it on the first opportunity next week.

I reserve the remainder of my time.

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The Republican leader.

Mr. DOLE. Mr. President, how much time remains on this side?

The PRESIDING OFFICER. Six minutes, 8 seconds.

Mr. DOLE. Mr. President, I would just indicate that I hope we do not get cloture today, and I would also say that I hope we can work out some agreement on minimum wage. I indicate again, as we have in the past—maybe not with as much volume in this Chamber as other speakers but with as much commitment and sincerity—that we want a minimum wage increase. We believe the training wage is a good idea. And we are prepared to negotiate modifications in that. But I do not really believe we ought to be told that, well, this is it, this or nothing, because maybe people on the outside, labor leaders, have this in mind. But I do not know anybody in organized labor who is really concerned about the minimum wage because they are all paid more.

As the New York Times editorial suggests, we are talking about for the most part children from middle-class families who would benefit from this, and not poor people. That is why there has been discussion of the earned income tax credit, and we believe that we could work out some agreement where we could alternate on amendments.

We have a lot of amendments on this side that are good, constructive amendments. It was never intended to let Senator HATCH offer the first amendment. He had the floor, and he offered it before anybody could take him off his feet. So it was not that equality was intended on the other side of the aisle. It just happened because Senator HATCH was alert and offered an amendment while he had the floor. Otherwise, there would not be any Republican amendment pending.

So if we want to be serious about this, start alternating on amendments. The Senator from Washington has an amendment, the Senator from South Carolina has an amendment, and the Senator from Utah has a number of amendments. We are prepared to rotate, take turns, act on the Harkin amendment, the tip credit amendment. Nobody opposes that that I know of. I am not certain how many oppose the amendment of the Senator from Washington, Senator EVANS. But it seems to me that on these procedural votes that we ought to not invoke cloture today.

We would like to put the House drug bill on this minimum wage package. It passed by a big margin of 375 votes. That is an important issue that cries out for a solution. We are not going to be able to pass a drug bill on the Senate floor this year. We have been working very hard to put together a bipartisan package; we are not there yet, we are not there primarily because many of the liberals do not want any punishment. They want to spend money but do not punish the offenders. The House drug bill does that.

So why not put it on this bill, put it on the minimum wage bill, do something constructive with this legislation, and pass the House bill?

So there are a lot of things we could do between now and the time of adjournment, and nobody is quite certain when that will come. But I urge my colleagues and those who voted against cloture yesterday to keep their positions. We are ready to negotiate. The Senator from Utah has indicated publicly and privately, as have others, that he is ready to negotiate. I can say the leadership is ready to negotiate.

Somebody pointed out yesterday that in the opening statement of the Senator from Massachusetts he mentioned GEORGE BUSH 45 times. So this has become a political issue.

We can talk about minimum wage, but it is all politics. So I hope only 30 votes against the House drug bill—excuse me. I said 37; better than I thought. So maybe we ought to put it on here by agreement, and then work out our other differences on minimum wage so we can really accomplish something on drugs this year. That is an important issue. I think the House Republicans and Democrats for the most part did a pretty good job.

So I urge my colleagues who supported those of us who voted against cloture yesterday to stick with us today. Then I urge the managers on each side. Let us get together, and see if we can work out a minimum wage bill with a training wage and give some of these young people who are on the streets an opportunity to go to work. They should not be controlled by organized labor, and by the labor leaders who are in the lobby. This is a bill that affects the American people.

So I hope we will not invoke cloture today. And I know that the majority leader has a program to complete. We want to cooperate where we can. We are prepared, as I have indicated, right now to start rotating on amendments if we can work out some agreement. We are happy to stay here most of the day today, all day, or whatever the majority leader suggests. But I hope we will not in this procedural vote yield to some of the pressures that we believe are without justification.

I reserve the remainder of the time.

Mr. KENNEDY. Mr. President, how much time do I have?

The PRESIDING OFFICER. Two minutes, fifty seconds.

Mr. KENNEDY. Mr. President, I listened with interest to the statement of the Republican leader.

As far as I am concerned there will be no compromise on the cost-of-living increase for 16 million Americans. Maybe the Republican leader wants to compromise on that, but that is not negotiable. All we are talking about, and we did not reach into space to find out what this figure would be, is a cost-of-living increase to return to 16 million Americans some of the lost purchasing power that has withered away over the period of the last 7 years. That is nonnegotiable. That may be negotiable for the Republican leaders but it is nonnegotiable for those people who work for a living.

Mr. President, I am delighted to hear all the rhetoric of the Republican leader about the war on drugs. We heard from the President of the United States in the State of the

Union saying the war on drugs was won. I am glad to hear now that he is so interested in getting on with this after his candidate for President has been in charge of it over the past years. We all agree that something has to be done on that.

As they say in the circus, it is a big job cleaning up after a big elephant. Hopefully we will have the opportunity to do that with a sensible and responsible drug bill.

I see my time has expired.

CLOTURE MOTION

The PRESIDING OFFICER. The hour of 11 a.m. having arrived, under the previous order the clerk will report the motion to invoke cloture.

The legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators in accordance with the provisions of Rule XXII of the Standing Rules of the Senate, hereby move to bring to a close the debate upon Committee substitute for the bill S. 837, Minimum Wage Restoration Act of 1987.

Senators Edward M. Kennedy, Daniel K. Inouye, Tom Harkin, Terry Sanford, Paul Simon, Jay Rockefeller, Christopher J. Dodd, Don Riegle, Bill Proxmire, Alan Cranston, J. Bennett Johnston, Patrick Leahy, Jeff Bingaman, Bill Bradley, Tom Daschle and Harry Reid.

CALL OF THE ROLL

The PRESIDING OFFICER. By unanimous consent, the call of the roll to ascertain the presence of a quorum has been waived.

VOTE

The PRESIDING OFFICER. The question is, Is it the sense of the Senate that debate on the committee substitute for S. 837, the Minimum Wage Restoration Act of 1987, shall be brought to a close? The yeas and nays are mandatory under the rule, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Texas [Mr. BENTSEN], the Senator from New Jersey [Mr. BRADLEY] and the Senator from Florida [Mr. CHILES] are necessarily absent.

Mr. SIMPSON. I announce that the Senator from Texas [Mr. GRAMM], the Senator from Nevada [Mr. HECHT], the Senator from Idaho [Mr. MCCLURE], the Senator from Indiana [Mr. QUAYLE], the Senator from Wyoming [Mr. WALLOP] and the Senator from California [Mr. WILSON] are necessarily absent.

The PRESIDING OFFICER (Ms. MIKULSKI). Are there any other Senators in the Chamber who desire to vote?

The yeas and nays resulted—yeas 56, nays 35, as follows:

[Rollcall Vote No. 336]

YEAS—56

Adams	Graham	Nunn
Baucus	Harkin	Packwood
Biden	Hatfield	Pell
Bingaman	Heflin	Proxmire
Breaux	Heinz	Pryor
Bumpers	Hollings	Reid
Burdick	Inouye	Riegle
Byrd	Johnston	Rockefeller
Chafee	Kennedy	Roth
Conrad	Kerry	Sanford
Cranston	Lautenberg	Sarbanes
Daschle	Leahy	Sasser
DeConcini	Levin	Simon
Dixon	Matsunaga	Specter
Dodd	Melcher	Stafford
Ford	Metzenbaum	Stennis
Fowler	Mikulski	Weicker
Glenn	Mitchell	Wirth
Gore	Moynihan	

NAYS—35

Armstrong	Exon	Murkowski
Bond	Garn	Nickles
Boren	Grassley	Pressler
Boschwitz	Hatch	Rudman
Cochran	Helms	Shelby
Cohen	Humphrey	Simpson
D'Amato	Karnes	Stevens
Danforth	Kassebaum	Symms
Dole	Kasten	Thurmond
Domenici	Lugar	Trible
Durenberger	McCain	Warner
Evans	McConnell	

NOT VOTING—9

Bentsen	Gramm	Quayle
Bradley	Hecht	Wallop
Chiles	McClure	Wilson

The PRESIDING OFFICER. On this vote, the yeas are 56, the nays are 35. Three-fifths of the Senators duly chosen and sworn not having voted in the affimative, the motion is rejected.

MINIMUM WAGE RESTORATION ACT

The Senate continued with the consideration of the bill.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Madam President, this is obviously encouraging news. We want to welcome the four members of the Republican Party that supported this motion. There are a few of our members that were necessarily absent that would support this proposal.

I want to indicate that I believe that we are on the edge of having a successful resolution of the obstacles which we are faced with here, and that would permit us to move ahead, hopefully, with a vote on the Kennedy-Byrd proposal on the subminimum. So I am grateful to those that have supported this proposal.

I am very hopeful, with that very increasingly clear picture, that we might now move ahead and see if we cannot get a debate and resolution of some of these matters, because I think it is going to be quite clear that we are going to be able to get cloture. It would seem to me that it would be useful for us to start voting on these various measures and these various amendments.

So I thank those members who supported our motion. Hopefully, if there is no further discussion, we will move toward a vote on the Kennedy substitute or perfecting amendment.

The PRESIDING OFFICER. Is there further debate?

Mr. DOLE. Madam President, I would not read too much into that vote. It is Friday and some people are confused. (Laughter.) But by Monday or Tuesday they will be clear-headed again and they will understand what is at stake here.

This is a procedural vote. I would again indicate to those who may have voted today for cloture on this side that we hope we can have a minimum wage increase, a modest increase, an appropriate increase. I believe that there might be votes for a modest increase on this floor—not the Kennedy bill, but a modest increase.

So I would not want the Senator from Massachusetts to celebrate too much this weekend thinking that he was in sight of victory because we have a little something there we cannot quite explain, but we will work it out by Tuesday or Wednesday, whenever the next vote is.

We will work out a minimum wage bill in 30 minutes, but I think there are some other matters we would like to discuss at the same time.

I would say to those who feel pressured by organized labor that organized labor does not have much of a stake in this. I do not know anybody in the unions that is worried about minimum wage. But this is a labor issue and they are calling in their chips. In my view there is more at stake than what organized labor may want.

I again point out that in the statement of the Senator from Massachusetts I believe he used GEORGE BUSH's name 45 times. This is all politics. Let us not be misled.

I say to my colleagues on this side, let us take another look next week. Let us understand these are procedural votes and that we are linking these votes to many other items that we think we would like to conclude by the end of this year.

I hope, in the meantime, if we want to start working on amendments, alternating amendments, then I think the Senator from Utah would be very pleased to agree to that, at least I would encourage him to do that.

But, on the other hand, if we cannot offer Republican amendments, then I do not know why we should provide the votes for cloture on this side. I do not understand it. I do not think we will, in the final analysis. We will see what happens in the event the majority leader should file another cloture motion. Maybe he will pull the bill down.

Mr. BYRD. We could move to reconsider right now and have a vote on this again.

Mr. KENNEDY. Madam President, I am further distressed that the Repub-

lican leader is linking other items to the issue about whether we are going to be able to vote on an increase in minimum wage. We heard him describe those other items yesterday. He expressed his concern over appointees the administration is interested in.

I think it is really unfortunate for 16 million Americans to be held hostage to Republican appointees here in the Senate. I think that is a regrettable situation, but it was stated yesterday and has been restated again here today. It sends, I think, an unfortunate message to millions of hardworking men and women, to their families and to their children who are out doing some of the most difficult and trying work in America. But that is the way it is.

We are grateful to those who have joined us in an attempt to permit the Senate to work its will on this measure. We will hopefully gain some other votes, as well.

THE OMNIBUS DRUG ACT

Mr. D'AMATO. Madam President, I would like to make an observation while the leadership of the Senate is here. It seems to me that the majority leader and the minority leader began a very fruitful understanding and certainly one that is most important, and that was an attempt to put together a bipartisan package dealing with the issue of the drug plague which we have here in America.

Now, we can talk about 16 million Americans who may or may not be helped as a result of the legislation that is pending. We can talk about the business that has to be done and the business at hand.

But I will tell you that it will be a travesty and it will be a black mark on this Senate if we fail to do something affirmatively as it relates to the Omnibus Drug Act.

Now, when are we going to take this up? Are we going to take this up at the last hour so that people will not have an opportunity to offer amendments and have debate; so that we are left with a fait accompli; so that we are left with maybe two or three who can say, "Well, no, we are not going to take these amendments up and if you want any bill at all, you take it or leave it"? Is that the technique that is going to be practiced on this body and on the American people?

Now, I think that is a travesty. Let us complete the work that we have begun. I believe that the majority leader and the minority leader were doing the proper thing in urging both sides to come together in a bipartisan way. I hope that we could put that bill on the floor. I do not think there is anything more important, and yet we are not addressing that.

Mr. McCAIN. Madam President, I ask unanimous consent to speak as if in morning business.

The PRESIDING OFFICER. Without objection, the Senator may proceed as such.

SPEAKER WRIGHT'S STATEMENT ON CIA INVOLVEMENT IN DEMONSTRATIONS IN NICARAGUA

Mr. McCAIN. Madam President, I rise to discuss some rather bizarre events that have taken place in the last couple of days concerning statements of the Speaker of the House alleging CIA involvement with Nicaragua's internal democratic opposition.

Madam President, I have only been dealing with the issue of Nicaragua for 6 years. Many people in this body, perhaps, have been dealing with this issue for a longer period of time. But I can honestly say that I have never, ever, encountered a situation where the Speaker of the House of Representatives either does not know or does not care about the revelation of what could be classified information. And I emphasize "could be," Madam President, because I do not know if there is any truth to what the Speaker of the House had to say.

Let me point out that there are two issues involved. One is the issue of congressional ethics and rules of how we treat intelligence information in this body. The other, perhaps more compelling issue is peace and democracy in Central America: Specifically, the effect of the remarks of the Speaker of the House on those who are being held in Sandinista prisons and the ability of the remnants of the Nicaraguan internal democratic opposition to comply with the Arias peace plan to which the Sandinistas are a signatory.

Madam President, I quote from last Tuesday's AP wire story which states:

> House Speaker Wright said, "We have received clear testimony from CIA people that they have deliberately done things to provoke an overreaction on the part of the Government in Nicaragua."

Then he goes on to say:

> Agency personnel under questioning from Members of Congress said that they had sought to generate vigorous demonstrations. Agents of our Government have assisted in organizing the kinds of antigovernment demonstrations that have been calculated to stimulate and provoke arrest.

Madam President, I have made a very in-depth study and have searched the record, as has my staff, and I hope that members of the media are searching, to determine if there has ever been an open hearing held in this body or in the House of Representatives where any "CIA people" have stated that they have deliberately done things to provoke an overreaction on the part of the Government in Nicaragua.

Madam President, I happen to know for a fact, and let me point this out again, if there was any support provided—"if," I emphasize "if" there was any support provided by the Central Intelligence Agency or any other agency to any organization throughout the world, including in Nicaragua, it would have to receive the approval of both Intelligence Committees. Both House and Senate Intelligence Committees. So this would not be a rogue operation, which raises the issue of why the Speaker chose to make his remarks.

Mr. COHEN. Madam President, the Senate is not in order.

The PRESIDING OFFICER. Will the Senator withhold? The Senate is not in order. The Senator from Arizona is making excellent points that people should be able to hear, and if Senators could withhold their conversation.

Mr. McCAIN. Madam President, I can only draw the conclusion made by my friend and colleague from Maine yesterday before this body:

> The clear implication is that the Speaker's statement could only have derived from classified information in the possession of the House Intelligence Committee.

That statement comes from the vice chairman of the Senate Intelligence Committee.

There is a compelling reason for us to go into this matter and find out whether the Speaker of the House has compromised classified information. Such an action would have profound implications, not only on how this body does business, but, very frankly, it lends credence to those critics of the Congress who say that we cannot be trusted with any classified information. I do not know how you could arrive at any other conclusions.

Frankly, Madam President, the Ethics Committee of the House of Representatives must investigate this situation.

So we have one issue here and that is of congressional ethics and whether there has been a breach and whether information that has been given of a classified nature to both Intelligence Committees has been compromised. And I want to emphasize, I do not know. I am not a member of those committees. I do not know if that information was ever factual or true.

But if it was, then I think there is no other implication that can be drawn except that the statement has been a breach of the very important procedures which both bodies of Congress have adopted in handling classified information.

Madam President, perhaps the more important aspect of the Speaker's statement, certainly one that has much more immediate painful and tragic consequences, is the effect of his statement in Nicaragua as we

speak. As we all know, the Sandinista newspapers immediately trumpeted Mr. WRIGHT's statement as affirmation of their charges that the demonstrations at Nandaime and others that are planned are all CIA ploys; that the so called "Melton plan" was put into effect during those demonstrations and that it was all a plot of the CIA. So what is happening in Nicaragua as we speak? Thirty-nine people arrested after the Nandaime demonstrations are still in jail. How do you think JIM WRIGHT's remarks affected their prospects of getting out of jail? I will tell you. The chances that they will be released have been significantly diminished.

Let me ask what impact this has on the people that I have met, people committed to freedom and democracy in Nicaragua, who care little and know nothing about the Central Intelligence Agency? Every action that they take now, the Mothers of the Disappeared, the Coordinadora, the Conservative Party, the legitimate internal opposition in Nicaragua, has been tarred by the brush of "CIA involvement." That is a tragedy after the Nandaime demonstration, Madam President, there were a number of people jailed. Let me tell you about a couple of them. It is one thing to hear that people have been jailed, it is another to know a little bit about them.

Sixty-three-year-old Myriam Arguello. Dr. Arguello is the Conservative Party Secretary General. She is in dangerous condition: circulatory problems and deteriorating motor control in arms and hands. She is allowed to get up from her bunk only when a guard is in front of her cell door. Mounting psychological pressure and phyical deterioration are leading to loss of reasoning facilities.

What kind of regime puts a 63-year-old woman in jail and treats her like that? Do we think the latest statements of the Speaker of the House are going to improve her treatment or get her out? The answer is clearly no.

Coordinadora Secretary General Roger Guevara Mena has conjunctivitis and fungal infection.

Luis Alberto Carballo, brother of Radio Catolica Directors Bismark Carballo, is suffering from a severe skin infection and is unable to walk.

Other "Nandaime prisoners" are suffering from fungal and respiratory infections and nutritional deficiencies.

Prisoners are not receiving medical attention for these problems.

What Speaker WRIGHT of the House has done is to condemn these and the other 9,000 political prisoners in Sandinista jails to harsher punishment. He has undoubtedly condemned other Nicaraguan politicians to imprisonment and long jail sentences.

Madam President, the Speaker of the House owes the American people an explanation. I had hoped that we were striving toward achieving some degree of bipartisanship on this issue. The next administration, I believe, is going to have to approach this issue from an aspect of bipartisanship if it expects to make any progress on this issue.

What has been done by the Speaker of the House, in my view, is very damaging to that effort. But more importantly, how can the internal opposition, the people that are struggling for compliance with the Arias Peace Plan—which the Speaker of the House claims he supports—how can they possibly carry on peaceful opposition? How can they exercise the rights guaranteed them by the Sandinistas in 1979 and reaffirmed by the Arias Peace Plan, if the Speaker of the House of Representatives is saying that they are CIA-funded and sponsored?

These are unarmed, peaceful men and women who are struggling for freedom and democracy. They deserve our respect, our appreciation, and our support. They do not deserve blame for trying to exercise the right guaranteed them. I hope that the American people will demand not only an explanation by the Speaker of the House, but an apology to the Nicaraguan internal opposition for his statements.

Madam President, I yield the floor.

Mr. BAUCUS. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. HATCH. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MINIMUM WAGE RESTORATION ACT

The Senate continued with the consideration of the bill.

Mr. HATCH. Madam President, I again reiterate what the distinguished Republican leader said. I am prepared to go to amendments and have votes up and down on them, but I want to do what is fair. I think what has kept this at a stalemate is because there is a lockup on the amendments where literally only Democratic amendments can come up.

I would be very much in favor of moving to Simon on the Democratic side and then moving to Thurmond over here, or Boschwitz, or any number of other amendments, or I will call up one of mine because I have a number of amendments that are germane, that are reasonable that I think many on both sides of the aisle would like to vote for, and I would like to bring them up. But I think that is the way to move on this matter.

We can set aside the two conflicting amendments, the two amendments on training wage where we have so much difficulty. We have done that many times in many ways in this body, so why not do it here? That way we can have some votes; we will know where people stand. We could have some very substantive things brought to the floor. We can have debate on the amendments themselves. It would save time and, who knows, we might be able to resolve this matter through that process.

But as long as the distinguished Senator from Massachusetts is going to insist that only Democratic amendments come up or that we have to have a vote first on his amendment, then, it seems to me, most Republicans have to say that is not fair, especially on something this important.

Like I said earlier, this is not a perfect bill. There is a lot of desire on this side of the floor to amend it or at least have a crack at amending it, which is the American democratic way. Certainly the way of the Senate.

Mr. NICKLES. Will my friend yield for a question?

Mr. HATCH. I will be delighted to yield.

Mr. NICKLES. When you talk about the desire to bring up amendments, I know the Senator is aware of the fact that myself, Senator ARMSTRONG and, I believe, the Senator from Utah himself, are interested in trying to do an amendment dealing with homework and eliminating the Department of Labor's prohibition on several categories of homework.

Would he agree that is an appropriate amendment to the Fair Labor Standards Act?

Mr. HATCH. It really is, but I also have to point out to my good friend and colleague, that is probably one of the reasons they do not want amendments, because they are afraid that the amendment will pass because it makes some inestimable logic and sense.

Mr. NICKLES. The amendment is an amendment to the Fair Labor Standards Act. I do not think we have had the Fair Labor Standards Act on the floor of the Senate for some time. It is an appropriate, germane amendment which hopefully we will deal with very soon.

Mr. HATCH. That is right. The reason I am really concerned about what is going on here is because if they do invoke cloture, that amendment is going to come up postcloture, and we are going to vote on it one way or the other. So why delay voting on it? Why do we not bring it up now? Why not let us go with an amendment first? We will temporarily set these amendments aside and bring up the homework amendment. It is a legitimate issue on the Fair Labor Stand-

ards Act that many on both sides would like to see passed and many, on both sides, would like not to see passed, too, I suppose, as they continue to do what organized labor wants them to do.

It would be the appropriate, decent thing to do. That is what is involved here, not a filibuster, but it is a desire to bring up amendments. As long as the amendment tree is locked up and we are only going to have Democratic amendments, the only thing the minority can do is to say, well, then, let us go ahead until there is fairness on both sides.

It is one thing to be in the majority. It is another thing to assert the rights of the majority in an excessive way, and that is what is being done on this particular bill. I really think something ought to be done about that. But, in any event, I want to make the point we are open. We would be delighted to go from amendment to amendment, alternating between sides, being fair to both sides, win or lose with regard to amendments on both sides. It seems to me it is an intelligent, decent way to do it. I would like to do it that way. I would like to move ahead. I would like to have full-scale debate on these important issues.

This side is interested in cooperating, but let us be fair. Let us not lock up the tree and not allow anything that the other side does not want because it might be embarrassing to some Senators in an election year. There are things that they can bring up, too. So what? That is what this body is all about. I think we ought to stand up and face those problems and if we have to vote on some tough issues, that is OK.

This is an important issue. These germane issues in particular are important amendments but sooner or later we are going to vote on this. If it is postcloture, then count on 50 or 60 votes before we get through with this bill. I am not throwing threats out there because I am not the type to do that. If I say I am going to do something, I am going to do it, no matter how tough or difficult it may be, and it may mean all-night sessions. That is OK. I have been through those before. But people are going to stand up and they are going to vote if only on a motion to table and we are going to see how dedicated we are to stamping out what really are some pretty good amendments around here. That is my suggestion.

THE NURSING HOME INDUSTRY AND ITS MEDICAID REIMBURSEMENT

Mr. DOLE. Mr. President, I would like to bring to the attention of my colleagues and the floor managers of S. 837 the ramifications that a minimum wage increase will have on an important Federal entitlement program—the Medicaid Program. Almost one-half of Medicaid dollars are spent on long-term care, mostly for the elderly, and an increase in minimum wage will affect all health care providers.

Nursing homes, in particular, are large employers of minimum wage workers. They employ significant numbers of nurse aides who provide direct, hands on care to nursing home patients. Nursing salaries are the largest component of Medicaid reimbursement—in fact, labor costs account for about 60 percent of all nursing home costs. Should the Congress agree to any mandated increase in the minimum wage, some modification in Medicaid rates should be considered by the States.

Mr. HATCH. Mr. President, I think it is also important to note that unlike other businesses, the nursing home industry is unable to reduce its labor force to accommodate an increase in minimum staffing requirements. Moreover, nursing home staff care for patients who are older and sicker than ever before, making reductions in nursing staff virtually impossible.

Perhaps it would have been desirable to modify the nursing facility reimbursement language under Medicaid during consideration of the minimum wage bill pending before us to ensure that States specifically recognize increased minimum wage levels in calculating their Medicaid rates to nursing homes. However, we recognize that to do so would involve an amendment to the Social Security Act, which is clearly not germane to the minimum wage bill amending the Fair Labor Standards Act.

Such an amendment also would have created a jurisdictional problem between the Labor and Human Resources and the Senate Finance Committee in the Senate and the Education and Labor and the Energy and Commerce Committee in the House.

Mr. MITCHELL. As chairman of the Senate Finance Subcommittee on Health, I share your concern about the impact on the nursing home industry. Rates for reimbursement for nursing home care are set by the States and the Federal Government. Each individual State determines its own Medicaid payment policies, with limited supervision from the Department of Health and Human Services and its Health Care Financing Administration [HCFA]. Any increase in the Federal minimum wage may affect the nursing home industry in different ways, depending on the State involved. Therefore, it is important that the added costs of the minimum wage increase be taken into account by States when determining an appropriate Medicaid reimbursement rate for nursing homes.

Mr. DOLE. I would like to note that it is my belief that current language in section 1902(a)(13) of the Social Security Act requires as a general matter that States take into account the costs that nursing homes must incur to provide care and services mandated by Federal law. Although the Fair Labor Standards Act is not referred to specifically in that provision, there should be little doubt that a change in the minimum wage would fall within its scope. I think we want to ensure that States do take into account changes in the Fair Labor Standards Act relative to Medicaid reimbursement.

Mr. MITCHELL. The nursing home industry is on record as supporting an increase in the minimum wage, but they have requested that we recognize the special burden on its industry, where reimbursable costs are extensively regulated. Major nursing home reform passed Congress in 1987 as part of the Omnibus Budget Reconciliation Act [OBRA], Public Law 100-203. This act required significant changes in staffing and training requirements, quality of care, patient services, and enforcement of new nursing home standards, at an estimated cost of $1.73 billion over 5 years. Because Congress was concerned about the ability of the nursing home industry to absorb costs of this magnitude, special language was included to ensure that the Medicaid reimbursement systems of the States were altered to cover these costs. Just as care was taken to ensure that the Medicaid reimbursement system adequately accommodated the OBRA 1987 cost increases, I believe it is fair to do so in conjunction with a new minimum wage law. The increase in the minimum wage should be taken into account in plans submitted by States to HCFA.

Mr. HATCH. We are all well aware that States now are setting Medicaid rates, not on the basis of costs incurred by facilities in providing long-term care services, but rather on State budgetary constraints. A recent survey of nursing homes nationwide indicates that in half the States, a majority of facilities do not receive Medicaid rates that cover the actual cost of providing care to their Medicaid patients. This situation will only worsen if States are not held accountable for recognizing increased labor costs that facilities will incur under this new minimum wage law.

Mr. MITCHELL. I agree with my colleague from Utah and would like to note that it is realistic to expect that in conjunction with other economic factors, the minimum wage could shift the wage cost structure for nursing homes. Averaged out across 26,000 nursing homes this could amount to $40,759 to each nursing home. Averaged across the total U.S. population of patients in nursing homes, it could be a $659 increase in the annual cost of care.

Mr. DOLE. I think we agree that the States should adequately and appro-

priately take into consideration the increased burden on the nursing homes' costs and readjust their Medicaid reimbursement rates accordingly.

Mr. HATCH. I appreciate the comments of my colleagues from the Finance Committee, Senator MITCHELL and Senator DOLE, and hope that States comply with current law to ensure that Medicaid payments to nursing homes reflect higher minimum wage levels mandated in this bill.

Mr. DOLE. I thank my colleagues for this clarification.

Mr. ROCKEFELLER. Mr. President, I rise today in support of S. 837, the Minimum Wage Restoration Act.

Fifty years ago, when Congress first established a national minimum wage, we dedicated the Federal Government to an important basic principle—that the absolute minimum a worker should be paid should be no less than 50 percent of average hourly earnings. Though our economy has changed considerably in 50 years, Mr. President, simple economics has not. The value of the minimum wage has shrunk. Since the last increase in 1981, the purchasing power of the minimum wage has decreased 30 percent. The 1981 minimum wage of $3.35 an hour is worth only $2.60 in today's dollars. And most appalling to me, Mr. President, is that basic welfare benefits, which have not seen significant increases in many years, today provide greater cash income than does full time work at the minimum wage.

I contend that what was a good idea in 1938 remains a good idea today. And, despite our ever changing economy, Congress has repeatedly held to the principle that the minimum wage should be approximately one-half of the average hourly wage. We reaffirmed this commitment in 1949, in 1955, in 1961, in 1966, in 1974, and finally in 1977. Unfortunately, 11 years later, we find that the value of the minimum wage has decreased so much that it represents only 36 percent of average hourly earnings. The original 1938 minimum wage of 25 cents an hour represented a greater percentage of average hourly wages than $3.35 does today.

I have to ask opponents of this measure, "What has changed since 1977 that suddenly makes an increase in the minimum wage a flawed idea?" What has happened since the last increase in the minimum wage in 1981 to make this proposal taboo? I submit, Mr. President, that the Reagan administration has happened. With the coming of Reaganomics, what was once a laudable idea was suddenly condemned by the President as having "caused more misery and unemployment than anything since the Great Depression."

I find that assessment completely unsupportable.

In China, the hourly wage for textile workers is 12 cents an hour. In Taiwan, it's $1 an hour. Mr. President, in this country, the minimum wage has helped ensure that workers no longer have to labor dawn to dusk, 7 days a week, to make a living wage on which to raise a family. The minimum wage has meant an end to working under sweat shop conditions for slave wages. And while no one would suggest that the minimum wage itself has helped bring about prosperity and a higher standard of living for our people, it certainly has played a major role in helping millions of Americans to achieve that higher standard of living.

For those of my colleagues who have noted in the last week their experiences as janitors and others employed at the minimum wage, I ask, "Without the minimum wage, would it have been as easy for you to work your way through law school, or into a better job, or into your own business?" For millions of Americans out there, beyond the Potomac River and the bounds of the Capital Beltway, I believe the answer to that question is "No."

Over the past week, opponents of a minimum wage increase have told us that the poor are not working minimum wage jobs, that only teenagers of upper-income class families work minimum wage jobs, and how no one really believes family incomes actually depend on the minimum wage. In reality, however, the statistics paint a far different picture. Teens make up only one-fourth of those earning less than $4.55. Of a total of 15 million hourly workers making $4.55 an hour or less, nearly 4 million are heads of households, and over half of these are working full time heads of households.

In my State of West Virginia, where unemployment is already higher than the national average, and where many counties still experience 18, 19, and even 20 percent unemployment, the reality is that single parents, heads of households, sometimes even both parents and their teenage children are working minimum wage jobs to bring home the family bacon. Try going up to an out-of-work coal miner who has taken a minimum wage job and is working 8 hours a day at the local 7-11 to bring home an income for his family, and tell that individual all the reasons why we cannot increase the minimum wage. The reasons will not wash.

What we know of the statistics and the history of the minimum wage is that every time Congress has acted to raise the minimum wage, opponents have predicted doom and gloom and vastly increased unemployment. What has happened in reality, however, is that employment has actually increased slightly.

Opponents try to convince us that the minimum wage increases approved in 1977 are the sole cause of runaway inflation in the 1970's. Even a person with the most rudimentary understanding of economics knows our Nation's economy is much more complex than that and that a great number of issues came together to cause our economic problems. You cannot blame that on the minimum wage.

The statistics that I have seen on our economy today show that, as we come to the end of the Reagan era, inflation is already beginning to creep upward—and we have not had a minimum wage increase since 1981.

Even with my support for the minimum wage, I am willing to address the concerns of American business. West Virginia relies heavily on small businesses, especially, and I certainly have no desire to ignore their concerns. Amendments that have already been offered to increase tip credits, institute a training wage, or expand the subminimum wage for students are all worthy of the Senate's consideration if they will relieve the financial burden on employers.

Mr. President, every year we pass increase after increase in programs that provide income security to farmers, veterans, and older Americans. I am a member of the Finance Committee, which oversees Social Security, and of the Veterans' Affairs Committee, and I strongly support these increases, as do most of my colleagues in this body, because we have agreed that these are segments of our society that both need and deserve the extra income protection that these increases provide. But I have to ask, are the low- and middle-income wage earners—who have taken the brunt of Reagan era cuts—less entitled to some protection of their incomes? And what we are talking about here would mean absolutely no cost to the Treasury.

Mr. President, in the final analysis, this debate is not about statistics. It is about people, people who are trying to get a leg up, but cannot realistically be expected to succeed in doing so at $3.35 an hour, people who deserve the same commitment to a basic minimum wage rate that most Members of this body enjoyed when they were first entering the job market. In my estimation, $4.55 an hour is not too much to ask, especially when you consider that most of these hourly employers are already paying close to or even more than that amount.

For the most part, Mr. President, people making $3.35 an hour are not upper income kids who drive their parents' Corvette to work. If they are teenagers at all, then they are college students trying to work their way through college with less available financial aid from the Government than ever before. Or they are high school

students trying to save for college. More likely, though, they are heads of households who cannot find a job at better wages and are trying to provide for their families without going on welfare.

There is no good reason not to continue the same commitment to maintaining a Federal standard for wage stability that Congress has supported for 50 years. We should increase the minimum wage.

Mr. MATSUNAGA. Mr. President, I rise to add my voice in support of S. 837. It is clear that the time has come to increase the Federal minimum wage. The minimum wage has been stuck at $3.35 an hour for over 7 years, while the cost of living has risen more than 29 percent. This disparity has resulted in a situation where a worker who is employed full-time at a minimum wage job earns less that $7,000 a year. An income of $7,000 is less than three-fourths of the amount necessary to lift a family of three out of poverty. I believe that we must maintain the principle of the original Fair Labor Standards Act to establish a wage floor which enables full-time wage earners to live in health and decency.

Mr. President, aside from pure fairness, payment of a living wage makes strong economic sense. There are broad socioeconomic benefits that come with better pay, such as less welfare dependency and greater family stability. If we are to meet the fundamental challenge of improving the quality of our work force, we simply must begin to invest in human resources to a greater degree than hitherto. In my judgment, the legislation under consideration is a reasonable and very modest effort to do just that.

The fact of the matter is that after nearly 8 years of relative neglect by the Reagan administration, human resource problems in this country have festered. The number of Americans who work and live in poverty has grown at an alarming rate. Poverty among young families now exceeds 30 percent, and nearly one-half of all children living in young families are poor. While the reasons for growing poverty are complex, there can be no question that the decline in wages, made possible in part by the dramatic decline in the real value of the minimum wage since 1981, has been a significant factor. Most of the working poor have earnings at or near the minimum wage.

The administration tries to gloss over these facts by citing substantial growth in the number of new jobs during the last 8 years. But, as the President's own Commission on Competitiveness concluded several years ago, job growth means little if it is not accompanied by the kind of human resource investment that is conducive to improving economic productivity. The reality is that we have created new jobs without providing the requisite investment in the tools and incentives to make the productivity of our work force a competitive advantage. In point of fact, U.S. productivity growth has lagged during recent years, relative to other developed countries.

Mr. President, we have heard opponents of this modest legislation argue that an increase in the Federal minimum wage will result in substantial job losses. But the preponderance of evidence does not support this claim. A number of recent studies conclude that a minimum wage increase will not cause inflation or limit new jobs because far fewer workers will be affected than has been supposed. One important reason is that previous studies which predicted substantial job losses included in their analysis States that already have raised minimum wages above the Federal minimum. There are 10 such States, including my own State of Hawaii. It is significant that unemployment has declined or remained stable in 9 of the 10 States which have raised minimum wages above the Federal minimum.

Opponents of this legislation have also argued that an increase in the Federal minimum wage will hurt U.S. competitiveness on global trade competition, due to an alleged inflationary effect. This contention is devoid of merit. As Peter Drucker and other noted amendment experts emphasize, wage levels for blue-collar workers are rapidly becoming irrelevant in world competition. It is productivity and quality, factors which are the derivatives of managerial competence, which have become the decisive factors. Make no mistake about it, Mr. President—competition in global trade will be increasingly based, not on wage differentials, but on superior productivity, technology and design innovation, as well as marketing.

Mr. President, in closing, I urge my colleagues to support legislation to increase the minimum wage. S. 837 is fair and procompetitiveness, and we should enact it this year.

Mr. SYMMS addressed the Chair.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. SYMMS. Madam President, I first compliment the Senator from Utah for his efforts in trying to make the best of a bad situation. I think of the things that are issues that should be dealt with in this country such as the drug problem, and yet we seem to have a reluctance to bring in a drug bill that would give the death penalty to drug kingpins, that would make it more difficult for people to sell drugs and make drugs available to the young people in this country. We slow our feet on that.

We have judges who are waiting—39 judges is my understanding—to be sent out to work in this country in the court system. The courts are backed up. Litigants are backed up all across this country. In 39 districts in this country there is a necessity for another judge. It is amazing to me we can spend our time on something such as the minimum wage law which in this Senator's opinion is pure politics. The reality is that raising the minimum wage is not going to help the people it is said it will help but, as a matter of fact, will only cause more unemployment, will take away the opportunity for some people to reach that first rung of the ladder. Yet we tie up the Senate's time, time and time again.

The distinguished Senator from Utah, for whom I have the greatest respect, is one Senator who does understand that 2 and 2 equals 4, not 22, who does understand the economic realities. Throughout history people who have tried to repeal the law of supply and demand in the name of humanitarian good normally end up doing more harm than they do good.

So now we have a situation where we are trying to work out some kind of compromise in which we might only raise the minimum wage a little bit less than is being requested by the distinguished Senator from Massachusetts and the majority on the Labor Committee, in exchange for some kind of a differential laid out between youth and others.

I have to say that I would vote for any amendment that makes the bill less harmful for those people at the lower rung of the ladder; I would probably vote for those substitutes, but we should nevertheless continue to make the case of why raise the minimum wage at all? Why raise it at all?

The editorial pages of American newspapers, the reports from scholars, the analyses of Government departments, all say that raising the minimum wage will cause a loss of jobs, will hurt young people and minorities more than any other group and will not accomplish what the proponents say.

If that is the case, one would think this proposition should be deader than a doornail, but that is not the case. As the Senator said yesterday—and I impugn no one's motives for this—this is the way that the labor bosses can get back something from all the money they invested in the past elections, and what they want to get is the opportunity, the power to be able to ratchet up contracts all across the country for people who are not working below the minimum wage. And that will be done at the expense of those people who do not have jobs, who are underskilled, undereducated, and unfortunately in many cases undermotivated because of their environment. What they need more than anything else is an opportunity to get into the mainstream of the job market.

So in spite of the fact that all rational logic tells you that this proposition should be deader than a doornail, it is not. It is still alive and well and kicking on a Friday afternoon in the waning days of the second session of the 100th Congress.

I agree with Senator DOLE. I hope some profiles in courage will be restored on Monday or Tuesday or Wednesday, whenever it might be. Maybe more sense and more enlightenment could be seen and our colleagues will continue to vote against cloture on this proposition until we get a reasonable compromise worked out between those of us who oppose the proposition entirely and those who are pushing at the expense of those people who do not have jobs, because the fact is that the driving force behind this issue is not reality; it is not humanitarianism; it is politics.

It was recently spelled out very clearly, Madam President, by Mr. Robert Samuelson, a noted economist, when he said that most minimum wage workers are not from poor families. That is the first thing. I made that point yesterday in my brief remarks on the floor. The fact is that most minimum wage workers are not members of poor families. In fact, 70 percent come from families with incomes of 50 percent or more above the poverty line.

Only 19 percent of the minimum wage workers come from families below the poverty line and most minimum wage jobs are not held by heads of families but about two-thirds are held by young and single workers who are still part of their nuclear family unit. This may be in many cases the first job they have ever had and the best opportunity they have ever had to be able to move forward in the income stream and to learn the dignity of work and learn the discipline that goes with work and learn they can have the same opportunities of higher paying jobs that others in America have.

Those points bring me to want to refer to an article that was written by Ralph Smeed in the Idaho Press-Tribune about the minimum wage, Madam President.

The article points out something—I want to quote a few points from it because I think it is interesting—

If you've ever watched the way food items, burgers for instance, are put together at a fast-food outlet, you know it is pretty mechanical; that is, the same movements are repeated over and over as the product is assembled and sold. It's minimum wage, rote-type work—ideal for teenagers.

Well, researchers at a univeristy in Wisconsin are developing a robot that may someday be capable of replacing the kids on the fast-food line. It's just a matter of when, not if. Burger King, for example, already has automatic broilers that eliminate burger flippers.

Anyway, you can bet that if the minimum wage is raised very much, if at all, there will be a mad scramble by companies to replace those higher-priced kids with computers and robots that are basically one-time expenses.

Madam President, this is back to the point that I was making that minimum wage jobs are not typically held by heads of families. About two-thirds are held by young and single workers. Most workers do not get stuck with minimum wage jobs. Two-thirds are part-time jobs. Since 1980, the proportion of workers receiving the minimum wage has fallen from 11 percent to 4 percent. The proposed minimum wage increases will result in the loss of jobs.

I say that again. Minimum wage increases always result in the loss of jobs for those people at the lowest rung of the ladder. There are better ways to help the poor. One of those ways is what we did in 1986. That was if they do not make above a certain amount of money they are not required to pay Federal income taxes. That is a much better way to try to help them. Probably an earned income tax credit would also be a better way. But these facts clearly show that the minimum wage doctors here are trying to operate on the wrong patient. That is what it really shows. People who think they can solve the economic problems by doing some surgery on the minimum wage are operating on the wrong patient.

What needs to be done is to continue to let the economy grow, help the economy grow, and keep the Government out of the way as much as possible, keep tax rates at the lowest possible level, allow employers to hire more people to work for them, and provide more opportunities for more people to work.

Keep this in mind. Youth unemployment is at its lowest level since the 1970's. Black teen unemployment is at the lowest level since it was separately tracked in 1972.

I am not saying that those levels are not still unacceptably high but I think in this world we live in we always have to ask, compared to what?—13.6 percent for all teenagers, and 28 percent for black teenagers are still at levels which, if applied to the adult population, would give rise to calls for emergency action to deal with the crisis.

So what is the congressional response? That is the question. I think if someone were looking in on Congress, after having been asleep for some 100 years, to see what Congress was doing, they looked at Congress' current effort to pass legislation that will increase youth unemployment, they would think we were crazy. They would say, "you mean you have overall youth unemployment of 13.6 percent and you are preparing to pass legislation which would increase unemployment for young people in this country?" They would say what in the world has Congress done, taking leave from its senses?

I said that the 100th Congress will probably go down in history as one for which some historians will question the sensibilities, and rightfully so because of the legislation that we have passed or we have failed to pass and is more urgently needed at this time. But for this Congress to be passing legislation which should properly be called the Youth Unemployment Act of 1988—that would be a better name for this legislation than whatever the name is on it. It would be closer to truth in labeling. Of course Congress is known for the fact that Congress does not normally apply the laws it passes for the American people to Congress. Certainly we do not apply truth in labeling to the legislation we pass because the effects of raising the minimum wage law are clear, and simply bad. It is going to increase youth unemployment in the United States of America.

So the proper name for this should be another one of the 100th Congress' masterpieces, to increase unemployment for the youth of America. That is really what this is all about.

Madam President, I can go on and on here. But I am reminded of one of my favorite books, "The Law," by Frederic Bastiat, and I want for the RECORD to give a couple of quotes from Mr. Bastiat. He was a French economist and philosopher. Frederic Bastiat, 1801-1850, was a French statesman and author. He did most of his writing during the years just before and immediately following the revolution in February 1848. This was the period when France was rapidly turning to complete socialism.

As a deputy to the legislative assembly, Mr. Bastiat was studying and explaining each Socialist fallacy as it appeared, and he explained how socialism must inevitably degenerate into communism, but most of his countrymen chose to ignore the logic.

This little book was first printed in the United States in 1950 when it was 100 years old. The book, "The Law," was translated by Dean Russell, of the Foundation for Economic Education in Irvington, NY, and his objective was an accurate rendering of Mr. Bastiat's words and ideas into 20th century English. I want to quote one paragraph.

Life, liberty, and property do not exist because men have made laws. On the contrary, it was the fact that life, liberty, and property existed beforehand that caused men to make the laws in the first place. What then is the law? It is the collective organization of individual rights to lawful defense.

So we have a system in this country that is protected by the Constitution. We have a system of law. But somehow politics creeps in and violates the laws of reason. What is good politics 2

or 3 weeks before an election, what may have the ring of good politics as being humanitarian, has exactly the opposite impact. Bastiat describes this as—

The law perverted and the police powers of the state perverted along with it. The law, I say, not only turned from its proper purpose but made to follow on an entirely contrary purpose. The law becomes a weapon of every kind of greed. Instead of checking crime, the law itself is guilty of evils it is supposed to punish. If this is true, it is a serious fact, and the moral duty requires me to call the attention of my fellow citizens to it.

That is the way Mr. Bastiat started his book. That was his opening paragraph. It is so applicable to what is happening here today when Congress proposes to decide arbitrarily for two citizens in this country: one who wants a job, and one who needs someone to work for him. They agree that they will voluntarily accept that employment for a certain wage, but the Government is made to intervene and supposedly make things better.

So then the Government intervenes to somehow set the wage—at a rate that is too high for the employer to give the person the job. So what happens is the employer either finds a machine to take the worker's place, or he does not hire anyone. He does the work himself, or he has some current employees work a little bit longer. He cannot take the extra effort to give that worker the opportunity to enter the job market, and to make that first step up the long line of the ladder.

(Mr. ADAMS assumed the chair.)

Mr. SYMMS. The fact of the matter is, during the time of the industrial revolution here in the United States, one of the greatest expansions of economic growth in the history of mankind was taking place here in this country with the greatest opportunities. Most immigrants came to this country and literally worked themselves up out of the ghetto. There was no minimum wage law interfering with their opportunities to work their way up the economic ladder. Oftentimes the whole family worked, a father worked for 20 cents an hour, a mother worked for 10 cents an hour, and the children worked for 5 cents an hour. They pooled their resources. And in example after example, a very short time from the time that they had left Europe and come to the United States these families had become professional engineers, lawyers, doctors, educators, coming from the children and grandchildren of that family. They did it without the interference and the intervention of the Government.

One of the reasons we are spared today from the folly of some of the legislative process and the great damage it might do, or that it does, and we often do not realize how bad it is, because there is enough freedom and enough private ownership—enough capitalism—to offset the folly of Congress trying to use the law to protect certain special interests. The callous disregard for the rest of our society by those groups who are willing to get a law passed that they can use to lever higher labor contracts, or whatever it may be, amazes me. They just go back and show their people they got this law passed at the expense of another group of people who are least able to fight off the competition of machines or the competition from other forces, and that's all they want.

We should go back and think again what happens to the young person who might be able to get a job today, whether it be sweeping out a drugstore in Wenatchee, WA, or working at a McDonald's restaurant in Sanduski, OH, or somewhere in Idaho, for a minimum-level entry wage. It would be the first job in many cases that young person had and the first opportunity to earn money. But, small as it may be, it would be an opportunity to earn money on their own. But, small as it may be, it would be an opportunity for them to enter the job market.

That is the difference—the ideological benchmark as to what the myths and realities are of this legislation. The purpose of this legislation, in my view, is only politics. Most of the arguments to increase minimum wage have never risen above the lowest level of rhetoric.

The purpose of this legislation, supposedly, is "to restore the full measure of dignity to all minimum wage workers in America." That is what it says. But how raising the minimum wage accomplishes this has never been made clear.

There are several rigid ideological benchmarks that must be met. First, the minimum wage must be at least as high as the poverty level; second, it must be at least half the level of average wages, and third, keep pace with inflation.

I suggested that maybe we should have an amendment here. The other day, I suggested on the floor that half of the average income in the country would be $8.80 an hour. Why do we not raise it to that, if we want to be humanitarian? The distinguished chairman of the committee, the Senator from Massachusetts, said that is an insult to the intelligence of the Senate. If that is an insult to the intelligence of the Senate, then all of this legislation is an insult to the intelligence of the Senate.

The point being missed here is that this legislation should be called the Youth Unemployment Act of 1988, because that is exactly the impact it will have. That drugstore owner in Wenatchee, WA, if he has to pay someone $4.55 an hour to sweep out the store, will probably decide to sweep it out himself. If he is going to sweep the drugstore out himself, he will not hire the young person who might have had an opportunity to get the job.

Mr. President, there are still many more things in many areas that I would like to discuss with respect to this legislation—the poverty myth which I have already mentioned. I believe that some 70 percent of the people who take minimum-wage jobs come from families of 50 percent or more above the poverty line; only 19 percent of people from families below the poverty line. Most minimum-wage jobs are not held by heads of families; about two-thirds are held by young and single workers.

These arguments have all been made before. They have been tested throughout history by trial and error. It is very interesting that those countries that have left people free, the most free, to operate and to own property, and let the Government just be a referee, to try to keep one special-interest group from taking advantage of another, have had the best success toward doing the most to abolish poverty and sickness and turn the lights on where it was dark and expand better transportation for their people and better opportunities in education and a better quality of life for all people.

The United States of America has done rather well at this. When we compare the quality of life of Americans with others around the world, particularly those who live in countries that do not have minimum wage laws but instead have maximum wage laws and laws to control everything—the time to go to work and whom to work for.

I think that the real question that should be asked here today is, why this legislation at all? In the midst of this economic expansion in the United States for the 70th-plus month, 17 million new jobs, better opportunities for young people to get jobs today than any other time in history, why are we even tying up the time of the Senate with this unimportant issue when we do have problems such as the courts being overcrowded, backed up litigation cases, and the U.S. Senate will not act to confirm the judges that have been nominated by the President. It is pure politics.

I know what it is. They are waiting to see if next year maybe they can appoint some liberals back to the court instead of some of the conservatives who are anticrime, who are going to be tough law and order judges. Maybe the majority party here in the Senate does not want them to get on the court because they would rather have people who do not believe in the death penalty, who do not believe in putting criminals behind bars and leaving them there without furloughs, and so forth.

SENATOR STAFFORD'S RETIREMENT

Mr. SYMMS. Mr. President, I see the distinguished senior Senator from Vermont is on the floor and is ready to seek recognition.

I might just say before I yield the floor what a personal privilege it has been for this Senator to have worked with BOB STAFFORD on the Environment and Public Works Committee for these last 7½, now almost 8 years.

I have known Senator STAFFORD previous to that when I was a Member of the House. I have had the opportunity to work with him on many, many matters of importance to my State. I have appreciated his consideration, his thoughtfulness with respect particularly to the highway program that has such a big impact in the West and all across this country and the contribution he has made to that.

He will be missed, but I wish him well. I wish him every success in his retirement. I am sure he will still be a very active person not only here in Washington but back in his State of Vermont.

We had the privilege in the Public Works Committee this morning to present our chairman emeritus, our former chairman, with a timepiece. I believe it also had a barometer for him to take on his boat in the Chesapeake Bay.

I would suggest that we could set up a reception for him on that boat at his choice of time in Lewiston, ID. That is the highest port up the Columbia River system. All he has to do is go down through the canal in Panama and up the coast, come to Lewiston, and we will have the welcoming committee out for him. We would like to see him come there, and Senator CHAFEE will even fly out to join me in that event.

On that point, Mr. President, I yield the floor.

ORDER OF PROCEDURE

The PRESIDING OFFICER. The Senator from Vermont.

Mr. STAFFORD. Mr. President, I ask unanimous consent that I may be allowed to proceed as in morning business for not to exceed 8 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Vermont is recognized for 8 minutes.

THANKS

Mr. STAFFORD. Mr. President, first of all I want to thank the very gracious Senator for his very kind remarks. It has been a great pleasure through the years to work with the Senator and I shall miss the association a great deal. And if my boat is seaworthy enough, the Senator from Vermont may attempt to get to Idaho with it. We will have to check on that.

ATMOSPHERIC CONTAMINATION—IX

Mr. STAFFORD. Mr. President, this is the ninth in a series of short speeches of which there will be 16 altogether concerning atmospheric contamination.

Scientists know that 250 years ago, the concentration of methane in the atmosphere was seven-tenths of a part per million. It now stands at 1.7 parts per million, the highest level in at least 150,000 years, and possibly longer.

This is bad news for several reasons. First, methane is a greenhouse gas and additional methane in the atmosphere speeds up the global warming trend. Additionally, methane may also play a part in the destruction of the ozone layer in the stratosphere that protects us from radiation from the sun.

The increase in the methane concentrations has been documented by analyses of ice core samples taken close to the North Pole in the Soviet Union. The increase in the last 250 years is probably due to population growth.

But the amount of methane that can be added to the atmosphere by human population growth, together with all the assorted herds of sheep and cattle and carefully tilled land, is microscopic when compared to the amounts that could be released all at once.

Each year for the last few hundred million years, at least, nature has laid aside a small fraction of biological activity as vegetable matter. This is stored in the frigid slopes of arctic tundra and other places, much like our reserves of coal, oil, and natural gas.

Some scientists now fear that the Earth is on the verge of becoming so warm that the tundra will thaw and release the stored methane over a span of only 50 or 100 years. Release of the methane at that rate would accelerate the global warming trend just as we have done by our rate of burning our coal, oil, and gas reserves.

That rate of release of methane may also play a role in the destruction of the ozone layer in the stratosphere for methane is converted into water after it rises slowly into the stratosphere. That water can provide a means for the formation of the polar stratospheric clouds that have been a catalyst in the runaway destruction of the ozone layer at the Antarctic in the stratosphere.

It would be just another example of the way we have been surprised by the unexpected in nature and in the kinds of interactions that result from atmospheric contamination.

Carbon monoxide, for example, is not usually thought of as a global climate change pollutant. It is a clear, odorless gas emitted mostly from cars and trucks. It is usually converted to carbon dioxide within minutes of leaving the tailpipe. But it is linked to climate change in an indirect manner.

The air abounds with a chemical called the hydroxyl radical, which reacts with a wide variety of other pollutants. It scavenges methane, for example, and also plays a part in the formation of acid rain.

The hydroxyl radical reacts more readily with carbon monoxide than with any of these other pollutants.

So, when carbon monoxide concentrations increase—as they have been doing as far away as the Antarctic—the series of chemical reactions which holds methane, acid rain, and smog in check is upset in a very way difficult to predict.

Scientists admit they are confounded by the atmospheric chemistry that incorporates more than 200 reactions just to convert sulphur into sulfuric acid. Thus, they have great concern over the possible reactions that could result from increased releases of methane and carbon monoxide into our global atmosphere.

Some scientists believe that methane has started to be released from the frigid Arctic already, but we will not know for sure about that for some years to come. That is not the case with carbon monoxide. Every day the volume of carbon monoxide that is released into the atmosphere of the globe grows greater.

Once again we humans are at a point of decision about whether we will attempt to control the releases of these pollutants or whether we want to gamble with the consequences of inaction.

Monday, I will discuss the two principal sources of carbon dioxide and virtually all other air pollutants as well. I refer, of course, to the automobile and the electric powerplant.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. CHAFEE. Mr. President, I ask unanimous consent to proceed as in morning business for not exceeding 10 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator is recognized for 10 minutes.

MIDEAST ARMS SALES

Mr. CHAFEE. Mr. President, last month, I prepared a statement on American security policy in the Middle East. Unfortunately, I was unable to deliver it before we recessed for the Labor Day break. Because of the important nature of this subject, I will say now what I was prepared to say then.

I rise to express my dismay over Saudi Arabia's completely understand-

able decision this summer to purchase an estimated $30 billion in arms from Great Britain.

I believe we must maintain a close relationship with Israel and ensure its security. I also believe that it is to our benefit to maintain friendly relations with our moderate Arab allies, such as Saudi Arabia and Jordan.

Saudi Arabia has made substantial contributions to the successful effort to bring about a cease-fire in the Iran-Iraq war. Saudi actions and Saudi equipment helps protect American lives in the Persian Gulf. The United States-Saudi relationship is an extremely important one.

And, to quote a July 11 New York Times article, "the kind of military cooperation we have had with Saudi Arabia is one of the bedrocks of our political relationship with that country."

In that vein, the eventual approval of the hotly contested arms sales to Saudi Arabia in past years was critical for three reasons. First, the Saudis face a clear threat from the radical, militaristic fundamentalism of Khomeini's Iran. This threat will undoubtedly grow as Iran's attention is increasingly diverted from its chief enemy of the last 8 years, Iraq. I believe we must back up Saudi Arabia, one of the region's strongest pro-Western countries, as it confronts Iran's violent fundamentalism.

Second, United States interests in the Persian Gulf, particularly the flow of oil to the West, mean we must have continued United States-Saudi cooperation on defense matters.

Finally, we must recognize our role as a superpower attempting to bring about stability in the Middle East. Our relationship with Saudi Arabia allows us to work with both Arabs and Israelis, and to push for the peace everyone so desires.

During a January visit to the Middle East and to the Persian Gulf, I saw first-hand how the Saudis are using AWACS and other weapons they have purchased from us in the past. They are using them to protect their country from attacks by both Iran and Iraq. They are using them to patrol the southeastern portion of the Persian Gulf, where the U.S. forces do not have adequate early warning coverage. The Saudi AWACS, purchased from the United States in 1981, have saved American lives. And no one will argue with that statement.

Nevertheless, when it came time to make a major purchase this year of more arms, the Saudis were understandably reluctant to endure a repeat performance of the humiliating 1978, 1981, and 1986 United States congressional debates.

In May 1978, the United States wished to sell and the Saudis wished to buy 60 F-15 fighters. Despite the Carter administration's assurances to Congress that these F-15's would not be equipped for air-to-ground combat and would not be stationed near Israel, it took a mammoth effort on behalf of the administration and on behalf of those of us who supported the sale to obtain approval of that sale in the United States Senate by a vote of 54 to 44. Ten votes separated that.

In October 1981, the Reagan administration sought to sell to the Saudis an arms package that included five Boeing E-3A AWACS aircraft. Although the President provided Congress with similar assurances as in 1978, the House of Representatives resoundingly passed a resolution disapproving the sale. Again, the administration was required to stage an all-out effort, and the AWACS sale squeaked by in the Senate, 52 to 48.

In February 1984, the President sent a proposal to Congress to sell 1,200 Stinger missiles and 400 launchers to Saudi Arabia. Members of Congress voiced their staunch opposition to the sale in letters to the President, and the administration withdrew the proposal a month later.

The Saudis clearly indicated that they were losing faith in the United States and were deeply distressed by the prolonged battles for the permission to buy—they wanted to buy; they did not want gifts, they did not want grants, they wanted to buy—arms from our Nation. In September 1985, the warning signs became clearer. In September 1985, it was revealed that the Saudis had purchased 64 Tornado fighter aircraft from Great Britain for $7 billion.

In the spring of 1986, the administration proposed to sell the Saudis 1,700 Sidewinder, Harpoon, and Stinger missiles. Again, this proposal ran into a hailstorm of opposition from Congress. Although the President removed the Stingers from the package, both branches voted to disapprove the sale. The President's veto of the resolution of disapproval, which thus allowed the sale to go forward was sustained in the Senate by a 1-vote margin. Thirty-four Senators voted to sustain the President's veto; 66 voted to override the President's veto. So by a 1-vote margin, the President's veto of that resolution of disapproval was sustained.

In May 1987, the President notified Congress of plans to sell to the Saudis 1,600 advanced Maverick missiles. This announcement again brought forth a violent reaction from Congress—64 Senators and 217 Representatives wrote to the administration voicing their objection. The administration heeded this overwhelming mandate and withdrew the proposal. A compromise arms package, sent to Congress in October, dropped the Maverick missiles.

This rebuff was the last straw. This year, Saudi Arabia instead found a willing arms supplier in Great Britain. The July 11, New York Times article quoted a Saudi official as saying, "We would prefer to buy weapons from the United States. American technology is generally superior. But we are not going to pay billions of dollars to be insulted. We are not masochists."

Now I ask, is the situation in the Middle East any more stable? Is Israel any safer? Are we any better off for having driven Saudi Arabia into the arms of Great Britain?

Thirty billion dollars' worth of sophisticated weaponry will soon find its way to the Persian Gulf region in spite of anything the United States Congress may say or do—and furthermore, the United States will have zero influence over how these British-built weapons are used. When the United States sold arms to the Saudis, restrictions were imposed on basing and capabilities of the weapons. That will no longer be true.

Have we fostered cooperation and strengthened our ties to countries that represent moderate forces in what is now the tinderbox of the world, the Persian Gulf area in the Middle East? Clearly, we have not.

I do not think losing out on 30 billion dollars' worth of business is exactly good for American jobs and American companies. Imagine, $30 billion. Each billion dollars in exports creates 25,000 American jobs. By tossing aside 30 billion dollars' worth of arms sales, we have lost 750,000 jobs.

Mr. President, I submit that the way we have treated our important ally, Saudi Arabia, in these arms sales has brought less stability to the Middle East, was injurious to the best interest of Israel, was harmful and will continue to be harmful to United States influence in the area, has and will cost the United States jobs, and all in all was disastrous.

The United States has been the big loser in this, Mr. President.

The PRESIDING OFFICER. The time of the Senator from Rhode Island has expired.

Mr. CHAFEE. I thank the Chair.

The PRESIDING OFFICER. The majority leader.

PROMPT PAYMENT ACT AMENDMENTS

Mr. BYRD. Mr. President, the request I make is agreeable to the Republican leader.

I ask that the Chair lay before the Senate a message from the House of Representatives on S. 328.

The PRESIDING OFFICER laid before the Senate the following message from the House of Representatives:

Resolved, That the bill from the Senate (S. 328) entitled "An Act to amend chapter 39 of title 31, United States Code, to require the Federal Government to pay interest on

overdue payments, and for other purposes", do pass with the following amendment:

Strike out all after the enacting clause and insert:

SHORT TITLE

SECTION 1. This Act may be cited as the "Prompt Payment Act Amendments of 1988".

DEFINITIONS AND APPLICATION

SEC. 2. (a) Section 3901(a)(4) of title 31, United States Code, is amended to read as follows:

"(4) for the purposes of determining a payment due date and the date upon which any late payment interest penalty shall begin to accrue, the head of the agency is deemed to receive an invoice—

"(A) on the later of—

"(i) the date on which the place or person designated by the agency to first receive such invoice actually receives a proper invoice; or

"(ii) on the 7th day after the date on which, in accordance with the terms and conditions of the contract, the property is actually delivered or performance of the services is actually completed, as the case may be, unless—

"(I) the agency has actually accepted such property or services before such 7th day; or

"(II) the contract (except in the case of a contract for the procurement of a brand-name commercial item for authorized resale) specifies a longer acceptance period, as determined by the contracting officer to be required to afford the agency a practicable opportunity to inspect and test the property furnished or evaluate the services performed; or

"(B) on the date of the invoice, if the agency has failed to annotate the invoice with the date of receipt at the time of actual receipt by the place or person designated by the agency to first receive such invoice.".

(b) Section 3901(a)(5) of title 31, United States Code, is amended to read as follows:

"(5) a payment is deemed to be made on the date a check for payment is dated or an electronic fund transfer is made.".

(c)(1) Section 3901 of such title is further amended by adding at the end the following new subsection:

"(c) This chapter, except section 3907 of this title, applies to the United States Postal Service. However, the Postmaster General shall be responsible for issuing the implementing procurement regulations, solicitation provisions, and contract clauses for the United States Postal Service.".

(2) Section 410(b) of title 39, United States Code, is amended by inserting after paragraph (8) the following new paragraph:

"(9) Chapter 39 of title 31.".

INTEREST PENALTIES: ELIMINATION OF GRACE PERIODS; INCREASED PENALTIES; OBLIGATION TO PAY PENALTIES

SEC. 3. (a)(1) Section 3902(a) of title 31, United States Code, is amended by striking the second and third sentences thereof and inserting the following: "The interest shall be computed at the rate of interest established by the Secretary of the Treasury, and published in the Federal Register, for interest payments under section 12 of the Contract Disputes Act of 1978 (41 U.S.C. 611), which is in effect at the time the agency accrues the obligation to pay a late payment interest penalty.".

(2) Section 3902(b) of title 31, United States Code, is amended by striking out the second sentence.

(b) Section 3902 of such title is further amended by redesignating subsections (c) through (e) as subsections (e) through (g), respectively, and by inserting after subsection (b) the following new subsections (c) and (d):

"(c)(1) A business concern shall be entitled to an interest penalty of $1.00 or more which is owed such business concern under this section, and such penalty shall be paid without regard to whether the business concern has requested payment of such penalty.

"(2) Each payment subject to this chapter for which a late payment interest penalty is required to be paid shall be accompanied by a notice stating the amount of the interest penalty included in such payment and the rate by which, and period for which, such penalty was computed.

"(3) If a business concern—

"(A) is owed an interest penalty by an agency;

"(B) is not paid the interest penalty in a payment made to the business concern by the agency on or after the date on which the interest penalty becomes due;

"(C) is not paid the interest penalty by the agency within 10 days after the date on which such payment is made; and

"(D) makes a written demand, not later than 40 days after the date on which such payment is made, that the agency pay such a penalty,

such business concern shall be entitled to an amount equal to the sum of the late payment interest penalty to which the contractor is entitled and an additional penalty equal to a percentage of such late payment interest penalty specified by regulation by the Director of the Office of Management and Budget, subject to such maximum as may be specified in such regulations.

"(d) The temporary unavailability of funds to make a timely payment due for property or services does not relieve the head of an agency from the obligation to pay interest penalties under this section.".

(c) Section 3902 (as amended in subsection (b) of this section) is further amended by adding at the end thereof the following new subsection:

"(h)(1) This section shall apply to contracts for the procurement of property or services entered into pursuant to section 4(h) of the Act of June 29, 1948 (15 U.S.C. 714b(h)).

"(2)(A) In the case of a payment to which producers on a farm are entitled under the terms of an agreement entered into under the Agricultural Act of 1949 (7 U.S.C. 1421 et seq.), an interest penalty shall be paid to the producers if the payment has not been made by the required payment or loan closing date. The interest penalty shall be paid—

"(i) on the amount of payment or loan due; and

"(ii) for the period beginning on the first day beginning after the required payment or loan closing date and ending on the date the amount is paid or loaned.

"(B) As used in this subsection, the 'required payment or loan closing date' means—

"(i) for a purchase agreement, the 30th day after delivery of the warehouse receipt for the commodity subject to the purchase agreement;

"(ii) for a loan agreement, the 30th day beginning after the date of application for such loan;

"(iii) for refund of amounts received greater than the amount required to repay a commodity loan, the first business day after the Commodity Credit Corporation receives payment for such loan;

"(iv) for land diversion payments (other than advance payments), the 30th day beginning after the date of completion of the production adjustment contract by the producer;

"(v) for an advance land diversion payment, 30 days after the date the Commodity Credit Corporation executes the contract with the producer;

"(vi) for a deficiency payment (other than advance payments) based upon a 12-month or 5-month period, 91 days after the end of such period; or

"(vii) for an advance deficiency payment, 30 days after the date the Commodity Credit Corporation executes the contract with the producer.

"(3) Payment of the interest penalty under this subsection shall be made out of funds available under section 8 of the Act of June 29, 1948 (15 U.S.C. 714f).

"(4) Section 3907 of this title shall not apply to interest penalty payments made under this subsection.".

PAYMENTS FOR DAIRY AND CERTAIN OTHER PRODUCTS

SEC. 4. Section 3903(4) of title 31, United States Code, is amended to read as follows:

"(4) for the acquisition of dairy products (as defined in section 111(e) of the Dairy Production Stabilization Act of 1983 (7 U.S.C. 4502(e)), the acquisition of edible fats or oils, and the acquisition of food products prepared from edible fats or oils, provide a required payment date of not later than 10 days after the date on which a proper invoice for the amount due has been received by the agency acquiring such dairy products, fats, oils, or food products;".

PERIODIC PAYMENTS UNDER PROPERTY AND SERVICE CONTRACTS

SEC. 5. Section 3903 of title 31, United States Code, is further amended—

(1) by redesignating paragraph (5) as paragraph (7); and

(2) by inserting after paragraph (4) the following:

"(5) require periodic payments, in the case of a property or service contract which does not prohibit periodic payments for partial deliveries or other contract performance during the contract period, upon—

"(A) submission of an invoice for property delivered or services performed during the contract period, if an invoice is required by the contract; and

"(B) either—

"(i) acceptance of the property or services by an employee of an agency authorized to accept the property or services; or

"(ii) the making of a determination by such an employee, that the performance covered by the payment conforms to the terms and conditions of the contract;".

INTEREST PENALTIES ON PROGRESS PAYMENTS AND RETAINED AMOUNTS UNDER CONSTRUCTION CONTRACTS

SEC. 6. Section 3903 of title 31, United States Code, is amended—

(1) by inserting "(a)" before "The Director";

(2) by inserting after paragraph (5) (as added by section 5) the following new paragraph:

"(6) in the case of a construction contract, provide for the payment of interest on—

"(A) a progress payment (including a monthly percentage-of-completion progress payment or milestone payments for completed phases, increments, or segments of any project) that is approved as payable by the agency pursuant to subsection (b) of this section and remains unpaid for—

"(i) a period of more than 14 days after receipt of the payment request by the place or

person designated by the agency to first receive such requests; or

"(ii) a longer period, specified in the solicitation, if required to afford the Government a practicable opportunity to adequately inspect the work and to determine the adequacy of the contractor's performance under the contract; and

"(B) any amounts which the agency has retained pursuant to a prime contract clause providing for retaining a percentage of progress payments otherwise due to a contractor and that are approved for release to the contractor, if such retained amounts are not paid to the contractor by a date specified in the contract or, in the absence of such a specified date, by the 30th day after final acceptance;"; and

(3) by adding at the end of such subsection the following new subsection:

"(b)(1) A payment request may not be approved under subsection (a)(6)(A) of this section unless the application for such payment includes—

"(A) substantiation of the amounts requested; and

"(B) a certification by the prime contractor, to the best of the contractor's knowledge and belief, that—

"(i) the amounts requested are only for performance in accordance with the specifications, terms, and conditions of the contract;

"(ii) payments to subcontractors and suppliers have been made from previous payments received under the contract, and timely payments will be made from the proceeds of the payment covered by the certification, in accordance with their subcontract agreements and the requirements of this chapter; and

"(iii) the application does not include any amounts which the prime contractor intends to withhold or retain from a subcontractor or supplier in accordance with the terms and conditions of their subcontract.

"(2) The agency shall return any such payment request which is defective to the contractor within 7 days after receipt, with a statement identifying the defect.

"(c)(1) The contracting officer shall—

"(A) compute the interest which a contractor shall be obligated to pay under sections 3905(a)(2) and 3905(e)(6) of this title on the basis of the average bond equivalent rates of 91-day Treasury bills auctioned at the most recent auction of such bills prior to the date the contractor received the unearned amount; and

"(B) deduct the interest amount determined under subparagraph (A) of this paragraph from the next available payment to the contractor.

"(2) Amounts deducted from payments to contractors under paragraph (1)(B) shall revert to the Treasury.".

ADDITIONAL REQUIREMENTS OF REGULATIONS

SEC. 7. Section 3903(a) of title 31, United States Code, is further amended by striking out paragraph (7), as redesignated by section 5, and inserting the following:

"(7) require that—

(A) each invoice be reviewed as soon as practicable after receipt for the purpose of determining that such an invoice is a proper invoice within the meaning of section 3901(a)(3) of this title;

"(B) any invoice determined not to be such a proper invoice suitable for payment shall be returned as soon as practicable, but not later than 7 days, after receipt, specifying the reasons that the invoice is not a proper invoice; and

"(C) the number of days available to an agency to make a timely payment of an invoice without incurring an interest penalty shall be reduced by the number of days by which an agency exceeds the requirements of subparagraph (B) of this paragraph;

"(8) permit an agency to make payment up to 7 days prior to the required payment date, or earlier as determined by the agency to be necessary on a case-by-case basis; and

"(9) prescribe the methods for computing interest under section 3903(c) of this title.".

LIMITATIONS ON DISCOUNT PAYMENTS

SEC. 8. Section 3904 of title 31, United States Code, is amended by inserting after the first sentence the following: "For the purpose of the preceding sentence, the specified time shall be determined from the date of the invoice.".

PAYMENT PROVISIONS RELATING TO CONSTRUCTION CONTRACTS

SEC. 9. (a) Chapter 39 of title 31, United States Code, is amended—

(1) by redesignating sections 3905 and 3906 as sections 3906 and 3907, respectively; and

(2) by inserting after section 3904 the following:

"§ 3905. Payment provisions relating to construction contracts

"(a) In the event that a contractor, after making a certified payment request to an agency pursuant to section 3903(b) of this title, discovers that a portion or all of such payment request constitutes a payment for performance by such contractor that fails to conform to the specifications, terms, and conditions of its contract (hereafter in this subsection referred to as the 'unearned amount'), then the contractor shall—

"(1) notify the agency of such performance deficiency; and

"(2) be obligated to pay the Government an amount equal to interest on the unearned amount (computed in the manner provided in section 3903(c) of this title), from the date of the contractor's receipt of such unearned amount until—

"(A) the date the contractor notifies the agency that the performance deficiency has been corrected; or

"(B) the date the contractor reduces the amount of any subsequent certified application for payment to such agency by an amount equal to the unearned amount.

"(b) Each construction contract awarded by an agency shall include a clause that requires the prime contractor to include in each subcontract for property or services entered into by the prime contractor and a subcontractor (including a material supplier) for the purpose of performing such construction contract—

"(1) a payment clause which obligates the prime contractor to pay the subcontractor for satisfactory performance under its subcontract within 7 days out of such amounts as are paid to the prime contractor by the agency under such contract; and

"(2) an interest penalty clause which obligates the prime contractor to pay to the subcontractor an interest penalty on amounts due in the case of each payment not made in accordance with the payment clause included in the subcontract pursuant to paragraph (1) of this subsection—

"(A) for the period beginning on the day after the required payment date and ending on the date on which payment of the amount due is made; and

"(B) computed at the rate specified by section 3902(a) of this title.

"(c) The construction contract awarded by the agency shall further require the prime contractor to include in each of its subcontracts (for the purpose of performance of such construction contract) a provision requiring the subcontractor to include a payment clause and an interest penalty clause conforming to the standards of subsection (b) of this section in each of its subcontracts and to require each of its subcontractors to include such clauses in their subcontracts with each lower-tier subcontractor or supplier.

"(d) The clauses required by subsections (b) and (c) of this section shall not be construed to impair the right of a prime contractor or a subcontractor at any tier to negotiate, and to include in their subcontract, provisions which—

"(1) permit the prime contractor or a subcontractor to retain (without cause) a specified percentage of each progress payment otherwise due to a subcontractor for satisfactory performance under the subcontract, without incurring any obligation to pay a late payment interest penalty, in accordance with terms and conditions agreed to by the parties to the subcontract, giving such recognition as the parties deem appropriate to the ability of a subcontractor to furnish a performance bond and a payment bond;

"(2) permit the contractor or subcontractor to make a determination that part or all of the subcontractor's request for payment may be withheld in accordance with the subcontract agreement; and

"(3) permit such withholding without incurring any obligation to pay a late payment penalty if—

"(A) a notice conforming to the standards of subsection (g) of this section has been previously furnished to the subcontractor; and

"(B) a copy of any notice issued by a prime contractor pursuant to subparagraph (A) of this paragraph has been furnished to the Government.

"(e) If a prime contractor, after making application to an agency for payment under a contract but before making a payment to a subcontractor for the subcontractor's performance covered by such application, discovers that all or a portion of the payment otherwise due such subcontractor is subject to withholding from the subcontractor in accordance with the subcontract agreement, then the prime contractor shall—

"(1) furnish to the subcontractor a notice conforming to the standards of subsection (g) of this section as soon as practicable upon ascertaining the cause giving rise to a withholding, but prior to the due date for subcontractor payment;

"(2) furnish to the Government, as soon as practicable, a copy of the notice furnished to the subcontractor pursuant to paragraph (1) of this subsection;

"(3) reduce the subcontractor's progress payment by an amount not to exceed the amount specified in the notice of withholding furnished under paragraph (1) of this subsection;

"(4) pay the subcontractor as soon as practicable after the correction of the identified subcontract performance deficiency, and—

"(A) make such payment within—

"(i) 7 days after correction of the identified subcontract performance deficiency (unless the funds therefor must be recovered from the Government because of a reduction under paragraph (5)(A)); or

"(ii) 7 days after the contractor recovers such funds from the Government; or

"(B) incur an obligation to pay a late payment interest penalty computed at the rate specified by section 3902(a) of this title;

"(5) notify the Government, upon—

"(A) reduction of the amount of any subsequent certified application for payment; or

"(B) payment to the subcontractor of any withheld amounts of a progress payment, specifying—

"(i) the amounts of the progress payments withheld under paragraph (1) of this subsection; and

"(ii) the dates that such withholding began and ended; and

"(6) be obligated to pay to the Government an amount equal to interest on the withheld payments (computed in the manner provided in section 3903(c) of this title), from the 8th day after receipt of the withheld amounts from the Government until—

"(A) the day the identified subcontractor performance deficiency is corrected; or

"(B) the date that any subsequent payment is reduced under paragraph (5)(A).

"(f)(1) If a prime contractor, after making payment to a first-tier subcontractor, receives from a supplier or subcontractor of the first-tier subcontractor (hereafter referred to as a 'second-tier subcontractor') a written notice in accordance with section 2 of the Act of August 24, 1935 (40 U.S.C. 270b), asserting a deficiency in such first-tier subcontractor's performance under the contract for which the prime contractor may be ultimately liable, and the prime contractor determines that all or a portion of future payments otherwise due such first-tier subcontractor is subject to withholding in accordance with the subcontract agreement, then the prime contractor may, without incurring an obligation to pay an interest penalty under subsection (e)(6) of this section—

"(A) furnish to the first-tier subcontractor a notice conforming to the standards of subsection (g) of this section as soon as practicable upon making such determination; and

"(B) withhold from the first-tier subcontractor's next available progress payment or payments an amount not to exceed the amount specified in the notice of withholding furnished under subparagraph (A) of this paragraph.

"(2) As soon as practicable, but not later than 7 days after receipt of satisfactory written notification that the identified subcontract performance deficiency has been corrected, the prime contractor shall pay the amount withheld under paragraph (1)(B) of this subsection to such first-tier subcontractor, or shall incur an obligation to pay a late payment interest penalty to such first-tier subcontractor computed at the rate specified by section 3902(a) of this title.

"(g) A written notice of any withholding shall be issued to a subcontractor (with a copy to the Government of any such notice issued by a prime contractor), specifying—

"(1) the amount to be withheld;

"(2) the specific causes for the withholding under the terms of the subcontract; and

"(3) the remedial actions to be taken by the subcontractor in order to receive payment of the amounts withheld.

"(h) A prime contractor may not request payment from the agency of any amount withheld or retained in accordance with subsection (d) of this section until such time as the prime contractor has determined and certified to the agency that the subcontractor is entitled to the payment of such amount.

"(i) A dispute between a contractor and subcontractor relating to the amount or entitlement of a subcontractor to a payment or a late payment interest penalty under a clause included in the subcontract pursuant to subsection (b) or (c) of this section does not constitute a dispute to which the United States is a party. The United States may not be interpleaded in any judicial or administrative proceeding involving such a dispute.

"(j) Except as provided in subsection (i) of this section, this section shall not limit or impair any contractual, administrative, or judicial remedies otherwise available to a contractor or a subcontractor in the event of a dispute involving late payment or nonpayment by a prime contractor or deficient subcontract performance or nonperformance by a subcontractor.

"(k) A contractor's obligation to pay an interest penalty to a subcontractor pursuant to the clauses included in a subcontract under subsection (b) or (c) of this section may not be construed to be an obligation of the United States for such interest penalty. A contract modification may not be made for the purpose of providing reimbursement of such interest penalty. A cost reimbursement claim may not include any amount for reimbursement of such interest penalty.".

(b) The table of sections at the beginning of such chapter is amended by striking out the items relating to sections 3905 and 3906 and inserting in lieu thereof the following:

"3905. Payment provisions relating to construction contracts.

"3906. Reports.

"3907. Relationship to other laws.".

REPORTS

SEC. 10. Section 3906(a) of title 31, United States Code (as redesignated by section 9(a)(1)), is amended to read as follows:

"(a)(1) By the 60th day after the end of the fiscal year, the head of each agency shall submit to the Director of the Office of Management and Budget a report on the agency's payment practices during that fiscal year, including a description of the extent to which those practices satisfy the requirements of this chapter.

"(2) In addition to such other information as may be required by the Director, the report required by paragraph (1) shall include—

"(A) the number, dollar value, and percentage of invoices for which interest or other late payment penalties were paid, the amount of such late payment interest and other penalties, and the reasons the interest penalties were not avoided by prompt payment; and

"(B) the number, dollar value, and percentage of invoices paid after the required payment date without payment of an interest penalty or other late payment penalty, and the reasons no obligation to pay such penalties was incurred with respect to such invoices or no amount for such penalties were included in the payments of such invoices.".

IMPLEMENTATION THROUGH THE FEDERAL ACQUISITION REGULATION

SEC. 11. (a) The Federal Acquisition Regulation shall be modified to provide appropriate solicitation provisions and contract clauses that implement chapter 39 of title 31, United States Code, as amended by this Act, and the regulations prescribed under section 3903 of such title (as amended).

(b) The solicitation provisions and contract clauses required by subsection (a) of this section shall include (but not be limited to) the following matters:

(1) Authority for a contracting officer to specify for a contract or class of contracts a specific payment period, which—

(A) in the case of payments for commercial items or services, is similar to the payment period or periods permitted in prevailing private industry contracting practices;

(B) in the case of payments for noncommercial items and services, does not exceed 30 days unless the circumstances of the procurement action is determined to require a longer period for payment and such determination is approved above the level of the contracting officer;

(C) in the case of payments for items of property or services in an amount less than the amount specified as a small purchase in section 303(g)(2) of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 253(g)(2)), does not exceed 15 days after the date of receipt of the invoice, if—

(i) the contract provides for such "fast payment" terms;

(ii) title to any property will vest in the Government upon delivery (including delivery to a common carrier); and

(iii) the business concern offers appropriate warranties to furnish property or services conforming to the requirements of the contract or purchase order, if payment will be due prior to acceptance of the items or services; and

(D) in the case of progress payments under construction contracts, does not exceed 14 days, unless the solicitation specifies a longer period which the contracting officer has determined is required to afford the Government a practicable opportunity to adequately inspect the work and to evaluate the adequacy of the contractor's performance under the contract.

(2) Requirements to make periodic payments, in the case of a property or service contract which does not prohibit periodic payments for partial deliveries or other contract performance during the contract period, upon—

(A) submission of an invoice for property delivered or services performed during the contract period, if an invoice is required by the contract; and

(B) either—

(i) acceptance of the property or services by an employee of the contracting agency authorized to accept the property or services; or

(ii) the making of a determination by such an employee, that the performance covered by the payment conforms to the terms and conditions of the contract.

(3) A conclusive presumption, exclusively for the purposes of determining when an agency becomes obligated to pay a late payment interest penalty (other than under construction contracts), that the Federal Government has accepted property or services by the 7th day after the date on which, in accordance with the terms and conditions of the contract, the property is delivered or final performance of the services is completed, unless the solicitation specifies a longer period which is determined by the contracting officer to be required to afford the agency a practicable opportunity to inspect and test the property furnished or evaluate the services performed.

(4) The limitation that the Federal Government may take a discount offered by a contractor for early payment by the Federal Government only in accordance with the time limits specified by the contractor, determined in accordance with the second sentence of section 3904 of title 31, United States Code.

(5) The requirements of section 3902(c) of title 31, United States Code.

(6) The requirements of section 3903(a)(6) of title 31, United States Code.

(7) The requirements of section 3905 of title 31, United States Code.

(c) The regulations required by subsection (a) of this section shall be published as proposed regulations for public comment as provided in section 22 of the Office of Federal Procurement Policy Act (41 U.S.C. 418b) within 120 days after the date of the enactment of this Act.

ASSISTANCE TO SMALL BUSINESS

SEC. 12. Section 15(k) of the Small Business Act (15 U.S.C. 644(k)) is amended by—

(1) renumbering paragraphs (5), (6), and (7) as paragraphs (6), (7), and (8), respectively; and

(2) by inserting after paragraph (4) the following new paragraph:

"(5) assist small business concerns to obtain payments, late payment interest penalties, or information due to such concerns, in conformity with chapter 39 of title 31, United States Code;".

CODIFICATION OF A DEFINITION PROVIDED IN AN APPROPRIATION LAW

SEC. 13. (a) Section 3903(a)(2) of title 31, United States Code, is amended by inserting "including any edible fresh or frozen poultry meat, any perishable poultry meat food product, fresh eggs, and any perishable egg product," after "182(3))),".

(b) Section 2002 of the Supplemental Appropriations Act, 1984 (Public Law 98-181; 97 Stat. 1297) is amended by striking out "the terms 'meat' and 'meat food products' as used in the Prompt Payment Act (Public Law 97-177; 96 Stat. 85) in section 2(a)(2)(B)(i) thereof shall include also edible fresh or frozen poultry meat, perishable poultry meat food products, fresh eggs and perishable egg products; and".

EFFECTIVE DATES

SEC. 14. (a) The amendments made by sections 2, 3(a), 4 through 9, 12, and 13 of this Act, shall apply to payments under contracts awarded, contracts renewed, and contract options exercised during or after the first fiscal quarter which begins more than 90 days after the date of the enactment of this Act.

(b) The requirements of section 3902(c)(2) of title 31, United States Code, as added by section 3(b) of this Act, shall apply to payments under contracts awarded on or after October 1, 1989.

(c) The amendments made by section 3(c) of this Act shall be applicable with respect to all obligations incurred on or after January 1, 1989.

(d) The amendment made by section 10 of this Act shall apply to the report required by section 3906 of title 31, United States Code, for each fiscal year beginning after September 30, 1988.

The PRESIDING OFFICER. The Senator from Tennessee.

Mr. SASSER. Mr. President, we are today taking the final steps toward sending S. 328, the Prompt Payment Act Amendments of 1987, to the President to be signed into law. Given the broad, bipartisan support for this bill—support which can best be described as overwhelming—I am confident that the President will sign this much needed legislation into law.

My colleagues will recall that I introduced S. 328 in January 1987 with some 55 cosponsors. The list of cosponsors on the bill eventually grew to 88. When taken up in the Senate in October of last year, S 328 was unanimously approved by a rollcall vote of 86 to 0. The bill enjoyed similar unanimous support in the House. The vote on final passage in the House last month was a resounding 394 to 0.

Mr. President, the impressive votes in both the Senate and House underscore our commitment to the basic principle behind the Prompt Payment Act—getting the Federal Government to pay its bills on time. For too long, foot-dragging on bill payment by Government agencies sent a very dangerous message to the business community, that the Federal Government simply was not a responsible business partner.

This shortcoming led to passage of the original Prompt Payment Act in 1982. And we did see some improvements in Government bill paying practices with passage of that measure.

However, the Prompt Payment Act has never quite lived up to its potential. Clever Government bureaucrats managed to find loopholes and ambiguities in the act to delay payment to business contractors.

The General Accounting Office studied the Government's compliance with the Prompt Payment Act in a 1986 report entitled, "Prompt Payment Act: Agencies Have Not Fully Achieved Available Benefits." The GAO found that nearly 25 percent of Government payments were still late. Moreover, GAO found that required interest penalties were seldom paid. Agency personnel routinely abused the so-called grace periods contained in the act, thereby delaying payment to vendors.

The list of abuses goes on and on, Mr. President. These shortcomings were underscored at the 1986 White House Conference on Small Business. Delegates to that conference ranked closing the loopholes in the Prompt Payment Act as one of their top priorities. A recommendation supporting corrective legislation was one of the final recommendations coming out of that conference.

The hearing record which we established on S. 328 both in the Senate Government Affairs Committee and in the House Government Operations Committee brought out testimony that again illustrated the abuses of the act and urged swift, remedial legislation. I would add, Mr. President, that testimony before both committees brought forth modifications to S. 328 which I believe greatly enhanced the bill.

As such, S. 328 goes very far in addressing the different short-comings in the Prompt Payment Act. The bill eliminates the various grace periods currently in the Prompt Payment Act. These grace periods were originally intended to provide transitional relief to Government agency in adjusting to the Prompt Payment Act. Unfortunately, Government bureaucrats abused these grace periods and used them to stretch out the period for timely payment on contracts. The elimination of these grace periods will help expedite such payments.

The bill also addresses the problem of nonpayment of interest penalties. My colleagues will recall that under the Prompt Payment Act, if a Government agency is late in paying its bill it must also pay an interest penalty. Yet, as I have noted very few of such interest penalty payments are being made. Indeed, the GAO report found that only 1 in 6 of such payments due is actually made.

To correct this problem, S. 328 entitles a contractor to an additional interest penalty payment prescribed by the Office of Management and Budget in such cases. I believe this will provide both the additional incentive and the necessary oversight for Government agencies to comply with the interest penalty provision already in the law.

My colleagues will recall that one of the major provisions in S. 328 deals with applying the provisions of the Prompt Payment Act to subcontractors. This is an issue which we wrestled with for some time in the Senate. We modified our language on this matter several times in an effort to provide responsible relief to subcontractors. Our colleagues in the House have further modified our provisions on this point and have come up with language which I believe addresses the problems of subcontractors while balancing the needs and concerns of prime contractors.

Mr. President, these are just are few of the highlights of S. 328. I would ask unanimous consent that a section-by-section analysis of the bill be included in the RECORD immediately following my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. SASSER. Final passage of this measure marks a great day for all companies which do business with the Federal Government—especially small business. With passage of S. 328, we are one step closer toward guaranteeing that the Federal Government pays its bills on time. I urge my colleagues to support final passage of this measure.

Mr. President, I note I have been joined here on the floor by the distinguished manager of this bill on the other side, Senator TRIBLE, who has rendered yeoman's service in bringing this bill to the floor, on its passage once before through this body.

I wish to commend him for his diligent efforts, for his strong support, and for his sensitivity to the needs of the small business community of this country.

I yield now to my distinguished colleague for any statement or additions he might wish to make.

EXHIBIT 1

S. 328, THE "PROMPT PAYMENT ACT AMENDMENTS OF 1988"

S. 328 proposes a series of needed amendments to the Prompt Payment Act of 1982, Public Law 97-177. The Act was passed by Congress in 1982 to improve the Government's dismal record of untimely payments. After four fiscal years of experience under the Act, oversight hearings conducted by the Senate and House during the 99th Congress, supported by a GAO report requested by the House Committee on Government Operations, confirmed that further Congressional action would be needed if the Act's purposes were to be attained. The 1986 White Hosue Conference on Small Business adopted, as Recommendation No. 32, a resolution calling for a statutory strengthening of the Prompt Payment Act and its vigorous implementation against the procuring agencies. Remedial legislation, S. 2479, was passed by the Senate in the closing days of the 99th Congress, but not acted on by the House prior to adjournment.

S. 328 was introduced on January 20, 1987 by Senators Sasser and Trible, joined by 55 original cosponsors. Hearings were held by the Committee on Governmental Affairs on March 19, 1987. On May 19, 1987, the Committee considered S. 328 and reported it unanimously by voice vote. It was passed by the Senate on October 9, 1987 (86-0).

S. 328 was referred to the House Committee on Government Operations and its Subcommittee on Legislation and National Security. Subcommittee hearings were held on March 17 and 23, 1988. An amendment in the nature of a substitute was unanimously reported by the Subcommittee on April 27, 1988. The substitute made a number of important modifications to the Senate-passed bill, while retaining its overall thrust and structure, as well as most of its provisions in their Senate-passed text. The bill was unanimously ordered reported by the Committee on June 9, 1988. S. 328 was passed by the House on July 26, 1988 (394-0).

As passed by the House, S. 328 will:

(a) clarify the starting point of the Act's "payment clock" by more clearly defining "receipt of invoice"; require the Government to announce prior to contract if formal "acceptance" will take longer than 7 days from the date of actual delivery of goods or performance of services by the contractor; require the Government to recognize the date of the invoice as the invoice receipt date, if the agency fails to annotate the invoice with the actual invoice receipt date;

(b) make explicit the Act's intent that late payment interest penalties be paid automatically; provide for increased penalties in the event that agency personnel attempt to withhold a late payment interest penalty due to a contractor; require the issuance of a notice to accompany any payment that include a late payment interest penalty, specifying the rate and period used to compute the penalty.

(c) eliminates the fifteen-day "grace period", during which the Act allows the Government to pay late without incurring a late payment interest penalty;

(d) reduce from 15 to 7 days the time available for an agency to return a defective invoice to a contractor;

(e) clarify the Act to prohibit the Government from taking "early payment" discounts after the expiration of the contractor's specified discount period;

(f) clarify the Act with respect to its application to payments for the periodic delivery of supplies or the periodic performance of services authorized under many Government contracts;

(g) require payment of a late payment interest penalty if payments due to agricultural producers under programs administered by the Commodity Credit Corporation (CCC) are not paid by specified payment dates; make explicit the Act's application to CCC contractors;

(h) codify an amendment previously enacted which incorporated poultry food products, eggs and perishable egg products within the definition of meat food products, for which the Act specifies payment terms of 7-days or less;

(i) establish a 10-day payment term for dairy products, and food products prepared from edible fats or oils;

(j) make explicit the Act's application to construction contract progress payments, and extend the Act to cover the late disbursement of amounts retained by the Government during the performance of a federal construction contract, after the project has been accepted;

(k) require a construction contract progress payment request to a procuring agency be accompanied by substantiation of the amounts requested and a certification to make certain that the Government is paying only for work peformed; require a contractor to pay interest to the Government on unearned progress payment funds in the contractor's possession due to the discovery of a performance deficiency after the contractor has received payment from the Government, unless the funds are deducted from the next progress payment request to the Government;

(l) require construction contractors to include a payment provision in their agreements with their various subcontractors, providing for payment within 7 days after the prime contractor's receipt of payment from the Government; require the payment of a late payment interest penalty to the subcontractor at the same rate applicable between the prime contractor and the Government, if the prime contractor does not make payment in accordance with its subcontract; require the flow-down of the payment and interest provisions to lower-tier subcontractors; require a subcontractor be furnished a notice of any withholding of payment by the prime contractor;

(m) make explicit the Act's coverage of contractors selling to the US Postal Service;

(n) improve the Act's reporting requirements to assure that Congress receives from OMB an accurate and complete picture of the Act's implementation by the various agencies; and

(o) require the implementation of the Act through the Governmentwide Federal Acquisition Regulation (FAR).

Mr. SASSER. Mr. President, I move that the Senate concur in the House amendment.

The PRESIDING OFFICER. There are now 30 minutes of debate equally divided.

The Senator from Virginia.

Mr. TRIBLE. I thank the Chair. I thank my colleague from Tennessee for his kind words, and I applaud his leadership on this issue. I have enjoyed working with him.

Mr. President, today the Senate has the opportunity to give final approval to S. 328, the Prompt Payment Act Amendments. This measure corrects problems and loopholes associated with the original act and ensures that the Federal Government pays its bills on time. In short, S. 328 makes good law better. I sponsored the original prompt pay amendments which the Senate unanimously passed in the 99th Congress and was pleased to join with my colleague, Senator SASSER, in support of today's efforts.

The Prompt Payment Act of 1982 first established bill-paying procedures for the Federal Government. While that act greatly improved payment practices, delays in payments to contractors providing goods and services to the Federal Government remain. Late payments are unfair to those people doing business with the Federal Government and they are particularly devastating to the small businessman and woman.

S. 328 revises the 1982 act, improving bill-paying practices and ensuring timely payment by the Federal Government. The Prompt Payment Act amendments will eliminate redtape, complicated procedures, and delay. Confusion and late payments are replaced with clear, efficient payment procedures coupled with strong incentives to make payments to contractors in a timely manner.

During its consideration of this measure, the House of Representatives made several important modifications. Mr. President, I support these modifications wholeheartedly.

This legislation makes the Federal Government a responsible business partner. Contractors and taxpayers deserve nothing less.

I urge my colleagues to support this measure. I reserve the remainder of my time.

Mr. GLENN. Mr. President, I rise today in support of S. 328, the Prompt Payment Act Amendments of 1988, a bill aimed at improving the Government's record of untimely payments to its contractors. As we all know, the Government's continuing failure to meet its prompt pay obligations constitutes an ongoing and important problem for both small and large businesses.

The Committee on Governmental Affairs, which I chair, held a hearing on S. 328 on March 19, 1987. Witnesses at that hearing testified about the importance of this measure and the positive impact it will have on their cash flow, and ultimately their entire business operation. As a former businessman myself, I know just how crucial timely payment is and can therefore readily empathize with their concern. Through letters and calls to my office, many other businessmen from a wide variety of fields, have communicated a strong interest in seeing this legislation enacted.

The hearing also revealed the extent to which prompt payment problems in

the construction industry affect subcontractors as well as contractors. The hearing testimony, as well as anecdotal evidence, bears out the need for the subcontractor payment provision embodied in section 7 of the bill.

Mr. President, the bill now before us, which was passed by the House on July 26, is the result of months of discussion and negotiations, and I believe that it is an excellent package. I am aware of the interest of my colleagues Senators ARMSTRONG and GRASSLEY in offering their amendment on debt collection and I certainly do not want to trivialize the significance of that issue. However, I think it is very important to note that the House has firmly and flatly rejected the establishment of an advisory commission to study debt collection. Every indication I have had suggests that the government already has the methods in place to adequately address the debt collection problem. It does not seem necessary or practical for us to establish yet another advisory commission to look at a problem that is already being dealt with. For these reasons, I do not intend to support my colleagues' amendment.

I would be remiss if I failed to note the excellent contributions of my distinguished colleagues on the Governmental Affairs Committee, Senators SASSER and TRIBLE, whose leadership, interest, and insight have been crucial elements in the success of this bill. I believe they are largely responsible for the reasonable compromise package we now have before us. Also, I am very pleased that a general spirit of compromise has pervaded the Senate's consideration of this bill and in the staff deliberations throughout the process. S. 328, as it stands, is worthy of every Senator's support. It is my hope and expectation that the President will sign this important legislation when it reaches his desk.

Mr. President, I suggest the absence of a quorum, and I ask that the time be equally divided.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. PELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PELL. I now ask the Chair if I may proceed as if in morning business.

The PRESIDING OFFICER. The Chair would state to the Senator that time would be charged to one side or the other since we are proceeding under a 30-minute time agreement.

Mr. SASSER. Mr. President, I yield the distinguished Senator from Rhode Island 5 minutes.

The PRESIDING OFFICER. The Senator from Tennessee has yielded 5 minutes to the Senator from Rhode Island, and the Chair grants the request of the Senator to speak as if in morning business for a period of 5 minutes. The Chair recognizes the Senator from Rhode Island.

Mr. PELL. I thank the Chair, and I thank the Senator from Pennsylvania.

MINIMUM WAGE RESTORATION ACT

Mr. PELL. Mr. President, I rise to support the proposed increase in the minimum wage. What we are considering is nothing more than a logical and deserved increase in wages for those who need it the most.

In simple terms, it is impossible to argue with the basic facts of this matter. The last increase in the minimum wage took effect in 1981. Since that time, the purchasing power of the minimum wage has decreased almost 30 percent.

My own State of Rhode Island was one of several States to recognize this disparity and successfully raised the State minimum wage above the Federal minimum in 1986. Since this rise in Rhode Island's minimum wage rate, unemployment in our State has actually decreased rather than increased.

The Labor and Human Resources Committee considered a number of studies and sources of data on this issue before moving ahead on recommending an increase.

In reviewing all of this information, it became clear to me that it was possible to support either side of this issue if you use enough graphs, charts, and columns of numbers.

I also realized that studies and graphs were not going to increase the purchasing power of the current minimum wage. We simply cannot stand here today or next week and say $3.35 is worth as much today as it was 5 years ago or even 2 years ago.

During my many years in this body I have seen countless legitimate concerns become caught-up in the cause of politics. I also know that politics does not increase the size of a persons paycheck and I ask that we consider this point in our deliberations.

I have supported this proposal in the past, I will continue to support it. We have many other issues to consider before we adjourn this year, we should vote for this modest increase in the minimum wage and move on to matters of equal importance facing this body.

COMMEMORATION OF "KRISTALLNACHT"

Mr. PELL. Mr. President, earlier this week the Senate reserved time to commemorate "Kristallnacht." I would like to associate myself with my colleagues remarks and add my own thoughts. "Kristallnacht" was the night 50 years ago the true face of nazism bared itself for the entire world to see.

On that night, Nazi storm troopers and supporters murdered over 100 Jews; 7,500 Jewish-owned businesses were destroyed, and 275 synagogues, including the synagogue in Berlin, were razed to the ground. In a single night of frenzied violence, the world was given a foretaste of Nazi brutality. Many people felt that a Rubicon had been crossed and looked to the future with grave foreboding.

I myself remember seeing the wrecked synagogue in Danzig following "Kristallnacht." I remember being arrested and taken to the Gestapo headquarters there. I remember seeing Jews with the Star of David emblazoned on their sleeves.

"Kristallnacht" was the beginning of a litany of names culminating in: Dachau, Buchenwald, Treblinka, Auschwitz. The list goes on. The names must never be forgotten. They carry with them the blood of over 6 million people murdered because of hatred, ignorance, and inaction.

What was the Western response as the Nazis began to inflict their genocidal plans upon European Jewry? We did nothing. Conferences were held, hands were wrung, but ultimately little was accomplished. It was not until 1944 that the United States finally took action to help the Jews by supporting the heroic efforts of Raoul Wallenberg. Allied inaction was, in my view, the second tragedy of the Holocaust.

It is all too easy to turn one's head or not to take action. We have seen where that can lead. I fully share the thought expressed in a quote from Dante often used by our murdered colleague, Robert Kennedy, "He who sees, stands by and does nothing, as evil is performed is just as guilty as he who performs it."

Some might say that this standard is too high, that it is too much to ask of individuals or a nation. I reject that notion. If the United States is to fulfill its destiny as a beacon of justice and freedom in our world, we as a people and we as individuals have an obligation to speak out. We have no other course but to defend the freedoms we espouse.

I believe our Nation took a significant step in this direction when we ratified the Genocide Convention, declaring genocide to be a war crime. For both philosophical and personal reasons, I view the ratification of this Convention as one of the high points in my Senate career.

In a way, it marked the completion of the work begun by my father. As the U.S. representative to the United Nations War Crimes Commission, he fought long and hard to include genocide as a war crime. I am certain that he would have been gratified to see

one of his life's greatest goals finally realized.

Mr. President, "Kristallnacht" was a stepping stone on the road to the Holocaust. It is our duty and responsibility to keep the memories and lessons of that period alive in our minds in order that history may never again repeat itself.

I yield the floor.

PROMPT PAYMENT ACT AMENDMENTS

The Senate continued with the consideration of the message from the House.

The PRESIDING OFFICER (Mr. DASCHLE). The Senator from Tennessee.

Mr. SASSER. Mr. President, under the provisions of the time agreement, one amendment to S. 328 is in order. I see my distinguished friend and colleague from Iowa [Mr. GRASSLEY] on the floor, and he is the principal sponsor of that amendment. So I will yield to my colleague from Iowa to call up his amendment at this time if it pleases him to do so.

The PRESIDING OFFICER. Without objection, the Senator from Iowa under the agreement is permitted to bring up his amendment, and that amendment is to be debated for no more than 30 minutes equally divided, the time to be controlled by Senators GLENN and ROTH or their designees.

AMENDMENT NO. 3280

(Purpose: To establish a Presidential Advisory Panel for Coordination of Government Debt Collection and Delinquency Prevention Activities)

Mr. GRASSLEY. I call up my amendment.

The PRESIDING OFFICER. The clerk will report the amendment.

Mr. SASSER. Parliamentary inquiry. We now will be on the 30-minute time agreement for the Senator from Iowa, is that correct?

The PRESIDING OFFICER. The Senator is correct.

The legislative clerk read as follows:

The Senator from Iowa [Mr. GRASSLEY], for himself and Mr. ARMSTRONG, proposes an amendment numbered 3280.

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the reading thus far constitute reading of the amendment in its entirety.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end, add the following: to the Panel within sixty days (d) Section 15 shall take effect on the date of enactment of this Act.

PRESIDENTIAL ADVISORY PANEL FOR COORDINATION OF GOVERNMENT DEBT COLLECTION AND DELINQUENCY PREVENTION ACTIVITIES

SEC. 15. (a)(1)(A) There is established a Presidential Advisory Panel for Coordination of Government Debt Collection and Delinquency Prevention Activities (hereafter in this section referred to as the "Panel"). The Panel shall consist of fifteen members appointed by the President in accordance with subparagraph (B).

(B) The President shall appoint fifteen members to the Panel, of which at least

(i) five members shall be representatives of debt collection agencies of various sizes;

(ii) five members shall be attorneys experienced in the field of debt collection; and

(iii) one member shall be an official of the Federal Government.

(C) No person shall be appointed to the Panel who is, or is a member of a company or organization which is, retained to perform debt collection services for the Federal Government.

(2) Members shall be appointed to the Panel within sixty days afer the enactment of this Act. Members of the Panel shall take office upon such date of appointment.

(3) The President shall designate from among the members of the Panel a Chairman and Vice Chairman. Vacancies in the membership of the Panel shall not affect the power of the remaining members to execute the functions of the Panel and shall be filled in the same manner as the original appointments.

(b) The Panel shall—

(1) review and evaluate Federal policies on debt collection and delinquency prevention;

(2) recommend uniform policies, procedures, and guidelines for the United States Government;

(3) develop, after consulting with the Office of Management and Budget and other appropriate Federal agencies, the priority and manner of deliquent debt collections and procedures for the prevention of delinquencies;

(4) establish training manuals to increase the effectiveness of employees involved in collection activities; and

(5) undertake additional related tasks and make interim reports of its activities and recommendations as the President may determine necessary.

(c)(1) The Panel may make appropriate rules respecting its organization and procedures, except that no recommendation shall be reported from the Panel unless a majority of the Panel assents.

(2) Each Federal agency shall make staff personnel and support services available to the Panel to enable the Panel to carry out its functions.

(3)(A) Subject to subparagraph (B), the members of the Panel may be reimbursed for travel, subsistence, and other necessary expenses incurred by them in carrying out the functions of the Panel.

(B) Any member may decline the reimbursement of expenses.

(d)(1) The Panel shall submit a final report to the President and to the Congress not later than eighteen months from the date of the first meeting of the Panel, containing the findings and recommendations of the Panel with respect to matters described in subsection (b).

(2) The panel shall terminate within thirty days following the submission of the final report.

(e) There are authorized to be appropriated for any fiscal year such sums as may be necessary to carry out the provisions of this section.

(f) Except where inconsistent with this Act, the provisions of the Federal Advisory Committee Act shall apply to the Panel.

Mr. GRASSLEY. Mr. President, in this amendment we are talking about a very sticky, tough problem. We, as the board of directors for this major corporation that we call the Federal Government, have been trying to deal with this problem for a long period of time. We haven't been doing too well either. That is the amount of unpaid debt. The Federal Government has loaned money to businesses, corporations, and individuals in this country, of which $83 billion in payments due on that debt are overdue. Many very good proposals passed over the last several years that deal with this issue. Yet, we see a growing problem.

Mr. President, I yield myself out of my 15 minutes on this proposal 5 minutes at this point to present my amendment to the Senate.

Mr. President, it was 10 months ago that the Senate approved the bill that is now before this body. Adoption of S. 328 will certainly be a great victory for small business. As one of the cosponsors of the bill on which the Senator from Tennessee has worked so hard, I fully support the Prompt Payment Act, and hope for its quick passage. I commend the Senators on the Governmental Affairs Committee for their leadership in this critical area.

An amendment by this Senator, and the Senator from Colorado, along with several other cosponsors, was attached to this bill, the prompt payment bill, when the legislation first passed the Senate last October.

The amendment that is now before this body simply creates a panel of private sector experts to develop recommendations for uniform Federal debt collection procedures. These recommendations will help us solve this $83 billion problem. That is income that ought to be coming into the Federal Government. It is not being collected because there are 10 different ways to collect it, a different way for every agency that is required to collect money.

We feel that there ought to be some uniformity in processes for collecting this money. There ought to be one way for this "corporation," the Federal Government of the United States, to go about collecting debt that is owed it. We believe the private sector advice that would derive from this panel would help accomplish this.

I want the floor managers to know that I appreciate their cooperation in our effort in the first consideration of this amendment. I also appreciate their cooperation in working out this time agreement so my amendment can be presented again. I believe, Mr. President, that they understand the significance of actually writing off billions of dollars in payments owed to the Federal taxpayers.

When the other body acted on this prompt payment bill, after it passed here last October, the committee chairmen on the other side stripped everything from it that was not fundamental to the prompt payment issue.

Unfortunately the Senate-passed section on debt collection was dropped, and for no good reason.

That is why Senator ARMSTRONG and I are back here again bringing up this amendment to give the Senate another opportunity to express its will regarding the $83 billion of overdue debt owed to the Federal Government.

This problem is not getting any easier to deal with. It is compounding very rapidly. The amount of delinquent debt has increased 180 percent since 1981. As I said before, the amount of delinquent debt increased 20 percent just in the last year. Federal taxpayers cannot be expected to continue to foot this ever-increasing bill any longer. The Government needs consistent and comprehensive policies on citizens' repayment obligations.

The President of the United States, the Congress, and the entire administration have acted on this subject many times before. To the credit of various authorizing committees, progress has been made. That does not mean the work is done. When I see this problem getting worse, I sure hope that we can do a better job. It does not matter how good other measures are that Congress has adopted or what the current public policy of the U.S. Government is. We are still losing the war. That hole that you call unpaid debt owed to the Federal Government is becoming bigger and blacker.

The sheer volume of loan activity exacerbates the need for debt collection measures to be more effective than what we presently have on the books. The Federal Government is involved in $1.3 trillion total loan activity.

There are $339 billion in outstanding receivables, of which almost a quarter is delinquent. Every year the Federal Government has to forget about $1 billion in debt because the statute of limitations has expired.

The amount of debt written off by Federal agencies as uncollectable last year was $4.1 billion. Would that not go a long way in helping us meet Gramm-Rudman goals? And as I said before, this increased another 20 percent since 1986.

With one small change, the amendment we have before us is identical to the provision previously adopted by the Senate, and previously accepted by the floor managers of S. 328. This minor modification was made to accommodate the concerns of the floor managers and their counterparts in the other body. While I do not think it was a problem, we removed that part which caused problems for some of our colleagues.

Mr. President, I want to emphasize that there is nothing controversial about this amendment. It simply calls for input from a panel of volunteers contributing their debt collection expertise to the Government. This is an accepted and helpful process frequently used by Congress to grapple with technical and far-reaching issues.

Generally, similar amendments are readily approved and at least are debated on the merits of their content.

Mr. President, a debt collection advisory panel will not doom the Prompt Payment Act. Adoption of this amendment will simply return the bill to the other body for consideration.

So I urge my colleagues to vote on the merits of this Grassley-Armstrong amendment, and to vote for responsible credit management.

I ask you for your support. I retain the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. SASSER. Mr. President, may I ask how much time is remaining on the part of the proponents of this amendment?

The PRESIDING OFFICER. The Senator from Iowa currently retains 7 minutes.

Mr. SASSER. And the opponents as of this time have 15 minutes. Is that correct?

The PRESIDING OFFICER. Approximately.

Mr. SASSER. Mr. President, I rise reluctantly to oppose my friend from Iowa, but oppose him I must. And at the appropriate time I will be forced to move to table the Grassley-Armstrong amendment.

I will be brief in my remarks. I am opposed to this amendment for two reasons. One, this is a killer amendment. It is a killer amendment because if this amendment is attached to this House bill, then that is the end of prompt pay for this session of Congress.

My distinguished friend from Iowa does not offer this amendment because he wishes to kill prompt pay. He is a strong supporter of the whole prompt pay concept. But the simple facts are that if this amendment is attached to this House bill, that is the end of prompt pay for this 100th Congress, because time is running out. The hours are ticking away. And we simply are not going to have time to go to conference and hammer out this whole problem.

Second, I am opposed to the amendment because we simply do not need it. Let us look at what the amendment does that is offered by my distinguished friend from Iowa. While its supporters claim that it takes on a significant problem, in point of fact all this amendment really does is establish an advisory panel on the question of debt collection. I share my colleague's interest in Federal debt collection, but I question the need for yet another advisory panel at the Federal level.

The question of whether or not this advisory panel is needed or would be effective was never addressed in our Senate hearings on the question of prompt pay. Given this major shortcoming, when the bill came to the floor, both myself and our distinguished comanager, Senator TRIBLE, were willing to accept this amendment when we first considered S. 328 in the Senate with the anticipation that the proposal would be thoroughly examined when the bill went to the House of Representatives for their consideration and action.

The House did hold hearings on S. 328 and sought testimony on the whole question of an advisory panel. Only one witness spoke in favor of that panel, and that was my able and distinguished friend from Iowa, Mr. GRASSLEY. Usually, he is extraordinarily persuasive with his logic and carries the day. But in this instance, he was not persuasive with the House of Representatives. Our colleagues in the House concluded that we did not need one more advisory panel and, more important, they concluded that this particular advisory panel was simply not needed at all, and they dropped this language from S. 328.

Lest we think that this was some sort of bipartisan cabal on the House side, I would say that this was a bipartisan decision. Both the chairman of the House committee and the distinguished ranking Member expressed skepticism over the effectiveness of an advisory panel. Democrat and Republican alike, in a rare show of consensus on the House side, concluded that the whole question of an advisory panel was without merit, and they dropped it from the bill.

So the bottom line is that our colleagues had their day in court, as they are entitled to, and they simply lost. They failed to persuade a single House Member to join their cause. There was no effort on either side of the aisle to save the advisory panel in committee, to save that concept. There was no effort on the part of either the majority or the minority in the House to attach this whole provision of an advisory panel as a floor amendment when the bill came to the floor of the House.

That is persuasive enough, but who weighs in later against the question of an advisory panel but the Reagan administration, itself. The Director of the Office of Management and Budget, in a September 14 letter to the chairman of the Government Affairs Committee, Mr. GLENN, states: "We agree with the House of Representatives that this provision should be deleted."

Mr. President, I ask unanimous consent at this point that the 4-page letter from the Office of Management and Budget be printed in the RECORD.

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

EXECUTIVE OFFICE OF THE PRESIDENT,
OFFICE OF MANAGEMENT AND BUDGET,
Washington, DC, September 14, 1988.

Hon. JOHN GLENN,
Chairman, Committee on Governmental Affairs, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: I am writing to express our continued support for immediate passage of S. 328, the Prompt Payment Act Amendments of 1988, with the exception of the provision that would create a Presidential Advisory Panel for Coordination of Government Debt Collection and Delinquency Prevention. We agree with the House of Representatives that this provision should be deleted.

As we have testified previously, OMB believes that the central objectives of the Advisory Committee have already been achieved. In particular, there is a uniform and comprehensive set of credit management and debt collection policies in place. OMB Circular A-129, "Managing Federal Credit Programs," was issued May 9, 1985, and established standards for prescreening loan applicants, servicing accounts, and collecting delinquent Federal debt. These standards are implemented through a comprehensive, government-wide Credit Management Improvement Program. Each credit agency has performance goals that must be met in FY 1988-89 to implement the Credit Management Improvement Program. A revised Circular A-129, to be issued in October, will require agencies to implement additional credit management improvements for both direct and guaranteed loan programs.

We have made a concerted effort to utilize private firms and private sector practices in the Federal credit management program. We are now using good management practices that the private sector applies routinely. This Administration is achieving full implementation of sound business practices to manage the basic components of the credit cycle: credit extension; loan servicing and management; and, delinquent debt collection.

All agencies making loans based on creditworthiness must obtain credit reports from the private sector. In 1987, the Federal Government purchased two million credit reports. In addition, we now take the following actions to screen applications:

Loan applications ask prospective borrowers to certify whether they are delinquent on a Federal debt.

Grant applications ask applicants for Federal grants to certify whether they are delinquent on any Federal debt.

Individuals or organizations found to be irresponsible or engaged in criminal actions are barred from doing business with Federal agencies.

Credit information is reported to credit bureaus to deter borrowers from defaulting on Federal loans. In 1987, Federal agencies reported information to private credit bureaus on two million individual and business accounts worth $82.1 billion.

After a loan is made, agencies are required to service and manage portfolios in the most efficient and effective manner. Account servicing will be contracted out to the private sector whenever possible to enable the Government to modernize and improve loan servicing and collection systems.

Portfolios are actually being sold for the first time—a common practice in the private sector. In 1987, asset sales/prepayment programs yielded the Federal Government $5.6 billion in gross proceeds.

Realized $3.1 billion in gross proceeds from the sale of 6,442 community development loans, 141,352 housing loans, and 324 education loans.

Realized $2.5 billion in gross proceeds by prepayment of loans by borrowers.

Will transfer to the private sector the ownership, and servicing of $10 billion to $20 billion in new and existing loans over the next few years.

The Government refers delinquent accounts which are 6 months or more overdue to private collection agencies. Government-wide contracts with private firms have resulted in the collection of over $200 million since 1982.

Delinquent debts that are not collected through normal collection efforts are referred to the Department of Justice for collection. Debt collection is a priority at Justice; since 1982, the Department has collected over $2.1 billion. This year the Justice Department will implement 10 pilot projects to determine the effectiveness of using private sector attorneys for litigation of delinquent debs. This Administration expects this effort will be a debt collection success.

Finally, the Federal Government is routinely comparing its employment rosters and delinquent debt files, and has found 80,000 Federal employees who owe the Government $171 million. They are now repaying this debt, or having 15 percent withheld from their paychecks. This program is being expanded to include Postal Service, congressional, and judicial employees. In addition, the Federal employment application (SF-171) will ask prospective Federal employees to certify whether they are delinquent on a Federal debt and make that information a consideration in employment decisions.

I believe that these accomplishments demonstrate that the Advisory Committee is not necessary to ensure an effective process for the prevention, collection, and litigation of delinquent debt. The Federal Government is already taking full advantage of the expertise and experience of the private sector in extending credit and managing its portfolio.

We would suggest that Congress could best support further improvements in credit management by passing four pending legislative proposals. The four proposals are: (1) Chief Financial Officer (CFO) structure; (2) Credit Reform; (3) Extension of the Tax Refund Offset Program; and, (4) Federal Debt Collection Standards.

First, rather than an advisory committee, what is needed is a permanent financial management organizational structure. Later this month, I will be testifying before Congress seeking to obtain legislation that has these features.

A statutory CFO in the Executive Office of the President (EOP); appointed by the President; confirmed by the Senate and reporting through the Director of OMB with the principal duties of financial policy, oversight and planning, development of accounting and financial systems, credit and cash management, internal controls and a review of resources spent government-wide and by agencies on financial management. The CFO/EOP would provide an annual report to the President and Congress on the Government's financial management activities.

A statutory CFO in each major Department and agency; appointed on Assistant Secretary level; in a career service position; reporting to Head of Agency; with all the basic duties of government-wide CFO but allowing the Agency Head the flexibility to include additional essential functions.

A statutory CFO in each major component (bureau) of an agency; in a career position reporting to the Head of the Bureau.

Second, Credit Reform would change the way Federal credit programs are treated in the budget. Under this reform, Federal agencies would obtain appropriations equal to the estimated subsidy component of the direct loans and loan guarantees they propose to make each year. Two new Federal credit revolving funds would be established within the Department of the Treasury—one for the financing of direct loans and the other for guaranteed loan insurance. Agencies would continue to originate and close direct loans and make loan guarantees as they do now. As they make obligations and commitments, information about their terms and conditions would be sent to the Treasury, which would oversee the subsidy estimate.

Third, we seek your support to extend our effective collection authority that has resulted in collections of $839 million in the past two and a half years. Specifically, the proposal would extend the authority of the Secretary of the Treasury to offset the income tax refunds of taxpayers who are delinquent on a Federal debt and have failed to respond to agency efforts to collect. The authority expired June 30, 1988. Pending legislation proposes a long-term extension.

Fourth, Justice has proposed a Federal Debt Collection Procedures Act (S. 1961) that would establish a Federal standard for civil procedures. Under the Federal Rule of Civil Procedure the collection of debts owed to the Federal Government (including civil debts, criminal fines, and tax judgments) must proceed under the 50 different State standards. The bill does not override State law. State law continues to be available to all private parties and all non-federal debts.

I believe we share the same goals in credit management. Much has been achieved by this Administration—with the support of Congress—over the past seven years. We intend to maintain our diligence, and look forward to working with Congress to achieve our mutual objectives.

Sincerely yours,

GERALD R. RISO,
Associate Director for Management.

Mr. SASSER. Mr. President, rather than reading this entire letter, I stress that the central point of the administration is that another advisory panel simply is not needed.

Perhaps more important, as I alluded to earlier, we simply cannot afford to adopt this amendment, no matter how well motivated and well meaning and sincere our colleagues are in offering it. This amendment would simply put a stranglehold on the Prompt Payment Act. I seriously doubt that we could successsfully resolve this issue in conference before the end of the session. In fact, I am persuaded that we could not.

I hasten to add that that is not just my assessment of the situation. The Coalition for Prompt Pay—and I might say this Coalition for Prompt Pay is a very impressive group—consists, among others, of the American

Association of Nurserymen, the American Subcontractors Association, the Associated Builders & Contractors, the Mechanical Contractors Association of America, the National Association of Manufacturers, the National Association of Medical Equipment Suppliers, the National Association of Minority Contractors, the National Independent Dairy Foods Association, the National Small Business Union, the Small Business Legislative Council. The list goes on and on of the organizations that have associated themselves in this group known as the Coalition for Prompt Pay.

What does the Coalition for Prompt Pay say about the Grassley-Armstrong amendment? They say in the letter they have written to every Member of this body: "A vote for the Grassley-Armstrong amendment would be a vote for holding prompt pay hostage."

I submit, Mr. President, that that is not what our friend from Iowa wants and certainly not what our friend from Colorado wants. I think they want a prompt payment bill just as much as anybody else in this body. That is why I joined Senators TRIBLE, GLENN, ROTH, BUMPERS, and WEICKER in sending out a "Dear Colleague" letter opposing their amendment.

While we supported the Grassley provision last year, we realized that small businesses cannot afford the delay that the amenendment carries with it now. It simply means the death of a prompt pay bill this year.

Let us be frank about the matter. Adoption of the Grassley-Armstrong amendment and the death of the prompt pay bill in this 100th Congress would be a disaster for small businesses all across this country. These small business owners voted prompt pay legislation one of their top priorities at the 1986 White House Conference on Small Business. Indeed, this legislation is one of the very few proposals on which this Congress has acted with respect to those small business recommendations coming out of the 1986 White House conference.

The amendment that is being offered not only jeopardizes the prompt pay bill; it would effectively kill the bill in the 100th Congress.

If we adopt this amendment offered by my distinguished friend from Iowa and my able colleague from Colorado, we would be telling the small business men and women of this Nation that their concerns do not matter to us this year; the Federal Government can continue paying its bills late, while we wrangle and argue over establishing another advisory panel.

I think that is unacceptable. The consequences are too great.

As the Coalition for Prompt Pay points out in their letter:

The thousands of small and disadvantaged businesses represented by the Coalition for Prompt Pay, with their limited capitalization and cash flow, cannot afford to wait for another Congress to pass this bill. S. 328 is needed now.

So says the Coalition for Prompt Pay.

So the choice is really simple. We either come through here for America's small business community by defeating the Grassley-Armstrong amendment or we accept further delay by the Government in paying its bills.

Mr. President, I do not know how many small businesses might be driven under by additional delay. I do not know how many other small businesses must decide, "We can't afford to do business with the Federal Government anymore, because they cannot and will not pay their bills on time."

How does that translate into additional payouts on the part of the Federal Government later on, as they lose these more efficient entrepreneurs, these small entrepreneurs who give them better prices, better services, and better goods, based on the assumption that they will be paid on time?

Well, we need to provide assurances I think to the business community and all business persons who wish to contract with the Federal Government that they are going to be paid on time. We can do that if we pass S. 328 today without the amendment. No matter how well meaning and well motivated our colleagues are, we need to pass this bill today. We do not need an advisory committee or council to be grafted onto it and lead to the ultimate death of this prompt pay legislation which passed this body without a single negative vote and passed the House of Representatives without a single negative vote also.

Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. The Chair will inform Senators that the Senators from Iowa and Colorado have 7 minutes remaining, the Senator from Tennessee has 2 minutes remaining.

Mr. ARMSTRONG. Mr. President, how much time remains on the bill itself?

The PRESIDING OFFICER. On the motion to concur 9 minutes are controlled by Senator TRIBLE and 5 minutes by the Senator from Tennessee.

Mr. ARMSTRONG. Mr. President, will the Senator from Iowa yield me 5 minutes on the amendment?

Mr. GRASSLEY. Yes.

Mr. ARMSTRONG. It may be, Mr. President, that I cannot quite cover the ground I would like to cover in that length of time, and if I am unable to do so, I will seek permission of the Republican manager for a little time off the bill.

Mr. President, this is an amendment which has been discussed in the Senate now for over 5 years. Several of our colleagues have worked on the idea over the years. I especially commend the distinguished Senator from Iowa [Mr. GRASSLEY] for his determined leadership on this important issue. I also want to acknowledge the efforts of our former colleague from Iowa, Senator Jepsen, who first introduced the measure in October 1982.

In fact, a number of Senators have been quite outspoken on the issue of debt collection. The Senator from Mississippi [Mr. COCHRAN], the Senator from New Mexico [Mr. DECONCINI], the Senator from Delaware [Mr. ROTH], the Senator from Virginia [Mr. TRIBLE], the Senator from Illinois [Mr. SIMON], the Senator from Wisconsin [Mr. PROXMIRE], and the Senator from Alaska [Mr. STEVENS] have been actively involved, and I commend their work. In the House, our colleague from Illinois [Mr. SIMON] first introduced the bill along with Congressman MYERS in 1983, and it has been carried by Congressman JIM LIGHTFOOT for several years.

While we consider the Prompt Payment Act, designed to make the Federal Government pay its debts on time, it is plain common sense also to make the Government collect debts owed to it on time.

Make no mistake—this is a serious problem. Uncollected Government loans are robbing America's future, and the problem is much worse than most people imagine. By the end of 1987, the Government had direct loans outstanding of $234 billion, loans extended by Government-sponsored enterprises amounted to $581 billion, and Government-backed loan guarantees added another $507 billion of lending. Indeed, the Government's direct loan portfolio is 75 percent larger than the largest bank in the United States.

Altogether, the Federal Government is directly and indirectly involved in $1.3 trillion of lending activity. That is more than the entire Federal budget for 1988. It is nearly half the entire accumulated national debt.

Worst of all, much of this debt is overdue for payment, and we are doing too little about it. In 1986 OMB reported more than $68 billion of this debt was delinquent. That is more money than we spend on all foreign aid; more than twice what we spend on the entire farm program; more than all education programs combined; more than the entire space program and all other science research; more than all energy, natural resources, and environmental programs combined. Is there any doubt as to the good that much money could do elsewhere?

Worse of all, in 1987 the Government wrote off $11.6 billion in "uncollectible" accounts, a 27-percent increase over 1986. OMB admits that "further improvements in this area of credit management are needed." The longer we do nothing about this, the more money we lose.

The most frustrating thing is that most of these problems could be solved. Private companies collect bad debts all the time—no business could afford not to do so. The Office of Management and Budget reported in its fiscal year 1987 budget message that—

Comprehensive policy guidelines and access to private sector practices were lacking. There was little emphasis on the need . . . to implement a timely and effective system for servicing loans, collecting debts, and handling delinquencies.

The same OMB report discussed a number of policies the administration has implemented to "correct" the problem, including several recommended by the GAO. However, even though some of these changes were positive, the problem has not been solved. The amount of delinquent debt continues to rise. And I should note that not all the GAO recommendations were followed, either. For instance, one recommendation is that the use of private collection firms and credit reporting agencies be mandatory—the administration is still doing this only on a "pilot project" basis, even though it boasts of some success.

I am not prepared to judge that the GAO recommendations are the absolute answer, because I am not an expert in this field. But there are people in this country who are experts, and it would be foolish not to ask their advice on such a serious problem.

The tragedy is that this situation is putting a political cloud over the whole notion of Government loans. Many of these loans serve worthwhile purposes. Guaranteed student loans help make college affordable to disadvantaged families. Farmer's Home loans are a vital component of the American agriculture system. Small business loans, HUD loan programs, veterans' loans, and others are essential to thousands of Americans. But such programs have little future if "loans" are to become "grants," to be written off years later.

It is long past time that the Federal Government get serious about collecting delinquent debts. Clearly, the expertise of the private sector is needed, and we can have this expertise for nothing. This amendment would create a Presidential Advisory Committee on Government Debt Collection to advise the Government on how to collect the debt.

This is not another big program, it is not just another Government study. And it is not another blue ribbon panel to be padded with political appointments forever. We have too many of those already. This is a temporary committee made up of 15 professional private debt collectors who will examine Government procedures, determine what is wrong, devise effective collection procedures, and disband within 18 months. Its members will be volunteers, who will gladly share their expertise. After all, they are taxpayers, too.

Congress has tried several times to correct the problem. This has been a bipartisan effort, and some progress has been made. We passed legislation allowing tax refunds to be withheld from "deadbeats," have allowed delinquent debt information to be shared between agencies, and have made various administrative changes.

Still, delinquent debt has continued to rise steadily despite our best efforts. There is no good reason the Government cannot get its collection successes up to the level of the private sector, which enjoys an 87-percent ratio on debt collection, compared with Government's dismal 15 to 20 percent record. Since the Federal Government clearly does not know what to do, it makes sense to ask those who do.

Mr. President, this amendment is fairly simple. It creates a Presidential Advisory Committee of 15 debt collection experts, including 1 Federal officer, 5 debt collection agency members, and 5 debt collection attorneys.

The panel's job will be to review and evaluate current Federal debt collection policies, make recommendations on uniform policies needed, develop priorities and procedures, establish training manuals for Government debt collectors, and issue a report within 18 months. After that time, the Committee is abolished. All staff support needed will be provided by the Government, so that no new money would be spent on salaries.

It is a commonsense approach to finally admit to ourselves that the Government simply is not very good at this, and we should ask for help from people who are.

We have heard enough horror stories about the well-to-do deadbeats who do not pay their old loans simply because nobody forces them to do so. But with delinquent loans of nearly $70 billion, the stakes are too high to continue ignoring this failure. We can turn it into one of the great success stories of the century if we take this first step toward getting serious about collecting our debts.

I strongly urge adoption of the amendment.

Mr. President, I have four matters I want to cover.

I state first I am for the bill. It is a good bill. I voted for it before. I have spoken in favor of it before. I think it is a good idea. I compliment the managers for bringing it to our attention.

Second, I associate myself with my friend from Iowa in support of the amendment. The Federal Government has a miserable record of collecting its debts. The truth of the matter is that while the private sector manages to collect somewhere upward of 85 percent of the money that is owed to private business concerns, the Government collects about 15 or 20 percent.

The notion suggested by the Senate from Iowa is that it would be a good idea to get some experts in from the private sector for a temporary commission, and if this were a permanent commission, I do not think I would be here arguing for its support, but to bring in some experts temporarily to share their expertise and see if we cannot somehow collect some of the billions of dollars that are owed to the Federal Government, and I repeat, the Federal Government manages to collect about 15 or 20 percent of what is owed it. The situation is so bad that when we take Government paper and sell it on the open market, we often get less than 50 cents on the dollar.

I think that is a scandalous abuse. I think it is an extravagance to dissipate the resources of the taxpayers in that way, and when we are talking about student loans, when we are talking about other kinds of obligations, not only is it a serious financial loss, it is an implicit lesson, particularly when we are talking about students, in bad citizenship, and for the Government to just stand by and acquiesce when students do not pay their bills is not only costing the taxpayers but it is telling the students who have borrowed this money, and they are not the only ones involved, that good citizenship does not count, that integrity in paying bills does not count, and that the Government does not care.

So I think this is a great idea that the Senator from Iowa has brought forward, and I am proud to associate myself with it as I have on previous occasions.

Frankly, I do not know why anybody would be against this and indeed when the matter had been considered previously by the Senate it had been agreed to previously by the Senate.

Our friend from Tennessee pointed out that the bill had been agreed to without a dissenting vote. My recollection is that the Grassley amendment was agreed to without a dissenting vote as well.

But then it got to the other body. When it got over to the other body, somebody did not like the idea. I do not know exactly why. Frankly this is such a good idea I cannot imagine why somebody would be against it.

But instead of simply voting against it and going to conference and seeing if we could work something out they took a little different position, and as the Senator from Tennessee has made quite clear, they have determined they want to hold this thing hostage, they want to hold the underlying bill hostage.

Not only that, Mr. President, but with the cooperation of some people in the Senate and some cooperation from interest groups on the outside, they

have launched an unscrupulous, untruthful, very personal attack on the sponsor of this legislation. I want to stand up right here and now and say that one of the reasons why I have long admired the Senator from Iowa is that I know how he reacts to that kind of pressure. I have seen it happen again and again, and in fact the first time I ever worked with Senator GRASSLEY was in the House of Representatives when he and I joined in sponsoring a very unpopular measure, a measure much more controversial than this little amendment.

I noted that when the heat was on, he did not change his principles, he did not change his convictions, and even though there had been a group of people who have in my judgment most unwisely as well as unfairly circulated position papers and letters about him as the sponsor of this amendment to his constituents in Iowa, telling things that are just plain untrue, that just are not so, that misrepresent not only the facts and his position, but his intention as well. And I just want to say to my friend that I have always admired him and I am confirmed again in my admiration for him for not backing away from it. It would have been easy to do. This is not a momentous, Earth-shaking deal. If we do not get this amendment passed, it is a good amendment and it will be around some other time and we are not going to hold anything hostage, although we could have done that.

You know, Mr. President, it is not just JACK BROOKS or somebody over in the House that can play this hostage-taking game, anybody can play it in the Senate. It would be the easiest thing in the world for us just to hold this whole bill up until the end of the session. That is going to be in a week or 10 days or a couple of weeks, and you know anybody who wants to can hold up a bill of this kind for that length of time. Honestly it crossed my mind to do so because I was really aggravated by the thought that a group of people, and I am referring to a group of subcontractors, would get so upset about the passage of this bill which is worthy and which we support, that they would resort to that kind of underhanded tactics, and I thought—well, by gosh, maybe we ought to just show them how these things are done, and I finally decided that there is no sense to descending to that kind of a level to do it, and so as the Senator from Iowa agreed I also agreed that we ought to just go ahead and handle this matter on an up-or-down vote.

The PRESIDING OFFICER. The time of the Senator from Colorado has expired.

Mr. ARMSTRONG. Mr. President, though the Republican manager is absent, I believe he would not object if I asked for 5 minutes off of the bill as well, and I do ask unanimous consent that I be yielded 5 minutes off the bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ARMSTRONG. I thank the Chair.

In any case, we are not taking any hostages and we are not trying to elevate this to a greater matter than it is. We are just saying that this is a good matter, it is a worthy amendment, it is an amendment that deserves to be passed on its merit, and we hope it will be passed at this time.

If not, I do not know whether or not the Senator from Iowa will wish to come back to it again. It is not unlikely that he will because he has been at it for some time; in fact, he has brought this up on two or three occasions, and on each occasion I have supported him, and I expect that if he does so again, if it does not pass today, that I will support him again. It is needed.

The truth of the matter is this: The Federal Government is involved in about $1.3 trillion in lending activity, an enormous amount of money.

In 1986, which is the last year for which I have the facts, OMB reported that more than $68 billion of this debt was delinquent. Now, that is more money than we spend on all of foreign aid, more than twice what we spend on the farm program, twice our expenditures for educational programs, more than the entire space program, more than all the energy, natural resources, and environmental programs combined.

That is just the amount of Federal loans that are delinquent. What are we doing about this? For one thing in 1987 we wrote off as uncollectable $11.6 billion.

OMB has been represented on this floor as being against this amendment. I do not know whether that is true. If they are against it they have not told me. But in any case, I do not care who is for it or against it. When they can get the rate of collection somewhere up in the ballpark of what it ought to be in any private business, then I will be willing to entertain the idea that maybe this is an unnecessary amendment. In the meantime it costs practically nothing. We are talking about people from the private sector who are experts in collection practices, serving in an advisory capacity without any significant expense to the Government and if their ideas do not appeal to us after they suggest them we do not have to take them.

But I will tell you the truth from what I know about the private sector. They are a lot better at collecting the money than is the Federal Government.

So, Mr. President, those are the four issues I wanted to state.

First, I am for this bill, and it has been misrepresented falsely, I might add, that I am opposed to it. I am not. I am for this bill and have been in the past.

Second, to point out why this is a good amendment.

Third, to congratulate my friend from Iowa for standing up to be counted on a matter which proved to be unexpectedly and unreasonably controversial when it would have been perhaps politically expedient for him to do something else.

And, last, to just say I hope all my colleagues will rally behind it and vote for the amendment.

The PRESIDING OFFICER. Who yields time?

Mr. GRASSLEY. Mr. President, 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 Senator has 1 minute and 50 seconds.

Mr. GRASSLEY. Mr. President, I yield myself such time as I may require.

Mr. President, I am a little surprised at the Senator from Tennessee letting the other body dictate what we can do, what even he might want to do, on this legislation. But that looks like the situation. I would also mention that when this legislation passed originally last October, the Prompt Pay Coalition was not opposed to my legislation. It is my understanding they are not opposed to it now. They just want to pass prompt payment. So it is a procedural opposition and not one of substance, any more this year than it was last year.

I can understand why OMB, Mr. President, would write a four-page letter. I am surprised they did not write a 100-page letter. Because, understand, they have all the answers. They figure they already have a plan for solving this debt collection problem. And yet, in the last year, their progress in solving this overwhelming problem is that the debt problem has grown 20 percent more.

So if anybody in this body is using OMB's opposition as a reason for voting against this legislation and they still want to do something about this debt collection problem, please come up with a better reason than what OMB has to say about it.

Then I guess I would have a further commentary on the House opposition to this and what maybe the House Governmental Operations Committee did or did not do. But anybody who knows how that committee operates, knows that the chairman of that committee has a lot of power over its members.

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

Mr. SASSER. Mr. President, just let me say that, frankly, on the question of the merits, I think there is no opposition or very little opposition to the concept of seeking outside counsel or advice as to how the Federal Government might better collect debts that are owed to it. I have stated time after time in the Governmental Affairs Committee and in the Appropriations Committee that we need to do a better job of collecting debts that are owed to the Federal Government. Myself and others of our colleagues, including Senator GRASSLEY and Senator ARMSTRONG, have expressed our concern, indeed, our outrage, that we do not do a better job at the Federal level of collecting debts. So that whole concept is not a part of the problem as far as this Senator is concerned. It is just simply that this is not the appropriate vehicle, in my judgment, to which this whole question of debt collection on the part of the Federal Government and how that should be improved should be attached.

My primary purpose today is simply to get a prompt payment bill with some teeth in it passed so we can send it to the President's desk for his signature and get the Government in the business of paying its bills on time.

Mr. President, I know of no other Senator who wishes to speak on this amendment. Therefore, I yield back the remainder of any time that I have left and I move to table the amendment offered by my friend from Iowa.

Have the yeas and nays been ordered?

The PRESIDING OFFICER. The yeas and nays were ordered on the amendment offered by the Senator from Iowa, but not on the tabling motion.

Mr. SASSER. Then I ask for the yeas and nays, Mr. President.

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 agreeing to the motion of the Senator from Tennessee [Mr. SASSER] to table amendment numbered 3280 offered by the Senator from Iowa [Mr. GRASSLEY] to the proposed House amendment to S. 328.

The yeas and nays have been ordered and the clerk will call the roll.

The legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Texas [Mr. BENTSEN], the Senator from New Mexico [Mr. BINGAMAN], the Senator from New Jersey [Mr. BRADLEY], the Senator from Florida [Mr. CHILES], and the Senator from Mississippi [Mr. STENNIS], are necessarily absent.

Mr. SIMPSON, I announce that the Senator from Texas [Mr. GRAMM], the Senator from Nevada [Mr. HECHT], the Senator from New Hampshire [Mr. HUMPHREY], the Senator from Idaho [Mr. MCCLURE], the Senator from Oregon [Mr. PACKWOOD], the Senator from Indiana [Mr. QUAYLE], the Senator from New Hampshire [Mr. RUDMAN], and the Senator from California [Mr. WILSON] are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 54, nays 33, as follows:

[Rollcall Vote No. 337 Leg.]

YEAS—54

Adams	Fowler	Mitchell
Baucus	Glenn	Moynihan
Biden	Gore	Nunn
Boren	Graham	Pell
Breaux	Hatfield	Proxmire
Bumpers	Heflin	Pryor
Burdick	Hollings	Reid
Byrd	Inouye	Riegle
Cohen	Johnston	Rockefeller
Conrad	Kasten	Roth
Cranston	Kennedy	Sanford
Danforth	Kerry	Sarbanes
Daschle	Leahy	Sasser
DeConcini	Levin	Shelby
Dixon	Matsunaga	Simon
Dodd	Melcher	Trible
Exon	Metzenbaum	Weicker
Ford	Mikulski	Wirth

NAYS—33

Armstrong	Grassley	Murkowski
Bond	Harkin	Nickles
Boschwitz	Hatch	Pressler
Chafee	Heinz	Simpson
Cochran	Helms	Specter
D'Amato	Karnes	Stafford
Dole	Kassebaum	Stevens
Domenici	Lautenberg	Symms
Durenberger	Lugar	Thurmond
Evans	McCain	Wallop
Garn	McConnell	Warner

NOT VOTING—13

Bentsen	Hecht	Rudman
Bingaman	Humphrey	Stennis
Bradley	McClure	Wilson
Chiles	Packwood	
Gramm	Quayle	

So the motion to lay on the table amendment No. 3280 was agreed to.

The PRESIDING OFFICER. The question now is on agreeing to the motion to concur in the House amendment to S. 328.

The motion was agreed to.

Mr. SASSER. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

TECHNICAL CORRECTIONS—HOUSE CONCURRENT RESOLUTION 351

Mr. SASSER. Mr. President, under the consent agreement, we now turn to House Concurrent Resolution 351 making corrections in the enrollment of S. 328, and I ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A concurrent resolution (H. Con. Res. 351) to correct errors in the enrollment in the bill S. 328.

The PRESIDING OFFICER. Is there objection to the present consideration of the concurrent resolution?

There being no objection, the Senate proceeded to consider the concurrent resolution.

AMENDMENT NO. 3281

(Purpose: To correct an omission)

Mr. SASSER. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Tennessee [Mr. SASSER] for himself and Mr. DANFORTH, proposes an amendment numbered 3281.

Mr. SASSER. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the concurrent resolution add the following:

(5) In section 3902(h)(2)(B) of title 31, United States Code (as added by section 3(c) of the bill), strike out clause (ii) and insert in lieu thereof the following:

"(ii) for a loan agreement, the 30th day beginning after the date of receipt of an application with all requisite documentation and signatures, unless the applicant requests that the disbursement be deferred;"

Mr. SASSER. Mr. President, this amendment simply makes technical corrections in the bill's enrollment. It has been cleared on both sides. I do not see my distinguished comanager, Senator TRIBLE, but this has been cleared on both sides, and I urge its adoption.

The PRESIDING OFFICER. Is there further debate? If there be no further debate, the question is on agreeing to the amendment.

The amendment (No. 3281) was agreed to.

Mr. SASSER. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. Is there further debate on the concurrent resolution?

If not, the question is on agreeing to the concurrent resolution.

The concurrent resolution (H. Con. Res. 351), as amended, was agreed to.

Mr. BYRD. Mr. President, 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.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

JUDICIARY OFFICE BUILDING DEVELOPMENT ACT

Mr. BYRD. Mr. President, I ask that when the Chair lay before the Senate a message from the House on S. 1934 that there be a 15-minute overall time limit of 10 minutes to Mr. MOYNIHAN and 5 minutes under the control of the Republican leader or his designee.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I now ask that the Chair lay before the Senate a message from the House of Representatives on S. 1934.

The PRESIDING OFFICER laid before the Senate the following message from the House of Representatives:

Resolved, That the bill from the Senate (S. 1934) entitled "An Act pursuant to the report ordered by Public Law 99-229 which directed the Architect of the Capitol and the Secretary of Transportation to undertake a study of the needs of the Federal judiciary for additional Federal office space, to authorize the Architect of the Capitol to contract for the design and construction of a building adjacent to Union Station in the District of Columbia to house agencies offices in the judicial branch of the United States, and for other purposes", do pass with the following amendment:

Strike out all after the enacting clause and insert:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Judiciary Office Building Development Act".

SEC. 2. FINDINGS AND PURPOSES.

(a) FINDINGS.—The Congress makes the following findings and declarations:

(1) Space for consolidation of activities of the Administrative Office of the United States Courts and other offices of the judicial branch of Government and for providing office space for retired justices of the Supreme Court is necessary and should be located in the vicinity of the Supreme Court building.

(2) Orderly development of the Capitol Grounds should be consistent with the Master Plan for the United States Capitol, dated 1981.

(3) The cost of leasing space by the judicial branch of the Government is high.

(4) Development of squares 721 and 722 in the District of Columbia is necessary to achieve the objectives of the Union Station Redevelopment Act and the revitalization of the Union Station area.

(5) The Judicial Conference of the United States endorsed by resolution the construction of an office building on the Capitol Grounds to house the Administrative Office of the United States Courts and related judicial branch offices.

(b) PURPOSES.—The purposes of this Act are as follows:

(1) To implement the report submitted to Congress by the Architect and the Secretary of Transportation under the Act of December 28, 1985 (99 Stat. 1749-1750), relating to the needs of the Federal judiciary for additional Federal office space.

(2) To authorize the Architect to acquire by lease space primarily for use by the judicial branch of the Government by entering into contracts for the design and construction of a building adjacent to Union Station.

(3) To ensure that the design and construction of such building will insofar as practicable result in a building which is efficient and economical and which provides visual testimony to the dignity, enterprise, vigor, and stability of the Federal Government.

SEC. 3. CONSTRUCTION OF BUILDING.

(a) SELECTION PROCESS.—

(1) GENERAL RULE.—The Architect, under the direction of the Commission and in accordance with such policies and procedures as the Architect shall establish, shall select in accordance with provision of this subsection a person to develop squares 721 and 722 (bounded by F Street, 2nd Street, Massachusetts Avenue, and Columbia Plaza, Northeast) in the District of Columbia.

(2) REVISION OF PROPOSALS.—Not later than 90 days after the date of the enactment of this Act, each of the 5 persons who submitted a proposal for development of squares 721 and 722 under the study conducted under the Act of December 28, 1985 (99 Stat. 1749-1750), which is one of the 5 proposals under consideration by the Architect may revise such proposal to take into account the objectives of this Act and resubmit such proposal to the Architect.

(3) SELECTION OF REVISED PROPOSAL.—Subject to paragraph (4), not later than 120 days after the date of the enactment of this Act, the Architect shall select one of the persons resubmitting a proposal under paragraph (2) to develop squares 721 and 722 in the District of Columbia.

(4) NONSUBMISSION OF REVISED PROPOSALS; PROTECTION OF UNITED STATES INTEREST.—If no proposal is resubmitted to the Architect under paragraph (2) in the 90-day period or if the Architect determines that none of the proposals resubmitted under paragraph (2) is in the best interests of the United States, the Architect shall conduct a competition for selection of a person to develop squares 721 and 722 in the District of Columbia. Such competition shall be conducted in accordance with such policies and procedures as the Architect may establish for a development competition.

(5) PURPOSE OF DEVELOPMENT.—The purpose of development of squares 721 and 722 is to provide office space for the Administrative Office of the United States Courts, the Federal Judicial Center, the Judicial Panel of Multidistrict Litigation, and the United States Sentencing Commission, chambers for retired justices of the Supreme Court, and other related offices of the judicial branch of the United States and other persons (including governmental entities).

(6) APPROVAL OF CHIEF JUSTICE.—All final decisions regarding architectural design of the building to be constructed under this Act shall be subject to the approval of the Chief Justice of the United States.

(7) PROHIBITION ON PAYMENTS FOR BIDS AND DESIGNS.—The Architect may not make any payment to any person for any bid or design proposal under any competition conducted under this subsection.

(8) LIMITATIONS.—

(A) SIZE OF BUILDING.—The building (excluding parking facilities) to be constructed under this Act may not exceed 520,000 gross square feet in size above the level of Columbia Plaza in the District of Columbia.

(B) HEIGHT OF BUILDING.—The height of the building and other improvements shall be compatible with the height of surrounding Government and historic buildings and conform to the provisions of the Act of June 1, 1910, commonly known as the Building Height Act of 1910 (36 Stat. 452).

(C) DESIGN.—The building and other improvements shall be designed in harmony with historical and Government buildings in the vicinity, shall reflect the symbolic importance and historic character of the United States Capitol and other buildings on the United States Capitol grounds, and shall represent the dignity and stability of the Federal Government.

(b) DEVELOPMENT AGREEMENT.—

(1) AUTHORITY TO ENTER.—The Architect may enter into with the person selected to develop squares 721 and 722 under subsection (a) an agreement for the development of such squares. Except as otherwise provided in this Act, such agreement shall provide for development of such squares substantially in accordance with (A) alternative D of the report to Congress entitled "The Study of Alternatives for the Construction of an Office Building(s) for the Administrative Office of the United States Courts", submitted to Congress on August 10, 1987, by the Architect and the Secretary of Transportation, and (B) the Master Plan for the United States Capitol, dated 1981.

(2) CONTENTS.—The development agreement under paragraph (1) shall at a minimum provide for the following:

(A) Except to the extent otherwise provided by this Act, all design, development, and construction costs incurred with respect to the building to be constructed under the agreement will be at no cost to the United States.

(B) Title to squares 721 and 722 will remain in the United States.

(C) Title to the building and other improvements constructed or otherwise made on or to squares 721 and 722 will immediately revert to the United States at the expiration of not more than 30 years from the effective date of the lease agreement entered into under section 4 without payment of any compensation by the United States.

(D) The building and other improvements constructed on or to squares 721 and 722 to be leased to the United States will be in accordance with the provisions of this Act and the lease agreement will contain such terms and conditions as may be prescribed by the Architect to carry out the objectives of this Act.

The agreement shall include a copy of the lease agreement entered into under section 4 by the Architect and the person selected to develop squares 721 and 722.

(c) CHILLED WATER AND STEAM FROM THE CAPITOL POWER PLANT.—

(1) AUTHORITY FOR HOOKUP TO CAPITOL POWER PLANT.—The building to be constructed under this Act may be connected to the Capitol Power Plant through construction of extensions to the chilled water and steam lines which serve Union Station. If such building is to be connected to the Capitol Power Plant, the agreement under subsection (b) between the Architect and the person selected to construct such building shall provide that such person will bear all costs associated with the installation of chilled water and steam lines to the building and shall reimburse the Union Station Redevelopment Corporation for an equitable share of the costs incurred by the Union Station Redevelopment Corporation in the construction of extensions of the chilled water and steam lines from such Plant to Union Station.

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(2) FURNISHING OF CHILLED WATER AND STEAM FROM CAPITOL POWER PLANT.—If the building to be constructed under this Act is connected with the Capitol Power Plant pursuant to paragraph (1), the Architect shall furnish, on a reimbursable basis, chilled water and steam from such Plant to such building.

(d) CONSTRUCTION STANDARDS AND INSPECTIONS.—The building and other improvements constructed under this Act shall meet all standards applicable to construction of a Federal building. During construction, the Architect shall conduct periodic inspections of such building for the purpose of assuring that such standards are being met. Such building shall not be subject to any law of the District of Columbia relating to building codes, permits, or inspection (including any such law enacted by Congress).

(e) APPLICABILITY OF CERTAIN LAWS.—The building and other improvements constructed under this Act shall not be subject to any law of the District of Columbia relating to real estate and personal property taxes, special assessments, or other taxes (including any such law enacted by Congress).

SEC. 4. LEASE OF BUILDING BY ARCHITECT OF THE CAPITOL.

(a) ENTRY INTO LEASE AGREEMENT.—Before the development agreement is entered into under section 3, the Architect shall enter into with the person selected to construct the building under this Act an agreement for the lease of such building by the Architect to carry out the objectives of this Act.

(b) TERMS OF LEASE AGREEMENT.—The agreement entered into under this section shall include at a minimum the following terms:

(1) The Architect will lease the building and other improvements for a term not to exceed 30 years from the effective date of such lease agreement.

(2) The rental rate per square foot of occupiable space for all space in the building and other improvements will be in the best interest of the United States and carry out the objectives of this Act, but in no case may the aggregate rental rate for all space in the building and other improvements produce an amount less than the amount necessary to amortize the cost of development of squares 721 and 722 over the term of the lease.

(3) Authority for the Architect to make space available and to sublease space in the building and other improvements in accordance with section 6 of this Act.

(c) ACCOUNTING SYSTEM.—The Architect shall maintain an accounting system for operation and maintenance of the building and other improvements to be constructed under this Act which will permit accurate projections of the dates and the costs of major repairs, improvements, reconstructions, and replacements of such building and improvements and other capital expenditures on such building and improvements.

(d) OBLIGATION OF FUNDS.—Obligation of funds for lease payments under this section may only be made on an annual basis and may only be made from the account established by section 9.

SEC. 5. STRUCTURAL AND MECHANICAL CARE AND SECURITY.

(a) STRUCTURAL AND MECHANICAL CARE.—Upon occupancy by the United States of the building and other improvements constructed under this Act, the structural and mechanical care and maintenance of such building and improvements (including the care and maintenance of the grounds of such building) shall be the responsibility of the Architect, under the direction of the Commission, in the same manner and to the same extent as the structural and mechanical care and maintenance of the United States Supreme Court Building under the Act of May 7, 1934 (48 Stat. 668; 40 U.S.C. 13a), and all other duties and work required for the operation and domestic care of such building and improvements shall be performed by the Architect, under the direction of the Commission.

(b) SECURITY.—

(1) GENERAL RULE.—The United States Capitol Police shall be responsible for all exterior and interior security of the building and other improvements constructed under this Act.

(2) AUTHORITY OF SUPREME COURT MARSHAL.—Nothing in this Act shall be construed to interfere with the obligation of the Marshal of the Supreme Court of the United States to protect justices, officers, employees, or other personnel of the Supreme Court who may occupy the building and other improvements.

(3) REIMBURSEMENT.—The Architect shall transfer from the account established by section 9 such amounts as may be necessary to reimburse the United States Capitol Police for expenses incurred in providing exterior and interior security under this subsection. The United States Capitol Police may accept amounts transferred by the Architect under this paragraph, and such amounts shall be credited to the appropriation account charged by the United States Capitol Police in executing the performance of security duties.

SEC. 6. ALLOCATION OF SPACE.

(a) GOVERNMENTAL ENTITIES.—

(1) JUDICIAL BRANCH.—Subject to the provisions of this section, the Architect shall make available, on a reimbursable basis, all space in the building and other improvements constructed under this Act to the judicial branch of the United States substantially in accordance with the report referred to in section 3(b)(1).

(2) OTHER.—Any space in the building and other improvements constructed under this Act which the Chief Justice determines is not needed by the judicial branch of the United States may be made available by the Architect, on a reimbursable basis, to Federal governmental entities which are not part of the judicial branch and which are not staff of Members of Congress or Congressional Committees.

(3) TERMS AND CONDITIONS.—Space made available under this subsection shall be subject to such terms and conditions as are necessary to carry out the objectives of this Act.

(4) REIMBURSEMENT RATE.—All space made available by the Architect under this subsection shall be subject to reimbursement at the rate established under section 4(b)(2) plus such amount as the Architect and—

(A) in the case of the judicial branch, the Director of the Administrative Office of the United States Courts, or

(B) in the case of any governmental entity not a part of the judicial branch, such entity,

determine is necessary to pay on an annual basis for the cost of administering the building and other improvements (including costs of operation, maintenance, rehabilitation, security, and structural, mechanical, and domestic care) which are attributable to such space.

(5) MEETING JUDICIAL BRANCH NEEDS.—

(A) IN GENERAL.—Whenever the Chief Justice notifies the Architect that the judicial branch of the United States requires additional space in the building and other improvements constructed under this Act, the Architect shall accommodate those requirements (i) in the case of space made available to the Administrator of General Services, by a date agreed upon under subparagraph (B), or (ii) in the case of space made available to any person or governmental entity (other than the General Services Administration), within 90 days after the date of such notification.

(B) SPACE AVAILABLE TO GSA.—In any case in which such additional space is provided from space in the building made available to the Administrator of General Services, the space shall be vacated expeditiously by not later than a date mutually agreed upon by the Chief Justice and the Administrator of General Services.

(C) UNOCCUPIED SPACE.—Whenever any space in the building is unoccupied, the Chief Justice shall have a right of first refusal to use such space to meet the needs of the judicial branch in accordance with this subsection.

(6) ASSIGNMENT OF SPACE WITHIN THE JUDICIAL BRANCH.—The Director of the Administrative Office of the United States Courts may assign and reassign space made available to the judicial branch of the United States under this subsection among offices of the judicial branch as the Director deems appropriate.

(b) NONGOVERNMENTAL TENANTS.—

(1) GENERAL RULE.—Any space in the building and other improvements constructed under this Act which the Chief Justice determines is not needed by the judicial branch of the United States shall first be offered to other Federal governmental entities which are not staff of Members of Congress or Congressional Committees; and then, if any space remains, it may be subleased by the Architect, under the direction of the Commission, to any person.

(2) RENTAL RATE.—All space subleased by the Architect under this subsection shall be subject to reimbursement at a rate which is comparable to prevailing rental rates for similar facilities in the area but not less than the rate established under section 4(b)(2) plus such amount as the Architect and the person subleasing such space agree is necessary to pay on an annual basis for the cost of administering the building (including costs of operation, maintenance, rehabilitation, security, and structural, mechanical, and domestic care) which are attributable to such space.

(3) LIMITATION.—Subleases under this subsection must be compatible with the dignity and functions of the judicial branch offices housed in the building and must not unduly interfere with the activities and operations of the judicial branch agencies housed in the building. The provisions of section 4 of the Act of July 31, 1946 (60 Stat. 718; 40 U.S.C. 193d), and section 451 of the Legislative Reorganization Act of 1970 (84 Stat. 1193; 40 U.S.C. 193m-1) shall not apply to any space in the building and other improvements subleased to a non-Government tenant under this subsection.

(4) COLLECTION OF RENT.—The Architect shall collect rent for space subleased under this subsection.

(c) DEPOSIT OF RENT AND REIMBURSEMENTS.—All funds received under this subsection (including lease payments and reimbursements) shall be deposited into the account established by section 9.

SEC. 7. COMMISSION FOR JUDICIARY OFFICE BUILDING.

(a) ESTABLISHMENT.—There is established a Commission to be known as the Commission for the Judiciary Office Building.

(b) MEMBERSHIP.—The Commission shall be composed of the following 13 members:

(1) Two individuals appointed by the Chief Justice from among justices of the Supreme Court and other judges of the United States (or their designees).

(2) The members of the House Office Building Commission (or their designees).

(3) The majority leader and minority leader of the Senate (or their designees).

(4) The Chairman and the ranking minority member of the Senate Committee on Rules and Administration (or their designees).

(5) The Chairman and the ranking minority member of the Senate Committee on Environment and Public Works (or their designees).

(6) The Chairman and ranking minority member of the Committee on Public Works and Transportation of the House of Representatives (or their designees).

(c) DUTIES.—The Commission shall be responsible for supervision of design, construction, operation, maintenance, structural, mechanical, and domestic care and security of the building to be constructed under this Act. The Commission shall from time to time prescribe rules and regulations to govern the actions of the Architect under this Act and to govern the use and occupancy of all space in such building.

(d) QUORUM.—Seven members of the Commission shall constitute a quorum.

SEC. 8. REPEAL OF DOT AUTHORITY.

Section 116(a)(2) of the National Visitor Center Facilities Act of 1968 (40 U.S.C. 816(a)(2)), relating to assignment of squares 721 and 722 to the Secretary of Transportation, is repealed.

SEC. 9. FUNDING.

(a) SEPARATE ACCOUNT.—There is established in the Treasury of the United States a separate account. Such account shall include all amounts deposited therein under section 6(c) and such amounts as may be appropriated thereto but not to exceed $2,000,000. Amounts in the account shall be available to the Architect for paying expenses for structural, mechanical, and domestic care, maintenance, operation, and utilities of the building and other improvements constructed under this Act, for reimbursing the United States Capitol Police for expenses incurred in providing exterior and interior security for the building and other improvements, for making lease payments under section 4, and for necessary personnel (including consultants).

(b) UNEXPENDED BALANCES OF FUNDS.—The unexpended balance of funds appropriated by the Urgent Supplemental Appropriations Act, 1986 under the heading "Study of Construction of Office Building" (100 Stat. 717) are transferred to the Architect on the date of the enactment of this Act. Such unexpended balance shall be available for design review, construction inspection, contract administration, and such other project related costs under this Act as the Architect may deem appropriate.

SEC. 10. DEFINITIONS.

As used in this Act—

(1) ARCHITECT.—The term "Architect" means the Architect of the Capitol.

(2) CHIEF JUSTICE.—The term "Chief Justice" means the Chief Justice of the United States or his designee; except that in any case in which there is a vacancy of the office of the Chief Justice of the United States, the most senior associate justice of the Supreme Court shall be treated as the Chief Justice of the United States for purposes of this Act until such time as such vacancy is filled.

(3) COMMISSION.—The term "Commission" means the Commission for the Judiciary Office Building established by section 7.

Mr. MOYNIHAN. Mr. President, this is a very special moment for the Senate and a happy one as well. The House now returns to us our bill, S. 1934, a bill entitled "the Judiciary Office Building Development Act."

Mr. President, this is the second time in the history of the Republic, in the 200 years of this body, that we have been asked to build a building for the U.S. Supreme Court. The first building, which was proposed by President Taft, was designed by Cass Gilbert and completed in 1935. It stands across the Capitol grounds as a well-known symbol of equal justice under law and of the separation of powers.

In the period of some half century since the building was opened the population of the country doubled, and the workload of the courts has greatly increased, necessitating more judges in the circuit courts. Because of this burgeoning caseload, there is a need for improved administrative measures to ensure that all the circuits are accommodated, and that the work of the Supreme Court remains manageable by the same number of Justices that were there 50 years ago—nine.

Twenty years ago, Mr. President, the then Chief Justice Warren Burger, that revered, distinguished, jurist, set out to build a new building that would hold the administrative offices of the Court, that would provide chambers for visiting judges on circuit, that would provide chambers for retired Justices, and be available to the Court for various other purposes. Despite his efforts over a span of 18 years, he was never able to succeed, as he very eloquently testified before the Committee on Environment and Public Works. The problem very simply, as the distinguished Senator from Rhode Island, who is on the floor, would be the first to acknowledge, is that building a new Federal building, this is a very expensive proposition and we have not had the money. In the meantime, we have been renting space so that the rental bill of the U.S. Government is past $1.1 billion annually, a matter of increasing concern to the committee.

Mr. President, in the recent years, we have come up with a very important, promising, and immediately useful device. I want to acknowledge the great role of Mr. Terrance Golden, the former head of the General Services Administration, in helping us with this device. He originated it. We simply approved it. It is a system called lease-to-own. To illustrate with this case, the Federal Government now owns on Capitol Hill squares 721 and 722. They are for practical purposes derelict lots at this point, used as parking lots. They are just east of Union Station, the great gateway to the city that Burnham designed in 1907 and which will be reborn this very next week, as the Presiding Officer knows. The location of Union Station resulted from an arrangement with Mr. Cassett, then head of the Pennsylvania Railroad. He said he would move his railroad station from a site just below the Capitol steps here, on the mall, to the present site, if the Federal Government would build a post office to the west of his station. Now we are going to build the judiciary building to the east—a flanking building, harmonious with respect to size and style, not to be a beaux arts design, but to be a modern design with the same window space, wall space, same building line, cornice line, and so on. There is in this Capitol building five exceptional models that have been submitted by leading American architects in cooperation with the developers through a competition held by the Architect of the Captiol. A building commission is established under this legislation to oversee the new building. It is composed of two appointees of the Chief Justice, two members of the House Building Commission, the Speaker and minority leader, the majority and minority leaders of the Senate, and the chairmen and ranking members of the respective authorizing committees in the House and Senate. They will choose a design and a developer, and the developer will put up the building and we will lease it for 30 years. At the end of 30 years, we will own it. It is a building we expect to be built to specifications that ensure that it will last at least 100, perhaps 200 years—just as the Chamber we are in at this moment. This is to be, in the terminology of architecture, a "monumental" building—not in size, but in purpose and in detail and in character—in the quality of the work and the distinction of the design.

We estimated, Mr. President, that this legislation will save the Federal Government, by building this building and leasing it, approximately one-half billion dollars in the course of the next 30 years—and then we will own the building. We now lease space all over Washington for the same purposes that will find a permanent home here. It is elemental good sense as a management proposition and it is more than that. It is a responsibility that devolves upon us by virtue of the Court's need, and the fact the Court does not independently have the resources to meet those needs. Chief Justice Rehnquist could not have been more supportive in this matter. Former Chief Justice Burger, I can report to the Senate, is delighted with this event.

I would like to make a point that the senior Senator from California has been concerned about the building line, and we specified that the height of this building will conform to the general height rules that obtain by statute in the District of Columbia. I wish to observe that we do this voluntarily. In this Senator's view, we are not under any legal obligation in that regard, but for purposes of peaceableness and comity with our neighbors on Capitol Hill, we will do this. We were going to do it anyway.

Finally, Mr. President, I think it remains to express our appreciation to the members of the House Committee on Public Works and its able and experienced new chairman, Mr. ANDERSON, who saw to the careful reading of this bill. We also appreciate the efforts of the new subcommittee chairman, Mr. Bosco, and ranking minority member Mr. MOLINARI to report this bill expeditiously. It has some very slight technical amendments which necessitates our passing it again, and thanks to them it is here. It is here in good time and we have now done something that for 20 years the courts have asked us to do. We have fulfilled this responsibility.

I have discussed this matter with Mr. Joseph Wright of the Office of Management and Budget. They are equally pleased by this development. It is something of which we can be proud.

I hope that the citizens of the Nation will recall this particular episode and will note that in the 100th Congress a matter of some urgency put before us by the Supreme Court was resolved.

Mr. President, I see the distinguished minority leader who is a member of the Judiciary Building Commission is on the floor. Perhaps he might want to make some remarks.

Mr. DOLE. Mr. President, I thank the distinguished Senator from New York.

I agree with the comments he has made. I checked with the appropriate committee members on our side. They are in support of the proposal, and have no objection. We yield back any time we may have.

Mr. HOLLINGS. Mr. President, the House message now before the Senate authorizes the construction of a new building adjacent to Union Station to consolidate the various components of the Administrative Office of the Courts which are currently housed in several locations throughout the city. This conference report represents the culmination of several years of work to develop a unique public-private partnership for the construction of this facility.

While I understand the severe space restrictions facing the Administrative Office of the Courts, I believe, Mr. President, our first priority in the Judiciary must be to meet the actual costs associated with the operations of our Federal courts which has resulted from a burgeoning Federal caseload.

The Commerce, Justice, State, and the Judiciary Appropriations Subcommittee has just completed conference on the fiscal year 1989 bill. The budget constraints facing the subcommittee were such that we were unable to provide the Judiciary's requested 30-percent increase and heard from many Members as to the pressing needs of the Judiciary. My concern with S. 1934, Mr. President, is not as to the Administrative Office's need for additional space, but more to the question of funding priorities with limited Federal resources.

When this bill was originally approved by the Senate, provision was made for the chairman of the Commerce, Justice, State, and the Judiciary Appropriation Subcommittee to be on the oversight committee for this project. However, the other body opposed our inclusion and this measure now includes no representation from Appropriations. That is precisely my complaint — other people are running up the costs that we are asked to pay within a constrained Federal budget.

Mr. MOYNIHAN. Mr. President, if there is no further discussion, and in the described harmony with which we go forward, I move to concur in the House amendment.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the motion to concur.

Mr. SIMON addressed the Chair.

The ACTING PRESIDENT pro tempore. Does the Senator from Illinois wish to be recognized?

Mr. SIMON. Yes, Mr. President; I question the presence of a quorum.

Mr. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. FOWLER). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MORNING BUSINESS

Mr. BYRD. Mr. President, I ask unanimous consent that there be a period for morning business not to extend beyond 1 hour, and that Senators may speak therein for 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, 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.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, the Senate is in morning business. A matter involving the House message on S. 1934 was pending. I ask unanimous consent that the Senate return to the message from the House and that morning business follow action on that measure.

The PRESIDING OFFICER. Without objection, it is so ordered.

JUDICIARY OFFICE BUILDING DEVELOPMENT ACT

The Senate continued with the consideration of the message from the House on S. 1934.

The PRESIDING OFFICER. The question is on agreeing to the motion to concur by the Senator from New York [Mr. MOYNIHAN].

The motion was agreed to.

Mr. MOYNIHAN. Mr. President, I thank the majority leader for making this possible. I know that there will be great satisfaction on the part of the Chief Justice.

Mr. President, 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.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MORNING BUSINESS

Mr. BYRD. Mr. President, I ask unanimous consent that there be morning business for the next 1½ hours and that Senators may speak therein and, of course, introduce bills and resolutions, as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, 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.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. BYRD. Mr. President, I anticipate no more rollcall votes today.

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.

Mr. EXON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE SAVINGS AND LOAN INDUSTRY

Mr. EXON. Mr. President, I rise today simply to focus attention on what I think is a growing menace to the economic stability of America which we have swept under the rug, in the opinion of this Senator, for too long.

Specifically, Mr. President, it has to do with the serious crisis in the savings and loan industry in the United States today, the solvency, or lack thereof, of the FSLIC, and the fact that we are procratinating to the point that, in the view of this Senator, unless we recognize the multibillion-dollar obligation that has already been run up against the taxpayers of the United States of America, sooner or later, and I think it should be sooner, we are going to have to face the music with regard to the shortfall in the savings and loan industry.

At the present time, it is conservatively estimated that the liability that has accrued in a creeping but dramatic fashion of increase is now somewhere in the area of $50 to $100 billion, or maybe more, that the taxpayers at some time are going to be hit with, because of the shortfall in those amounts, with regard to the money in the FSLIC, to bail out what we have been sweeping under the rug for far too long.

Why are we doing this, Mr. President? Well, there are two reasons. The first reason is that the hope continues to rise that somehow this industry is going to find its way out of the darkness and desperation that presently engulfs it, and maybe the taxpayers will have to come up with some money.

The second reason—and probably the more compelling reason, and what I am most concerned about—is the fact that once we face up to the realities of the situation, we are going to see a dramatic increase in the debt of the United States of America and the deficit. From what we know now, there probably is no more significant problem on the horizon than that one.

So I suppose that the tendency is going to be at least to sweep it further under the rug until after the elections. Among the other critical matters that will face the new administration that will take over in January 1989 is the problem I have just outlined.

After talking about letting the system work its way out over the last several years, by not grabbing the problem early, by ignoring the old axiom that a stitch in time saves nine, we are enhancing the possibility of this dilemma for the financial stability of America becoming unraveled even further.

Indeed, a few months ago, the regulators in that industry were telling us that probably the shortfall was somewhere in the $15 to $20 billion range, the shortfall being what would be needed if today the regulators carried out their duties under the law. Then, a few weeks ago, the regulators indicated that that probably had increased from $15 to $20 billion to the $30 to $32 billion shortfall range.

The regulators have not leveled with the American public or Congress as yet. The recent indications are that that $15 to $20 billion shortfall, which they admitted a few weeks ago has gone from $30 to $32 billion, is now up in the range of $50 billion, and there have been numerous stories in the newspapers and on television that that $50 billion may be the bottom line or the least costly figure.

What is happening in the meantime? What is happening is that the S&L industry in America is continuing to go farther and farther down that black hole tube because we are not doing anything.

Several years ago it became clear that the money was flowing into many of the savings and loan associations because they were paying a little bit higher interest rate than the other financial institutions for savings and in their desperation too many of the savings and loans continued to attract more and more capital by paying higher interest rates to get that money and, of course, it was possible for them to do that only because they had the guarantee of the Federal Government through the FSLIC that the savings deposits were guaranteed by the Federal Government. That is a guarantee that the Federal Government has. That is a guarantee that the Federal Government will have to face up to at some time.

But rather than attacking it then, rather than the regulators moving in aggressively when they knew by their own audit that things were in serious trouble, they simply did not have enough money in the FSLIC to close many of those insolvent institutions. When they did not move then, that dilemma continued to the S&L's trying to keep their heads above water, paying interest rates to get more money coming in. Once they got the money in at higher than normal interest rates for savings, they had to some way put it out. Sure enough, what was predicted several years ago happened. They put this money out into risky loans in many instances.

When we partially deregulated that industry and unwisely allowed the savings and loan institutions to make loans in areas where they were prevented from doing so previously, we almost invited what we have today.

I know that the Banking Committee that has jurisdiction here has been concerned about that. I know that some moves are being made. I would hope that the Members of the U.S. Senate would feel strong enough about this to recognize that putting this off until after the election, putting this off for another 4, 5, or 6 months, until the 101st Congress convenes in January and does not get to doing business until February, March, or April, means that we are going to be that much farther, 6 months farther down this hole, and I would conservatively estimate that if we do that, there is every possibility that the ever mushrooming obligation that the taxpayers of the United States sooner or later are going to have to face is going to be $10 to $20 billion more because of our failure to act.

I would even go so far as to say that I hope that the leadership would consider the possibility at least with all the other important things we have to do to come up with some kind of a plan to begin to provide the regulators and the FSLIC with some money that would be necessary to close some institutions forthwith. Once again a stitch in time may save 9 stitches or 10 or 11 or 12 or many, many more.

So, if necessary I would hope that we could put through some legislation this year after receiving recommendations from our Banking Committee. If we cannot do that by October 8, if we cannot by the scheduled or talked-about day of adjournment, then maybe we should wait until the 15th or maybe, Mr. President we should take the suggestion of this Senator to stay here a few additional days if necessary, up until November if necessary to address this problem. If not that, then I would suggest that we consider coming back as soon as we can after the November election because I think waiting for something to happen is only going to result in more of the same and that is a shame that we have not acted sooner on this matter and it is going to be more of a monumental problem next year than it is right now.

I simply say that, as one Senator very much concerned about this, I am against sweeping it under the rug; I am against not taking action now regardless of what that might do to the tenuous balance that we have regarding the deficit and the tenuous ill effect that that might have facing the Gramm-Rudman bill that would certainly come into play if we would decide that we had to move now.

I just want to send a clear signal that this Senator is very much concerned, and I would hope that my colleagues would take a very close look at what is not being done in this area now. What is proposed is action some-

time next year, if then, and if we continue on the course that we have been on, let us try all the avenues before we do anything, we are following the same course that has been a prescription for disaster in the savings and loan industry and the health and financial security of our financial system for far too long.

Mr. President, I yield the floor.

Mr. President, 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.

Mr. KARNES. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

H.R. 791. GROUNDWATER RESEARCH

Mr. KARNES. Mr. President, I rise today to express my gratitude to the members of the Senate Environment and Public Works Committee for their action earlier today to report out major groundwater research legislation in the form of H.R. 791.

I am especially pleased that the committee included major portions of a bill I introduced last year, S. 1696, which will set up a program to address one of the greatest environmental problems facing farmers today, that of nitrogen pollution of groundwater and surface water.

Nitrate pollution in Nebraska water has become a very real environmental problem in many places in my State. Farmers use fertilizers to maximize their crop yields, but they want to use farm chemicals in a way that will get the most from their crop without polluting their very valuable resource, that being groundwater. My groundwater proposals, which are now headed for final passage in the Senate, will help farmers farm the way they need to, protect the water, and even save money in the process. The new Agriculture Nitrogen Best Management Committee that is an important part of my bill will define those best management practices, require a report to be prepared and submitted, and make that information available to all farmers on these best management practices free of cost.

I have also suggested to the Secretary of Agriculture that farmers be appointed to this committee. Indeed, I believe if they are appointed—as I think it is critically important that they be—they will play an active role in providing the farm perspectives rather than the bureaucratic perspectives which we have seen, unfortunately, happen all too often.

I would like to take this opportunity to note the diligent work of my colleague, Senator BURDICK, for his efforts to push this issue forward. Senator BURDICK introduced his own bill, S. 1767, which incorporated themes and language similar to S. 1696. I applaud his efforts to help effective nitrates best management practices legislation become law.

I would also indicate, Mr. President, my strong support for the overall bill, H.R. 791. It is profarmer, proenvironment, and the approach that it takes is one that is very positive toward future ground water research. My staff and I have spoken with water leaders in the State of Nebrasaka, and indeed other parts of the Midwest, who wholeheartedly support H.R. 791 as an important step forward in understanding the processes and the problems of ground water and ground water legislation. My State, which depends very heavily on ground water, as well as surface water, will benefit in many ways for this bill.

Mr. President, I yield the floor.

THE STATE DEPARTMENT POLICY IN LEBANON

Mr. HELMS. Mr. President, today we stand on the verge of the collapse of Lebanon into a bloody civil war. Lebanon has been periously weakened by the United States—or, more specifically, by the Near Eastern Affairs Bureau of the Department of State under Assistant Secretary Richard W. Murphy. The fixation of this Bureau on enhancing the power of President Hafez Assad of Syria has been contributing to the tragedy of Lebanon for more than a decade.

The election of a new Lebanese President is a matter for the Lebanese Parliament alone to decide. We should not be negotiating with Syria about the internal affairs of Lebanon. Syria should be told forcefully by the United States to stay out of Lebanese politics and to stay out of Lebanon.

Mr. President, since August, Syria has been thwarting the attempts of the people of Lebanon to conduct a proper election for their president. The election was supposed to have been conducted yesterday, but the Syrians demanded that the Parliament meet for the election in Syrian-controlled West Beirut. No quorum was possible because it is not safe for Christian and Moslem deputies from East Beirut to cross over into West Beirut to vote.

The United States must recognize the legitimately constituted new government of Prime Minister General Michel Aoun which was created yesterday at 4:50 p.m. Washington time, 11:50 p.m. Beirut time. The government of General Aoun was created by the decree of President Amine Gemayel just 10 minutes before the expiration of his term of office. Under the Lebanese Constitution such a transitional cabinet may be appointed by the President; it will then govern until proper presidential elections can take place. The Prime Minister of the transitional cabinet during this period has full presidential powers. A similar transitional situation occurred in 1952.

The Syrians are seeking to impose an alternate government headed by their puppet Salim El-Hoss, who has been the acting Prime Minister under President Gemayel, which would seek international recognition for itself in place of the constitutional government. El-Hoss' cabinet resigned over a year ago on June 1, 1987.

Mr. President, the United States and all countries of good will must recognize the Aoun government in order to prevent chaos, bloodshed, and a possible partition in Lebanon.

The reason that proper elections in safe conditions did not occur yesterday is because the Syrians insisted that the elections be held in Syrian-controlled West Beirut rather than at a neutral site, the Villa Mansour, along the green line which separates East and West Beirut.

Deputies did meet in West Beirut but a quorum was not present. Sadly, a Shiite Moslem deputy from East Beirut, former Speaker of Parliament Kamel al-Assaad, who had gone to vote in good faith, was kidnaped, assaulted, and later released by pro-Syrian Amal militia forces as he tried to return to East Beirut.

Damascus has no right to interfere in the sovereign affairs of Lebanon. Damascus has no right to occupy Lebanon with over 40,000 troops. The United States has no business promoting Syrian control of Lebanon.

Mr. President, Senators know that it has been the stated policy of the United States since 1943 to support the sovereign independence of Lebanon. Sovereign independence means no foreign interference in internal affairs.

Secretary Murphy's diplomatic failure in Damascus has unfolded over the last week. His policy has been appeasement in the face of Syrian demands. He has all but handed Lebanon over to Syrian dictator Hafez Assad. The consequences of this unprecedented betrayal may well lead to bloodshed within the coming hours and days.

The State Department mission to Damascus, rather than playing a role as an honest mediator, capitulated step-by-step to the Syrian plan to install a puppet president in Lebanon.

First, the State Department accepted rather than rejected the puppet candidates proposed by Syria. Rather than veto Syrian intervention in the electoral process, Mr. Murphy publicly indicated United States support of the Syrian puppet candidate Mikhael Daher knowing full well in advance that Daher was wholly unacceptable

to Christian and moderate Muslim Lebanese.

Second, the State Department accepted rather than rejected the Syrian-selected West Beirut venue for the election knowing full well in advance that this location was unacceptable to Christian and moderate Moslem deputies.

The Syrians, who militarily occupy about 60 percent of Lebanese territory, have tried for months to impose their own puppet as president. The Syrians proposed two candidates: Suleiman Franjieh as their first choice and Daher was the alternate. Both of these men are notoriously pro-Syrian. Both of these men are from villages currently under Syrian control, a fact which makes their families and friends hostages to Syria. Both of these men are known to Syria and to the United States to be wholly unacceptable to the Christian and moderate Moslem communities in Lebanon.

The Syrian demand that the election take place at a location in West Beirut rather than along the green line at the Villa Mansour has been an attempt to put Christian and Moslem deputies living in East Beirut under Syrian intimidation in an almost hostage-like situation should they cross over to vote. As I pointed out, a kidnaping did occur. Such a venue could have no other purpose than to force deputies to boycott the election for their own safety. The Syrians then could promote an alternate government.

THE DAHER CANDIDACY

Mr. President, as I stated earlier, the Syrians first proposed Suleiman Franjieh as their candidate for president knowing full well that he was wholly unacceptable to the Chritisan and moderate Moslems communities. The backup was Mr. Daher, also well known to be unacceptable to these communities, as an alternate candidate.

Daher, born in the village of Kobayatt, North Lebanon, in 1928, is a lawyer who once defended Fouad Awad of the Syrian Social Nationalist Party—a Syrian party with a Lebanese branch—who was charged with plotting a coup d'etat in Lebanon. The ideology of this political party holds that Lebanon and the rest of the Mesopotamian Basin—including Israel and Iraq—should be part of a so-called Greater Syria. The Lebanese branch of this party has covert terrorist cells.

Daher fully endorsed the tripartite agreement of December 28, 1985, which was the Syrian program for control of Lebanon. This plan gives Syria total control over Lebanon's defense, internal security, foreign policy, economic policy, and education policy. The plan never went into effect but has remained part of Syria's game plan.

Reports from Lebanon indicate that on September 12 of this year, Daher, in preparation for the declaration of his candidacy, left his East Beirut residence and visited his village of Kobayatt in Syrian-controlled North Lebanon. He brought two well-known Syrian sympathizers with him: ex-Ministers Michel Mur and Marwan Hamade.

It has been reported to me that Daher went to Damascus on September 16 to work out the details of his candidacy and platform. It has not yet been confirmed whether or not he met with the U.S. State Department delegation then in Damascus. His platform is described as consisting of most of the elements of the tripartite agreement and in effect the platform hands Lebanon over to Syria. Syrian Vice President Khaddam—with whom the Murphy delegation had been negotiating—declared official Syrian approval of the Daher platform on September 19.

Under Daher's platform, the Syrian military would essentially take control over the Lebanese Army and internal security forces.

CHRISTIANS CONDEMN THE MURPHY ACTIONS

Mr. President, Christian parliamentary deputies and church authorities have been meeting in emergency session in Bikerke over the last several days. The Christian deputies have taken a position that the unity of the national assembly must be preserved and that the elections must be held in secure conditions at the Villa Mansour along the green line.

Before Secretary Murphy left Lebanon, he was informed frankly and forcefully by the Maronite Patriarch Sfeir in person that the State Department's position in support of a Syrian diktat was rejected by the Christian community. According to informed sources, the Patriarch told Murphy that not even Lebanon's former Ottoman rulers had attempted to impose their will on the country in such a fashion as Syria's Assad.

Despite the clearly announced united position of the Christian community, the United States Embassy in Lebanon has continued to insist upon the acceptance of Daher or the holding of elections in Syrian-controlled West Beirut. Our Ambassador to Lebanon, John Kelley, was stricken with heart problems last week and was evacuated to Cyprus and then to West Germany for tests last Friday. Ambassador-designate McCarty has not yet left the United States to replace Ambassador Kelley. The United States spokesman in Lebanon, therefore, has been Daniel Simpson who has reportedly privately and publicly supported Daher and the West Beirut election location.

Mr. President, it is my understanding that the Vatican has been fully informed of the situation and is deeply distressed by events in Lebanon.

The French Foreign Minister has already condemned the United States diplomatic fiasco.

THE AOUN GOVERNMENT

President Amine Gemayel named the following to the military government in the closing minutes of his term: Gen. Michel Aoun, a Maronite Catholic and the military chief of staff, was named the Prime Minister and given the portfolio for defense. Brig. Issam Abu Jamra, a Greek orthodox, was named deputy prime minister and given the portfolios for transportation, housing, commerce, economics, and post office. Gen. Edgar Maalouf, a Greek Catholic, was given the portfolios of finance, health, social affairs, oil, and industry. Col. Loufti Jaber, a Shiite Moslem and commander of the predominantly Shiite Sixth Brigade, was given the portfolios of water, electricity, agriculture, and justice. Gen. Mahmoud Abu Dargham, a Druze, was given the portfolios for public works, tourism, and labor. Gen. Nabil Koraytim, a Sunni Moslem, was given the portfolios for foreign affairs, interior, and education.

Owing to intense Syrian pressure, Colonel Jaber, General Dargham, and General Koraytim declined to serve in the new government. An indication of the intensity of Syrian pressure was the nonacceptance of the portfolios by Colonel Jaber who himself had supported General Aoun for president.

The Aoun government has the united support of the Christian community in Lebanon as well as the support of moderate Moslem leaders such as Osman Danna, a Sunni Moslem deputy from Beirut. Dr. Samir Geagea, the chairman of the Christian Resistance and commander in chief of the Lebanese Forces announced his immediate support for the Aoun government. Dany Chamoun, leader of the National Liberal Party, and George Saade, leader of the Kataeb Party, announced their support of the Aoun government. Pierre Helou, an independent Deputy and influential leader within the Christian community announced his support of the Aoun government.

Mr. President, the State Department's pro-Syrian policy has remained virtually unchanged since it was created by Henry Kissinger in the early 1970's. The inevitable consequence of this pro-Syrian policy to date has been bloody civil warfare in Lebanon, Syrian military occupation of some 60 percent of Lebanese territory, and the spread of international terrorism.

Mr. President, it is no secret that Syria and Iran worked together to blow up the Marine Corps barracks in Lebanon which took the lives of over 250 soldiers. Of course, the State Department made every effort to cover

up Syrian support of international terrorism even though Syria has been on the list of countries sponsoring terrorism. The Department of State has promoted the fiction that Syria has been helpful with respect to hostages when the fact is that Syria on its own, and working with Iran, has been behind the taking of hostages in the Middle East.

Mr. President, it is time that we drop the fatally flawed pro-Syria policy of the Bureau of Near Eastern Affairs at the State Department. We need to construct and to implement a realistic policy for the Near East which will contribute to the peace and prosperity of the region.

Mr. President, Syria is a terrorist-sponsoring state. Syria, under the dictatorship of Hafez Assad, is a threat to peace in the Middle East. Appeasement of Syrian state terrorism and intervention in Lebanon is a road to further chaos bloodshed. The Syrian nation deserves better than Hafez Assad, a dictator who does not hesitate to massacre tens of thousands of his own people.

Mr. President, it is clear that the policy of the Bureau of Near East Affairs, headed by Assistant Secretary Murphy, is a catastrophe for U.S. goodwill, influence, and long-range interests in the Middle East—the ancient strategic crossroad of mankind.

The first step in a new realistic policy is to recognize immediately the government of Prime Minister Aoun in war-torn Lebanon.

TAKING CHARGE OF HEALTH CARE IN AMERICA—THE PROPOSALS OF GOVERNOR DUKAKIS

Mr. KENNEDY. Mr. President, in a statement last Tuesday, I urged all of us concerned with the quality of health care in America to consider the series of addresses that Governor Dukakis and Senator BENTSEN would be delivering this week on their health care proposals for the Nation.

The Dukakis-Bentsen program will bring health insurance coverage to millions of citizens who currently have no protection against the high cost of health care. It will reduce the scourge of infant mortality by assuring a healthy start in life for all newborn children. It will address the health care crisis confronting rural America. It will protect the Social Security and Medicare benefits that senior citizens have earned. It will begin the process of establishing a program of long-term care to assure that elderly Americans have the help they need, whether that care is provided in a nursing home or in their own home.

This progressive, compassionate, credible, and imaginative program offers a clear contrast to the policies of retreat and reaction that have characterized the Reagan-Bush years on health care. I believe that the program will be of interest to all of us in the Senate, and I ask unanimous consent that the series of addresses and background papers describing the program may be printed in the RECORD.

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

"TAKING CHARGE OF OUR FUTURE—A HEALTHY START," BOSTON, MASSACHUSETTS, SEPTEMBER 21, 1988

(Address of Governor Dukakis)

In less than seven weeks, we face a choice between two very different versions of America's future.

George Bush sees a complacent America; an America that wants to look backward even as a new century is about to dawn.

I see an America whose best days are ahead of us, not behind us; an America with new horizons to reach and new frontiers to conquer. I see an America that's ready to take charge of its future again.

He sees prosperity for some people in America, and says that's good enough. I want to bring prosperity home—to every home in America.

His vision of America doesn't extend beyond the gates of the country club. I want to stand up and fight for the average American family—for those who have no special interest lobbyists in Washington and no special influence at the bank.

I want to be the President who fights for the average American—who makes a real difference for American families.

Two weeks ago, I proposed a plan to open the door of college opportunity to every young man or woman in this country who is qualified to do college work.

Last week, I offered an action plan for waging a real war—not a phony war—on drugs.

Yesterday, I proposed that we make health security the birth right of every American—and not just the most privileged few.

Today, I'm here to talk about the health of our children—about how we're going to make sure that every child in America has the chance for a healthy start in life, and a fair shot at the American dream.

Our children are our pride, our joy, and our future.

But, each year, more than 40,000 American babies do not survive to celebrate their first birthdays. And, if this trend continues, over a half a million more infants will die during the next 12 years—more than the total number of battlefield deaths of American forces in World War I, World War II, Korea, and Vietnam combined.

Today, an infant born in America has less change of survival than those born in 18 other countries, including Spain and Singapore.

Today, more than 12 million children grow up in families without a dime's worth of health insurance. Too many of these children don't get checkups. They aren't treated when they are sick; and they've never seen a dentist.

Over the past eight years, the number of children who've been immunized has dropped 20% a year. And the incidence of diseases like mumps and measles has gone up.

For the first time in recent history, there has been an increase in the number of babies born with dangerously low birthweights—babies born too small, babies born malnourished, babies who are born 40 times more likely to die during their first year of life than other babies.

My dad was a doctor, and, when I was growing up, no one talked about the principle that every doctor lives by: "Above all, do no harm." I wish someone had told that to George Bush.

When children and their families have needed a helping hand, Mr. Bush's administration has given them a cold shoulder. When the time came to stand up for our children's health care needs, George Bush was no where to be found.

But, he was there when his Administration conducted an annual assault on immunization programs. He was there when they cut maternal and child health program. He was there when they cut the women, infants, and children program that provides nutritional supplements for pregnant women and their babies. And he was there when they cut off Medicaid for 700,000 children, most of them from working families—children who will have to wait for hours in hospital emergency rooms the next time they are sick or injured.

George Bush claims he is "almost haunted" by the way some children live in America today, but he says that we can't solve their problems.

Lloyd Bentsen and I think we can do plenty. And we will, beginning on January 20, 1989. And today, I want to share with you our plan to guarantee a healthy start to every American child.

And, the guiding principle behind our Healthy Start program is that timeless piece of folk wisdom: An ounce of prevention is worth a pound of cure.

The cost of prenatal care—care that can prevent an infant from being born with an abnormally low birthweight—can be as little as $400. But the cost of caring for that person over a lifetime of illness—illness that could be prevented—can reach $400,000.

The same principle holds true for immunization—we save $10 in treating preventable childhood illnesses for every $1 spent on immunization.

And Healthy Start is based on real life experience—successful experience.

Thanks to the vision of people here in Massachusetts like State Representative Richard Voke, and Deborah Prothrow Smith, and, thanks to the hard work of people like the doctors, nurses, and other members of the health care team here at Brigham and Women's Hospital—we know that we can give all of our children, especially those most at risk, a healthy start on life.

In just twenty months, the Massachusetts Healthy Start program has already served more than 16,000 women and their children. We've provided early and continuous prenatal care for pregnant women—care that helps keep mother and child well-nourished and healthy. We've provided these services for women without health insurance—and soon we will see the day when no man, woman, or child in our state is without health insurance.

This morning, I had the pleasure of meeting with some of the dedicated people who are providing these services—and with some of the women and children whose lives are healthier, happier, and more hopeful because of your efforts. And we are making a difference—fewer low-birthweight infants; fewer premature births; and, best of all, a lower rate of infant morality.

What we have begun to accomplish here, we can—and must—do in all 50 states.

We're going to reach out to every pregnant woman in the country to make sure they get early and adequate pre-natal care. If we find they're eligible for some form of coverage, we're going to make sure they're eligible for some form of coverage, we're going to make sure they're enrolled in an insurance plan. And we're going to make sure that they get to doctors and clinics who are willing and able to provide the care they need.

If we find they have no health insurance we're going to pay for her care and make sure that care is available. We won't rest until every expecting mother and her baby can get the healthy start they need and deserve. That means decent nutrition, prenatal care visits, laboratory and pharmacy services, home visits for high-risk pregnancies and care for mother after she gives birth.

And, beginning on January 20, 1989, immunizing our children will become a top priority once again—not the first target for budget cuts. We're going to provide a steady supply of vaccines for our children. We're going to make sure there are trained personnel to get the job done.

My friends, it's a time for wonderful new beginnings.

On or about January 20, John and Lisa expect a new baby.

And, on January 20, America will have a new Administration.

I want our Administration to make sure that every baby born in America will have the healthy start in life that Kitty and I want for our first grandchild.

And it will require the enthusiasm and dedication and work of all of us who care about our nation's future.

Because as President, I'm going to be setting goals for our country; not goals for government working alone; I mean goals for our people working together.

I'm going to fight to make health insurance available for every working man and woman in our country, but I will also ask all Americans to keep themselves and their children physically fit and healthy.

I'm going to fight to reassure our older citizens of quality long-term care, but I will also ask all Americans to show toward their aging parents and neighbors the kindness and attention for which no government program can be a substitute. I'm going to work to expand the opportunity for volunteer services in this nation as well as abroad, but I will also ask young Americans to give something back to the country that has given so much to them, and to accept the obligation as well as the privileges that accompany citizenship in the greatest nation on earth.

We need more doctors willing to care for those living in inner-city neighborhoods. We need more citizens willing to work in a hundred different ways in a thousand different communities to enrich the nation, and not just themselves.

My friends, it's time for us to take charge of our future. Let's get on with it.

BACKGROUND PAPER; MIKE DUKAKIS ON THE ISSUES—"A HEALTHY START ON LIFE"

Each year, 40,000 babies in the United States do not survive to celebrate their first birthdays. At this rate, 520,000 infants will die from now until the end of this century—more than the total number of battlefield deaths of American forces in World War I, World War II, Korea, and Vietnam combined. As many as half of the lives could be saved through adequate preventive and prenatal care. Our infants have less chance of survival than those in 18 other countries, including Singapore and Spain. We have fallen behind over the last eight years.

The Reagan-Bush Administration has cut the very programs that provide preventive care to mothers and their children. In 1981, they eliminated Medicaid benefits for most working pregnant mothers and their children. Year after year they've sought deep cuts in virtually all maternal and child health programs.

Even after enactment of the Dukakis Healthy Family plan, some 2 million women of child-bearing age will not have health insurance—200,000 of whom will become pregnant each year.

Immunization rates are down. As a result, rates of whooping cough and mumps—preventable diseases—have more than doubled. Failure to immunize against whooping cough sent hundreds of infants each year to the hospital since 1980. 80 percent of measles cases could be prevented. Even polio still exists although we could eliminate the crippling disease. Today, 35 percent of all preschool children are not fully immunized.

Yet, the Reagan-Bush Administration proposed drastic cuts in childhood immunization funds in 1981 that would have cut the number of children, immunized in half. That same year they proposed funds to pay for shots for the pets of military personnel that equaled the proposed cuts in childhood immunization. For the past seven years, Reagan and Bush have led an annual assault on immunization programs. And they opposed adequate funding despite the increase in childhood disease preventable by immunization.

American children should be at the top of the list, not off the agenda. We must make a healthy start on life and immunization a birthright of all American children.

THE DUKAKIS PLAN

As President, Mike Dukakis will propose a national Healthy Start and immunization program. He will:

Create a new Healthy Start program that will work with states to ensure that all uninsured pregnant women receive essential care.

Reach out early to pregnant women and act as their advocate in finding providers and coverage for care.

Pay for essential prenatal, diagnostic and physician delivery services for those uninsured pregnant women who cannot afford necessary care.

Work with providers to assure participation and help physicians and nurse midwives provide essential care.

Guarantee that all American children can get the vaccines they need. Year in and year out adequate funds will be made available to ensure: The steady supply of vaccines for our children; the quality and safety of the vaccine supply; and the availability of trained personnel capable of administering vaccines.

Prenatal care will save lives. It will also save money. The Institute of Medicine has found that for every dollar spent on prenatal care, more than $3 is saved in the first year of life. Over a lifetime as many as $10 dollars is saved for each dollar spent. This program will mean no net new costs to the federal government. The initial $100 million investment will be recouped within one year by savings in reduced hospital intensive care of premature, low birth weight infants.

Immunization is one of the cheapest ways to protect children. The measles vaccine alone saved the United States $5.1 billion in the first 20 years of the vaccine's licensure (1963-1982). In spite of the Reagan-Bush obstruction, Congress has ensured that adequate funds are available this year for immunization programs. Mike Dukakis will ensure that adequate funds are available every year.

In Massachusetts, Mike Dukakis established the innovative Healthy Start program to prevent infant deaths. He is giving all Massachusetts' children a chance for a healthy start on life. Healthy Start reaches out to pregnant women and children to coordinate, refer and pay for necessary care for uninsured pregnancies. Massachusetts and other states have proven that a healthy start can save lives and money. The costs of prenatal care can be as little as $400. A lifetime of care for a baby born too little too soon can reach $400,000.

We cannot afford to fall to last place among industrialized nations. We cannot afford to do less than Japan—which by determined action moved from 17th in the world to number 1. Our children deserve to be in first place.

BACKGROUND PAPER: THE NATION'S HEALTH DURING THE REAGAN-BUSH YEARS—THE HEALTH OF AMERICA'S CHILDREN

During the Reagan-Bush years, as a result of budget cuts and misguided priorities, the health of our nation's children has suffered.

PRENATAL AND CHILD HEALTH

The United States ranks 19th among industrialized countries in infant mortality. A child born in Japan is twice as likely to reach his or her first birthday than is a child born in the United States. We are behind Singapore, Spain, Ireland, and East Germany.

Each year, 40,000 babies—1 percent of all U.S. births—die in the first year of life. Had the U.S. infant mortality rate been equal to that achieved by the country with the lowest rate (Japan) there would have been 19,350 fewer infant deaths in the U.S. in 1985—a sum greater than the number of deaths of all U.S. children 1 to 15 years of age in 1985.

In the early 1980s, the pace of decline in the U.S. infant morality rate slowed. In the 3-year period from 1981 to 1984, the annual average rate of decline was 3.3 percent, down by about 20 percent from the 4.1 average between 1977 to 1981.

The 1985—for the first time in 20 years—there has been a rise in low birthweight babies, babies far more likely to die or develop crippling health problems. Low birthweight is the single largest cause of infant death. A low birthweight infant is forty times more likely to die in the first year of life than other babies.

The Reagan-Bush administration has ignored the proven cost-effectiveness of early prenatal care. Its shortsighted efforts cost dollars and cost lives.

In 1985 the Reagan-Bush administration tried to delay release of a USDA evaluation of the Women, Infant and Children nutrition program (WIC) demonstrating the program's effectiveness in reducing the incidence of low birthweight (the leading cause of infant mortality) and late fetal deaths.

In response to these findings, the Reagan-Bush administration—with the support of Senator Quayle—attempted to withhold $76 million in already appropriated FY 1985 funds, which if successful would have termi-

nated 250,000 people from the program. In 1987, the Reagan/Bush administration proposed a $100 million cut below baseline for WIC over four years.

In 1981 Reagan-Bush cut Medicaid eligibility taking health benefits away from working mothers and their children. The cuts hurt some 500,000 to 700,000 children plus their mothers.

CHILD IMMUNIZATIONS

Progress toward vaccinating America's children against preventable and devastating diseases has stagnated during the Reagan-Bush years, despite the unquestionable cost-effectiveness of immunizations.

The Children's Defense Fund reported that 80 percent of the cases of measles among preschool children can be prevented by vaccine.

According to the Centers for Disease Control, between 1980-1985 the incidence of mumps doubled, and the incidence of pertussis more than doubled, resulting in the hospitalization of 1,500 infants—costly hospitalizations preventable by proper vaccination.

From 1963-1982, the measles vaccine saved the United States $5.1 billion, according to the Office of Technology Assessment.

The number of our young children getting immunizations has stagnated. The percent of 2-year-olds fully immunized against polio, measles, rubella, mumps, diphtheria, pertussis, and tetanus in 1985 was below 1980—needlessly subjecting children to painful hospitalizations, permanent brain damage, and death.

The number of children immunized by public programs has dropped 20 percent a year for the last four years, according to the Children's Defense Fund.

We save an estimated $10 for every $1 spent on immunization. For rubella, we save $25 for every $1 spent on females because of prevented birth defects.

By 1984, the Federal government supported vaccinations for 700,000 fewer children than in 1981, according to the Children's Defense Fund.

Despite the unquestionable cost-effectiveness of immunizations, the Reagan-Bush administration has cut Federal support for immunization programs.

Senator Quayle never supported efforts to restore cuts in immunization funding and in fact, voted to cut the program.

On April 24, 1986, Senator Quayle voted to table an amendment to increase the FY 1987 budget authority for the childhood immunization program by $25 million.

In March, 1981, the Reagan/Bush administration proposed a $6 million cut in funds for immunization programs—a 50 percent decrease in funding for childhood immunizations against preventable diseases like polio, measles, tetanus and diphtheria. On April 2, 1981, Senator Quayle voted against restoring these funds for child immunization programs.

BACKGROUND PAPER: A NATIONAL HEALTH START, QUESTIONS AND ANSWERS

Q. How many women would this national program reach?

All pregnant women would be eligible. The program would target those uninsured women left out of employment-based and public programs. Based on census data, an estimated 2 million women of child bearing age will continue to fall between the cracks even with a minimum health benefit required for working families—200,000 of whom are likely to become pregnant each year.

Q. How does Massachusetts Healthy Start work?

Healthy Start places outreach workers, including bilingual staff, throughout Massachusetts communities to identify pregnant women early in need of information and referral to care. Healthy Start has developed a network of providers willing and able to provide a full range of pregnancy services for an agreed upon comprehensive fee. In addition, the Healthy Start workers make sure that expectant mothers have access to necessary nutritional and other support services. The program pays for 100 percent of care for uninsured women living in families with incomes under 200 percent of Federal poverty. The program expects a woman to contribute to the costs of her care if her family income is above 200 percent of poverty. However, no woman would be denied care.

Q. How would this program work nationally? Aren't the most successful programs State based?

The national program would fund state based programs. States will have an incentive to participate since the program will produce savings of state funds. The national initiative plus a strong Federal-State partnership will produce a campaign across the country to make America's children number one. A variety of successful models exist. All would be eligible under general guidelines with the programs held accountable for reaching out to women and bringing them into continuous care.

Q. What guidelines would you specify?

The central goal of Healthy Start is to reach women early and bring them into continuous pregnancy care. All State programs would follow basic guidelines:

1. Outreach, education and referral would reach out to women rather than waiting for pregnant women to seek care.

2. We would guarantee providers payment for care to assure providers participation. The goal is for the program and providers to be advocates for pregnant women making sure services work.

3. Universality. The program must be available to all women in need. Where women are eligible for other public or private coverage, Healthy Start would help with referral and enrollment.

BACKGROUND PAPER: FACTS ABOUT THE MASSACHUSETTS HEALTHY START PROGRAM

HISTORY

The Healthy Start Program was initiated in December, 1985 in response to a distressing rate of infant mortality in the Commonwealth attended by cuts in funding for prenatal services for poor pregnant women through Medicaid and for nutrition services through the Women, Infant and Children Program by the Reagan-Bush administration. To date, the program has served more than 16,000 women.

PURPOSE

The purpose of Healthy Start is to reduce barriers to early and continuous prenatal care for low-income, uninsured pregnant women through the provision of financial coverage for pregnancy-related services. Healthy Start also provides outreach and education for low-income pregnant women, specifically targeting high risk groups such as linguistic and cultural minorities and teenagers. Healthy Start workers also offer information and referral for other services like WIC and food stamps.

TRENDS IN MASSACHUSETTS INFANT MORTALITY

	1986	1987	Percent change
Infant mortality rate (per 1,000 live births)	8.4	7.2	−14.3
White infant mortality rate	7.6	6.5	−14.5
Black infant mortality rate	19.7	15.5	−21.3

Healthy Start has demonstrated that a government commitment to outreach, education and medical services can combat infant mortality, prematurity and low birthweight.

TAKING CHARGE OF OUR FUTURE—A HEALTHY AMERICA

(Address of Governor Dukakis)

In just seven weeks, the American people will face a choice between two very different records of accomplishment; between two very different visions of America's future.

George Bush sees a complacent America. An America that wants to look backward even as a new century is about to dawn.

I see an America with new horizons to reach and new frontiers to conquer. I see an America that's ready to take charge of its future again.

I want to be the President who will stand up for those who have no special interest lobbyists in Washington and no special influence at the bank. A President who will stand up for those who want to see this country first again, both militarily and economically; first in exporting products, not exporting jobs; first in new domestic investment, not in new foreign debt; first not in the wealth we provide for some of our citizens but in the quality of the schools and health care and housing we provide for all Americans.

I want to be the President who fights for the average American—who makes a difference for American families. Two weeks ago, I presented a plan for opening the door of college opportunity to every young man or woman in this country who is qualified to do college work. Last week, I proposed an action for waging a real war, not a phony war, on drugs.

Yesterday in Houston, I talked about our energy future—about the importance of a strong and healthy energy industry. About eight years of drift and indifference on energy; and the people of Kentucky know how important a national energy policy is to your future and to ours.

Today, I want to talk about how we can strengthen American families by making America first in the health of our people—and I mean the health of *all* our people, not just the privileged few.

John Kennedy once said that "whenever the miracles of modern medicine are beyond the reach of any group of Americans, we must find a way to meet their needs and fulfill their hopes. For one true measure of a nation is its success in fulfilling the promise of a better life for each of its members. Let *this* be the measure of our nation."

Today, 26 years after President Kennedy spoke those words, America has the best medical system in the world; the best medical technology; and the best doctors, nurses, and health care workers. Our challenge as a nation is to make these wonderful resources available to *all* our people.

Today, the United States is one of only two industrialized nations in the world that do not provide basic health security for working families. The other is South Africa. I, for one, am not satisfied with that kind of

company as the "measure of our nation." We should aim higher than that.

Today, 37 million Americans do not have a dime of basic health insurance protection. Most of them are members of working families and the number is growing. More than 12 million of them are children. I, for one, am not satisfied with 40 million uninsured American citizens as the "measure of our nation." We should aim higher than that.

This year, 40,000 American babies will not survive to celebrate their first birthdays. The United States ranks 19th among the industrialized nations of the world in protecting the lives of our young children. A baby born here in America has less chance of surviving than those in 18 other countries, including Spain and Singapore. I, for one, am not satisfied with that shameful level of infant mortality as the "measure of our nation." We should aim higher than that.

Today, we face a serious nursing shortage in this country. The shortage is most severe where the needs are most severe—in our large urban hospitals and in our rural communities. Today, we need 122,000 more nurses; in just two years, our needs will double again. I, for one, am not satisfied with this as the "measure of our nation." We should aim higher than that.

Like you, I care about the families who are one illness away, one injury away, and one operation away from losing everything they've worked for, everything they've saved for, and everything they've dreamed about.

And I care about the parents who go to sleep every night not knowing if they will be able to afford medical care for a sick child if he or she gets sicker during the night.

And where is George Bush? Today, he is visiting a flag factory. Mr. Bush, don't you think it's about time you came out from behind that flag and told us what you intend to do to provide basic health care for 37 million of our fellow citizens?

The fact is that Mr. Bush has no plan, but he does have a record—a record of indifference, a record of neglect, a record that even the American flag can't hide.

He didn't life a finger to stop his own administration from cutting Medicare and rural health clinics and pre-natal care, and child nutrition and polio vaccinations for young children. The fact is that, when the time came to stand up for the health needs of America's families, George Bush was nowhere to be found.

You know, one reason I feel so strongly about health care is because my dad was a doctor. He served his community and cared for his patients until he was 82 years of age. And he never asked to look at your bank account before he'd look at you. He believed, as I do, that health care is a right, not a privilege-for every American, not just a privileged few. And as an immigrant who loved his adopted country and believed in the American Dream, he know how important good health care is to keeping the American promise.

Lloyd Bentsen and I are going to keep that promise; we are going to make sure that when Americans get sick, the first question they hear will be the question my father used to ask—the question that doctors and nurses ask every day: not "how can you pay?" But "where does it hurt?"

And this is what we intend to do.

First, we're going to work with the nation's employers to provide a basic level of health insurance to all our working people and their families.

People like Gary Neely, who was laid off from his job as a spot welder at the Corvette plant here in Bowling Green. Before he lost that job, he had full medical coverage for himself and his family. Now, he's working at temporary jobs, without medical coverage, and he can't afford to buy health insurance.

People like Claudia Johnson, a home health worker in Los Angeles. She earns $3.72 An hour. She has no health coverage. After a recent auto accident, the ambulance driver refused to take her to the hospital because she had no health insurance.

Families without insurance are often more likely to get sick because they've postponed routine medical checkups. They're more likely to wait until an illness has grown serious—and expensive—before seeking any treatment at all. And then they're more likely to use publicly subsidized clinics and emergency rooms.

That's why emergency rooms and clinics are filled to over-flowing with uninsured patients. That's why some hospitals are cutting back or closing down emergency services and outpatient care. That's why so many rural hospitals are closing their doors.

That's why so many hospitals are raising their rates for patients with insurance to pay the costs for those who don't have insurance and can't pay their own bills. And that's why responsible employers, who provide insurance for their workers, are paying a lot more than they should for their health insurance coverage to reimburse hospitals for the care they're providing to the uninsured.

That's not fair. That's not right. We can—and must—do better. And, with your help, we're going to do better, beginning on January 20, 1989.

Five months ago, I became the first governor in America to sign legislation that will guarantee health insurance for every single citizen in my state. If we can do it in one state. We can do it for all Americans.

The simplest and the fairest and the most affordable first step toward that goal is to require all employers, with some exceptions for small businesses, to provide basic health insurance for their workers and dependents.

We'll work closely with the small business community to provide them with the same tax benefits that large businesses already get when they provide health insurance to their employees. And we'll help small businesses to buy health insurance at affordable rates.

For the vast majority of businesses that do provide health insurance for their employees, it means they'll no longer have to subsidize their competitors who don't provide for their workers.

For the taxpayers, it means no additional burdens on the federal budget. In fact, we'll save on Medicaid, Medicare, and other programs that help pay the bills for uninsured patients.

Second, we're going to challenge every sector of our society—business, labor, government, and the medical professions—to find a way to provide a basic level of medical coverage for those Americans who can't be insured through the workplace.

Providing working Americans and their families with basic health insurance will go far toward realizing the dream of protecting all Americans—but not far enough. We'll still need to provide that protection to millions more, particularly the unemployed.

Immediately after the election, I will appoint a task force with representatives of federal, state and local government, hospitals, health professionals, business and labor. Their job will be to report back to me by March 30 with a strategy for extending basic health coverage to every American.

Third, we're going to make sure that a healthy start on life will be the birthright of every American child; 40,000 American babies die each year before their first birthday. Many of these tragedies could have been prevented with early prenatal care.

Tomorrow, I will announce a plan to make sure that every baby can have a healthy start in life, whether or not his or her parents have health insurance.

And tomorrow, in Lubbock, Texas, Lloyd Bentsen will be presenting the fourth part of our plan—meeting the health care needs of our rural communities.

Fifth, we're going to give our senior citizens and their families freedom from the fear that a chronic illness will bankrupt them.

Today, older Americans, many of whom are barely surviving on fixed incomes, have to spend more and more of their Social Security and pension dollars for health care. The vice president and his administration have made their struggle more difficult by trying to cut Social Security and Medicare benefits for seven of the past eight years. Mr. Bush even cast the deciding vote in the Senate in 1985 to increase out-of-pocket costs for the elderly and disabled under Medicare. And as if that wasn't enough, his administration illegally deprived the elderly of their home health care payments—until a federal judge blocked them last month.

Lloyd Bentsen and I will stop that assault on Social Security and Medicare—and we'll stop it cold.

In fact, thanks to his leadership, we've begun to turn it around. This year, Congress took a giant step towards relieving the worries of senior citizens when it passed the Catastrophic Health Care Act. But we won't be satisfied until we have found away to ease the greatest fear of all; that our families will be bankrupted or torn apart if our parents or grandparents need care for chronic illnesses.

In the coming weeks I'll be outlining how we can begin to provide affordable long-term care for our citizens, starting with the home health care legislation proposed by Congressman Pepper.

My friends, America has always been a nation of proud and hardworking peope, who had time for their families and respect for the elderly, who always cared enough, even while building the mightiest industrial nation on earth, to keep an eye out for the neighbor who might be having a tough time.

Today Americans are working harder than ever. Trying to meet the challenge of tough foreign competition. Trying to keep up with the demands of changing technology and the need to learn new skills. Trying hard to be successful at work, and still find time to meet the responsibilities of their families.

The working men and women of America aren't looking for a handout. But they are looking for leaders who will work as hard as they do; who will aim as high as they do; who care as much as they do about whether our children go to college; whether our sick are cared for; and whether our country is moving forward to recapture its proper place as the most powerful economic force on this planet.

George Bush has one view of America. I have another.

I believe that America is one nation. One people. One community.

I believe there are no limits to what we Americans can do, when we work together.

I believe that to be our best, we must bring out the best in every citizen, and that we can not rest until all our people are full shareholders in the American dream.

And I'm confident, as I look ahead to November 8, that the best America is not behind us; the best America is yet to come.

BACKGROUND PAPER: MIKE DUKAKIS ON THE ISSUES—HEALTHY FAMILIES

During the last eight years, one million Americans each year joined the ranks of the uninsured. Today, almost 40 million Americans have no health insurance—no protection against disease or injury or accident. Despite this, the Reagan-Bush Administration has consistently opposed efforts to provide basic health care protection to our fellow citizens.

This spring, under Governor Dukakis' leadership, Massachusetts became the first state in the nation to guarantee basic health security to all its citizens. He believes we must now work to improve access to quality health care for all our familes—everyman, woman, and child.

Our nation has the means to pay for the health care of all Americans. We spend more than 11 percent of our GNP on health services, more than any other country. In fact, we spend 50 percent more per person on health than the next highest countries—Canada and Switzerland. While nearly 40 percent of our hospital beds are empty, millions of uninsured citizens cannot find the hospital care they need.

We must move forward to spend our health dollars more wisely and to develop a plan to extend health insurance to all Americans.

As president, Mike Dukakis will propose legislation that would require all employers—with special provisions for small and start-up businesses—to provide basic health plans to working families. This is the simplest fairest, and most affordable way to expand the circle of health protection. Good jobs at good wages mean jobs with basic health insurance.

Basic health insurance in the workplace will:

Cover a basic package of benefits, including hospital, physician and diagnostic services; preventive, prenatal and well-child care; and mental health services.

Provide protection against catastrophic illness.

Require employers to pay a minimum percentage of premiums.

Encourage the use of health maintenance organizations and other forms of managed care in order to provide the most cost-effective care possible.

Provide assistance to small businesses so that they can find affordable health insurance for their employees through, for example, regional insurance pools.

Offer other protections for small and start-up businesses, particularly for businesses with few employees. These measures could include phase-ins, different benefit Packages, special tax considerations.

Today, most employers provide health insurance for their employees and for their families. Increasingly, these companies are asking why they should have to compete against firms that do not. They understand that the costs of failing to provide that care on a timely basis—will have to be met, sooner or later, by us all. And in fact, they are paying hidden surcharge on their premiums to reimburse hospitals for free care and bad debt on account of those who are not insured.

Basic health insurance for workers will cover an estimated 22 million of the 37 million uninsured. Immediately after the election, Mike Dukakis will appoint a task force to report back by March 30th with options for guaranteeing basic health coverage for any Americans falling between the cracks—part-time, temporary, and contract workers, and the unemployed who are not eligible for medicaid.

Among the principles guiding the work of the task force will be: build on the private health insurance system, and on state and local programs; allow for state flexibility; preserve the private practice of medicine; propose mechanisms to reduce waste and contain costs, so that expanded health service can be financed without new taxes of any kind.

BACKGROUND PAPER: HEALTHY FAMILY PROPOSALS—QUESTIONS AND ANSWERS

Q. How would you extend universal coverage at the Federal level?

We need a realistic and affordable plan. The first step should be to require minimum health benefits for all working families, by requiring all employers, with possible exceptions for small and start-up business, to provide a package of minimum health benefits for their employees. We know it's affordable. The Congressional Budget Office and Wharton Econometrics have estimated that there will be no increase to the Federal deficit as a result of this plan.

Q. How many uninsured Americans would a minimum health benefit standard reach?

Most of the estimated 37 million uninsured workers are dependents of working women or men. Minimum health benefits at work would cover an estimated 22 million of the uninsured—closing at least two thirds of the gap. People working short hours, temporary jobs, the self employed and contract workers as well as unemployed families would be the primary group left uncovered.

Q. What are the Federal costs of requiring employer coverage of health benefits?

The proposal will be budget neutral. According to the Congressional Budget Office any loss of federal tax revenues will be offset by reductions in current federal outlays for Medicare, Medicaid and military health programs. CBO estimates federal savings of $5.1 billion offset by $5.0 billion in lost federal tax revenues as a result of new deductions by employers for health premium payments.

Q. Will requiring health benefits for working families reduce employment?

According to several economists, there will be no net loss in jobs. The expansion in health service jobs to provide care to previously uninsured families will more than offset possible job loss in services. (Any job loss is likely to be among low wage service industry jobs.) As a result, the economy will have a net gain in good jobs—jobs with providing basic health coverage at decent wages. The economy will more than support the costs of offering health care to employees.

Q. How much does requiring coverage cost employers?

There is virtually no new cost to the United States' treasury from this plan.

Now many companies pay twice—once for their own workers, once for the uninsured. The Massachusetts plan, developed with the business community, eliminated this double burden. The national plan does the same.

Q. What do you propose for small business?

Most small businesses already provide health benefits to their employees. Many other start-up and small business would like to provide coverage but find the high cost of small group plans unaffordable. In our proposal the government will help set up insurance pools. Insurance coverage for small groups can be double the cost of larger groups. By assisting smaller employers in forming larger groups, we can provide better coverage at lower costs.

Requiring all employers to provide basic coverage would also establish a "level playing field". Employers would no longer be able to compete unfairly by failing to cover their own employees.

The Dukakis plan will consider other protections for small and start-up businesses, particularly for businesses with few employees. These measures could include phase-ins, different benefit packages, and special tax considerations.

Q. What would the costs be to employers?

Most of the required money is already in the system. It is just not being distributed in an equitable way. We don't want to impose added burdens on those already doing their share—we want to relieve the costs of paying twice. It makes sense to pay for health care through the insurance system rather than through a hidden tax for uninsured families. Like the minimum wage, adequate health benefits should be a minimum standard for American workers. Good jobs include good health benefits.

Today, most employers provide health insurance for their employees and for their families. Increasingly, these companies are asking why they should have to compete against firms that do not. They understand that the costs of health care—and the even greater costs of failing to provide that care on a timely basis—will have to be met, sooner or later, by us all. And in fact, they are paying a hidden surcharge of at least $8 billion on their premiums to reimburse hospitals for free care and bad debt on account of those who are not insured. This hidden charge amounts an additional 8% added to total employer premium payments.

Q. Mandated employer coverage would cover about two-thirds of the currently uninsured population. What do you propose to do about the remaining one-third?

Our first priority for the unemployed uninsured is to get them working. Then, health benefits will be extended to them through their employers.

What about those who, despite our best efforts, remain unemployed? Because of the severe federal budget deficit and the variation in circumstances across the country, we must consider a wide range of options relying primarily on state governments for implementation and development. I will immediately convene a Task Force including state governments, Congress, health providers, business and labor to develop options for closing the remaining gaps in coverage. The Task Force must report back to the President within 180 days. The options must follow basic guidelines: solutions must build on existing health insurance systems; rely primarily on state, local, and private insurance; allow states the flexibility to design programs that fit their circumstances; preserve the private practice of medicine; be phased in over 5 years, and contain mechanisms for reducing waste and inefficiency and cost constraint to help fund expansions in coverage.

But we can't wait to address one part of the problem: The national shame of infant mortality. We're ranked 19th, last among in-

dustrialized countries. The U.S. has fallen further behind since 1980. The first step of universal health coverage will be to cover prenatal care to all uninsured pregnant women.

Medicaid already mandates that States cover pregnant women and infants up to 100 percent of the poverty level. As a result, each State has a program able to pay for their care. Senator Bentsen provided the leadership in the Congress to make this a reality.

The mandated employer coverage plan will cover a large portion of the remainder. Many pregnant women are dependents of workers.

The cost to provide prenatal care to the remaining pregnant women will be a small price to pay. In fact, it is an investment. Early care for pregnant women actually saves money. I would work in partnership with States, local governments, and private industry to make prenatal and other preventive care a priority.

Q. In your speech you endorsed the Family and Medical Leave Act. Why have you linked family leave to your healthy family proposal?

Families are essential providers of health care. Working mothers and fathers need to be able to take leave without fearing the loss of their jobs to care for their seriously ill children or aging parents in the event of illness.

ADDRESS OF SENATOR BENTSEN—RURAL HEALTH CARE, SEPTEMBER 21, 1988

Lately you've been hearing a lot of empty campaign rhetoric about issues. You've seen a lot of paper-mache patriotism. But the people of West Texas know this election is not about patriotism. It's about competence and integrity. It's about leadership and the courage to lead America.

I've come to Hale Center to visit with you about an issue that is literally a life-or-death matter for millions of Americans. I'm talking about rural health care. And the fact, my friends, is that rural America has been left in the lurch while George Bush has been Vice President.

The Republicans like to talk about a five year economic boom. But here in rural Texas that boom is a bust.

The Republicans like to ask: Are you better off today than you were in 1981?

Here in rural Texas the answer is clear. The answer is "No."

This Administration plunged our farm economy into the worst recession since the Dust Bowl. Farmland values fell by 50%. Farm assets fell by more than $300 billion. A quarter of a million farmers have been driven off the land since George Bush became Vice President. And not once during those eight years did he lift a hand to help rural America.

Spending for rural development dropped by 58% while he was Vice President. Unemployment is over 9% in half of our rural counties. Today one rural American in five lives in poverty.

But that's only part of the story. Millions of Americans in rural areas are being denied one of the basic necessities of life: They are losing their access to quality health care. They are out there on a limb—terrorized by the prospect of illness.

People in towns like Hale Center are less likely to have health insurance than urban Americans. Rural areas have many elderly Americans who desperately need home care services to maintain the independence they cherish.

Rural America is face-to-face with a full-fledged crisis in health care. Forty rural hospitals closed last year. A recent report I've seen estimates that 700 rural hospitals could close in the next five years. The same report says 26 hospitals here in Texas are in immediate danger. There are 43 counties in Texas that do not have hospitals.

Mike Dukakis and Lloyd Bentsen agree that every citizen in every region of America should have access to quality health care. Good hospitals and good health are not the private privilege of those who live in metropolitan areas.

Mike Dukakis' father was a doctor. Mike knows what pain and suffering means to a family. I was born and reared in rural Texas. I understand this way of life—and I know how important it is to America. Rural Americans have problems enough; they have to deal with drought and hail and tornadoes; they have to deal with the indifference of the Reagan-Bush Administration. And they sure don't need to have their hospitals close down and their doctors move away.

Mike Dukakis and I are going to win this election. And when we do, rural health care is going to be an urgent national priority.

Over the years I have worked closely with friends like Jim Bob Brame and Gordon Russell—they're both here this morning—to change federal programs to help keep our rural hospital healthy.

Mike Dukakis and I are proposing a four-point plan to help maintain quality health care for rural America.

First, we're going to establish a hardship fund for rural hospitals that is essential to their communities. We can't stand by and let those hospitals close their doors while the need for care increases. Keeping rural hospitals open is a sound investment in America's future. We've already seen 148 rural hospitals close during this decade, and the number of closures has doubled since 1984 when the medicare payment system was changed.

So its obvious we have a problem. And this Administration has done nothing to solve it. We have not seen a single proposal from them to stem the tide of hospital closure in rural America.

Mike Dukakis and I are going to keep them open.

Second, we're going to expand the National Health Service Corps. Ever since 1981 the Reagan-Bush Administration has been trying to throttle this scholarship program that provides assistance to medical, nursing, and dental students who agree to serve in rural areas.

As a result of this shortsighted policy, we have very few students graduating with a commitment to serve in rural areas. We're going to turn that around. We're going to expand the National Health Service Corps.

Third, we are going to restore federal funding for nurse education. Nationwide, we need more than 100,000 nurses; that shortage is growing, and it is most acute in rural areas. The Reagan-Bush Administration has worked to cut funding for nurse education year after year. We're going to turn that around. We're going to put nurses at the patient's bedside in rural America.

Fourth, we will restore funding for migrant and community health centers, as a part of our promise to bring health care back in the reach of all Americans.

That's where we stand on health care for rural America. Let's just step back for a moment and contrast the Dukakis-Bentsen position with the Republican record.

The numbers of Americans with no health insurance has increased by 8 million since George Bush became Vice President—and many of them live in rural Amercia. Twelve million of them are children.

Forty thousand American infants will die before their first birthday. We rank last among industrialized nations in infant mortality—and that's a tragedy for Americans.

And yet my opponent for the Vice Presidency . . . George Bush's running mate . . . the Junior Senator from Indiana has gone on the record time after time opposing child immunization programs, child nutrition programs, and pre-natal care.

That's Dan Quayle's record on health care for children. Contrast it to what Mike Dukakis is saying today. Compare it to my record in the Senate. And then tell me how you're going to vote in November. Tell me what's right and best for America.

Mike Dukakis and Lloyd Bentsen believe America's children deserve a healthy start in life. We believe rural America deserves equal access to quality health care.

Our message to America is a message of hope for millions of rural families struggling to maintain their way of life . . . hope for millions of elderly Americans worried about Republican raids on Medicare and Social Security . . . hope for people who need health care and day care and can't afford it.

We believe a college education—like health care—should be a right, not a privilege in this land of opportunity. We believe every qualified student should be able to attend college, regardless of family income.

We believe in a powerful and compassionate America that can care for our people and preserve freedom in this world.

That is our message. Help us deliver it on November 8.

BACKGROUND PAPER: MIKE DUKAKIS ON THE ISSUES—HEALTH IN RURAL AMERICA

In too many parts of rural America health care is in critical condition. Throughout rural America death rates from chronic conditions, such as hypertension and heart disease are higher than the national average.

Too many rural hospitals, often centers of their communities, are closing down. Since 1980, 161 rural hospitals have closed. 700 rural hospitals are expected to close in the next five years alone. This crisis turned to tragedy in Windsor, Missouri when a 90-year-old man was found dead in front of a "closed" sign on his local hospital.

Too many rural Americans have no access to a doctor or nurse. Thirteen million Americans live in areas without primary care physicians—a shortage of 4,000 physicians—despite the surplus of physicians nationally. An acute nursing shortage threatens to close hospitals down for lack of skilled care.

The Reagan-Bush Administration has turned a cold shoulder to the health needs of rural Americans. In 1981, they eliminated funding for the National Health Service Corps—which provides scholarships and loans for health professionals who agree to practice in underserved areas. In 1985, we had 1,351 National Health Service Corps scholarship physicians, in 1990, we will have only 100.

Quality, affordable rural health care is the key to rural economic development and recovery—a recovery that will require innovative leadership, creative partnerships, and the participation of all levels of government. It's a challenge Mike Dukakis wants to tackle as the next President.

Mike Dukakis and Lloyd Bentsen will implement a strong and compassionate program to safeguard scarce and essential rural health resources and to extend the promise of health care access to rural America.

They will:

Establish a hardship fund for essential rural hospitals at risk of closing down. This special fund will provide subsidies to keep essential hospitals in business and finance necessary conversion of services to more efficient use.

The General Accounting Office will be directed to conduct a financial review of the status of the rural hospital system. This review would identify those hospitals essential to their communities at risk for closing down. This review will form the basis of developing operating guidelines for the hardship fund.

Give rural hospitals greater flexibility to convert services to provide home care, day care, rehabilitation, and nursing home care.

Provide incentives and support for health professionals to practice medicine in rural areas by revitalizing the National Health Service Corps and expanding loan repayment programs.

Expand the Nurse Education Act program to provide improved training funds for nurses, with special emphasis on rural areas.

Work with federal and state agencies to make sure health personnel training programs target rural areas and develop training experience that fits rural community needs.

Expand funds for migrant and community health centers to support increase demands on existing centers and to provide start-up funds as necessary to address shortages.

This plan will turn away from neglect toward investing in the health of rural America.

BACKGROUND PAPER: RURAL HEALTH—QUESTIONS AND ANSWERS

Q. How would the hardship fund for essential hospitals work? What would be the definition of essential?

As President Dukakis would ask the General Accounting Office to conduct a thorough financial review of those rural hospitals that have closed in recent years and existing rural hospitals. This review would identify those hospitals most at risk of closure and would determine the impact of possible closure on the health of individual communities. Based on this study, GAO would recommend guidelines for determining essential hospitals at risk of going out of business without hardship fund support.

The Medicare program would set aside hardship funds to alleviate financial distress of essential rural hospitals. As with special treatment of those hospitals which are the sole provider of community care, the central goal would be to protect access to care.

Q. What can be done in health personnel training programs to target rural areas?

Training programs that include outpatient settings and clinics as part of a health professional's clinical experience have a greater likelihood of eventually placing these personnel in rural areas than those based in larger, hospital settings. Programs emphasizing multi-skills and cross training also are better able to prepare health professionals for rural health service delivery. Federal training funds plus information on innovative programs can develop model guidelines and work with states to improve placement efforts.

Targeted scholarship and loan repayment programs also help recruit students from rural areas who are more likely to return.

Q. What evidence exists that expanding health centers would decrease infant mortality?

Migrant and community health centers emphasize prenatal and preventive care and reaching out to low income communities. Various studies have found a reduction in infant mortality and chronic disease where previously communities relied primarily on emergency care or went without care altogether. Similarly, the National Health Service Corps can place personnel in scarce areas that otherwise would rely primarily on crisis care.

ADDRESS OF GOVERNOR DUKAKIS: TAKING CHARGE OF OUR FUTURE—OUR SENIOR CITIZENS—BOSTON, MA, SEPTEMBER 22, 1988

In less than seven weeks, we face a choice between two very different visions of America's future.

My opponent sees a complacent America. An America that wants to look backward even as a new century is about to dawn.

I see an America with new horizons to reach and new frontiers to conquer. I see an America ready to take charge of its future again.

Two weeks ago, I presented a plan for opening the door of college opportunity to every young man or woman in this country who is qualified to do college work.

Two days ago, I put forward a program to provide basic, affordable health care to America's families.

And yesterday I spelled out a program for a healthy start for every child in this country—a program to guarantee all pregnant women and children prenatal care and immunizations against disease.

Today, I want to talk to you about how America can keep its social compact with senior citizens, how we can honor the promise we have made to all those men and women who have given so much to their families, their communities, their country.

You know, when election time rolls around, Mr. Bush likes to say he is a great friend of older Americans.

Maybe he thinks we all have amnesia. Because it was just over three years ago—May 10, 1985—that George Bush cast the tie-breaking vote in the Senate to deny you a cost-of-living increase in your Social Security and to make you pay more for your medical benefits. And Dan Quayle voted with him and against you.

And the Republican assault on Social Security goes far beyond that one vote in 1985. When they first came in, they threw hundreds of thousands of people off Social Security. They even conducted a campaign against people with disabilities—cutting off Social Security benefits for over 400,000 disabled people. They would have done even more damage, but the Democrats in Congress stopped them.

Lloyd Bentsen and I have a very different view. We'll stop the attack on Social Security and Medicare—and we'll stop it cold.

We know how important it is to reduce the budget deficit that Mr. Bush's Administration created. But in the Dukakis-Bentsen Administration, we're not going to get the money to reduce that deficit by taking it from our parents and grandparents.

Social Security isn't just another program. It's a contract between generations. And our senior citizens rely on it. Because for most of the people on Social Security, that check is their principal income.

Lloyd Bentsen and I will keep that promise.

We'll make sure that the Social Security Trust Fund is used for one purpose only—to provide Social Security benefits.

We'll make sure that our elderly citizens don't have to go broke to get decent health care. Because it's not enough to tell older Americans, "We'll care for you when you're flat broke, but not before."

We're going to make the new catastrophic health bill work—and work well.

And, we will not rest until we have found a way to ease the fears of millions of older Americans that they and their families will be bankrupted if they need care for chronic illnesses; or that their families will be split apart if they cannot afford nursing home care.

We're going to insist that Medicare pay for home health care services that are guaranteed by law.

And we're going to work with that remarkable champion of the elderly, Claude Pepper, to make sure that the kind of home care we provide in Massachusetts is available to people in states all over America.

Because we want older Americans to have happy and productive lives in their own homes and their own communities.

My friends, America has always been a nation of proud and hardworking people, who had time for their families and respect for the elderly, who always cared enough, even while building the mightiest industrial nation on earth, to keep an eye out for the neighbor who might be having a tough time.

Geroge Bush forgets—or maybe he never understood—what Social Security is all about. In fact, he once called it, "largely a welfare program."

Social Security isn't welfare. It's a system to which we all contribute because we believe in each other. Social Security helps the elderly and their children. It helps people with disabilities. And it helps our country.

Because we are one nation, one community, one family. And I'm confident, as we look ahead to November 8, that the best America is not behind us; the best America is yet to come.

BACKGROUND PAPER: GEORGE BUSH AND HEALTH CARE

The Bush-Quayle ticket has no right to claim credit for any of the accomplishments related to health in the past eight years. When something positive happened (a bill passed, services were expanded, a certain group of people emerged as healthier), it was basically in spite of the Reagan-Bush Administration and not thanks to them.

Moreover, the story on health care over the past years is basically one of:

Higher out-of-pocket costs for the middle-class, elderly, and other key groups;

Cutbacks in public services for the needier;

Cutbacks in insurance coverage for workers;

A shrinking supply of nurses;

Growing charity caseloads and increasing burdens for inner city and rural hospitals.

HEALTH FACTS

Key measurements of the state of health care for Americans show the damage of Reagan-Bush cuts, attitudes, and policies:

A baby is more likely to die when born in the United States today than a baby born in 1980. America's infant mortality rate has actually worsened since Reagan-Bush came into office. The U.S. ranks 19 out of 20 in-

dustrialized nations. America's infants have a greater chance of dying than the newborns of Singapore or Hong Kong. A black infant is more likely to die than one in Cuba or Bulgaria. This is America's badge of shame.

Every year since 1980, about a million more Americans found themselves without *any* health insurance. Thirty million Americans were uninsured when Reagan-Bush took office, 37 million today. Between 12 and 13 million of them are children—many of them don't get checkups, have never seen a dentist, and aren't treated when they are sick.

The proportion of children under the age of 2 who get vaccinations against dangerous or deadly diseases is less today in the United States than in 1980.

The rate of rural hospital closings is increasing, and traumatizing America's rural counties.

GEORGE BUSH DIDN'T CARE

In every year but its last, the Reagan-Bush Administration proposed major cuts in Medicaid, the nation's principal source of health care for poor women, children, the disabled, and poorer elderly. They pushed for over $18 billion cuts in their two terms; in 1981, they made cuts that kicked out over 500,000 poor mothers and children from Medicaid—leaving them with no health coverage;

The Administration has pushed for cuts in nutrition programs for pregnant women, in funds for rural and community health clinics, and in immunization programs for children.

In 1982, George Bush's Regulatory Relief Task Force initiated a drive to weaken already inadequate standards to protect the elderly in nursing homes. Knowing the abuses in nursing homes, Congress vehemently reacted, passed a moratorium to stop the Task Force proposal, and called for a major study that has resulted in legislation to require greater protection for nursing home residents.

The Reagan-Bush Administration targeted Medicare, the primary source of health care coverage for America's elderly, for severe cuts. During the Reagan-Bush years, Medicare in his 1964 campaign. The Administration repeatedly pushed to hike the out-of-pocket costs of Medicare on the elderly and disabled throughout the last eight years.

In 1985, George Bush broke the tie to pass a budget package that included an increase in out-of-pocket costs for Medicare beneficiaries, the elderly and disabled.

The Reagan-Bush Administration has been on the warpath against home health for the elderly. They opposed Claude Pepper's bill to cover home health under Medicare. Since 1984, they have issued rules and decisions to reduce the numbers of days of home health entitled to senior citizens and the level of benefits. A recent federal court decision ruled the restrictions on days were illegal.

Over the past two years, they fought actively against Kennedy's minimum health benefits bill for workers. In the bill's early stages last year, the Administration "adamantly opposed" the amendment to cover prescription drug costs for the elderly as part of the catastrophic bill.

AND BUSH'S RUNNING MATE—J. DANFORTH QUAYLE—DIDN'T CARE

Quayle's voting record includes votes against amendments to increase funding for children's immunization programs (1981 and 1986); to restore funds for school lunches for moderate income children (1985); and to increase funds for maternal and child health care.

AN UNHEALTHY AND HEARTLESS RECORD

This record has been destructive and heartless. Especially when it comes to children, we, America's families and citizens, will be haunted by their actions and failures. Bush played the most direct role in the damage through the Relief Task Force (in addition to the nursing home standards, examples of harmful Task Force health-related efforts include blocking proposed warnings of aspirin's dangers to some children and gutting requirements to protect workers from workplace hazards.)

There also is not one known example of a time George Bush tried to block an Administration proposal for cuts in health care programs or change the minds of a Cabinet member or the President before they announced their opposition to positive health care proposals. Ask George Bush when, as Vice-President, he ever took action on his own to improve America's health?

ONCE AGAIN—ELECTION WORDS WITH NO ACTION

The Republican Platform distorts the Reagan-Bush-Quayle record. It says they "launched a national campaign . . . to prevent abuse in nursing homes." Yes, Bush's Task Force "launched" such a campaign, except it was by creating a huge storm over their efforts to gut existing protections.

The Republicans claim in their platform that they led the way to enacting landmark legislation for catastrophic health insurance. Yes, they suggested a tax-related idea for catastrophic coverage; but Senator Bentsen's bill led the way, and the Administration worked against it and fought against adding the benefit that was most important to the elderly—coverage for prescription drugs. At the end, the Administration capitulated and negotiated a less-generous prescription drug benefit.

They claim they reduced infant mortality. Independent sources say it has increased.

They say they "continue to endorse . . . adequate prenatal care for all expectant mothers." Then why did they push so hard to take away prenatal care from pregnant mothers through proposals for deep cuts in Medicaid, WIC (provides milk to pregnant and new mothers) and other maternal and child health programs?

The diagnosis is clear: George Bush has not cared about the health of American families. Mike Dukakis cares, he took action, and he intends as President to lead a new era that gives the American people the health care and protection they deserve.

BACKGROUND PAPER: J. DANFORTH QUAYLE ON HEALTH ISSUES

J. Danforth Quayle has repeatedly voted to cut health care programs that are essential to the well-being of the American people. Since 1981, his votes have attacked programs and funding for the elderly, children, pregnant mothers, infants, and AIDS sufferers.

In May, 1987, Sen. Quayle was one of only 21 senators who voted to kill an amendment appropriating $30 million for AZT and other emergency drugs to prolong the life of people who suffer from AIDS. (Amendment passed 74-21; May 21, 1987).

In October, 1987, Sen. Quayle was one of only 18 senators who voted to remove catastrophic health care from Part B coverage under the Medicare program. This amendment would have more than doubled the Medicare premium because younger, healthier and wealthier seniors would not enroll. (Amendment failed 18-77; October 27, 1987).

In May, 1986, Sen. Quayle voted to kill an amendment requiring manufacturers to test infant formula for nutrients and hazardous material before it leaves the factory. (Amendment passed 66-29; May 13, 1986).

In April, 1986, Sen. Quayle voted to kill an amendment that would have increased the funding level for child immunization programs by $25 million. (Amendment failed 46-49; April 24, 1986).

In November, 1985, Sen. Quayle voted against an amendment restoring funding for Medicare and Medicaid patients receiving home respiratory care. the Amendment also would have established demonstration programs for special home services for the elderly and helped foster children make the transition to independent living. (Amendment passed 73-25; November 12, 1985).

In May, 1983, Sen. Quayle voted to strike down an amendment that would have partially restored cuts in the Medicare program and prevented any shift of increased health care costs to the elderly. (Amendment failed 45-50; May 4, 1983).

In May, 1982, Sen. Quayle voted against an amendment preventing new out-of-pocket costs or benefit cuts for the elderly under the Medicare and Medicaid programs. (Amendment failed 39-60; May 19, 1982).

In December, 1981, Sen. Quayle voted against exempting maternal and child health care programs from a 4% across-the-board cut. The amendment would have provided $362 in additional funds. (Amendment failed 41-53; December 10, 1981).

In April, 1981, Sen. Quayle voted to reject an amendment that would have restored $6 million for child immunization programs during 1982 and 1983. (Amendment failed 44-54; April 2, 1981).

TRIBUTE TO OREN HARRIS

Mr. PRYOR. Mr. President, tonight in Little Rock the many friends of Judge Oren Harris are gathering to recognize the years of commitment he has shown to our State and to the country. We are all proud of Judge Harris, formerly Congressman Harris of the Fourth District of Arkansas.

The Fourth District is the one I represented as well, Mr. President. In fact, I followed Judge Harris into that seat, and I must say those were major shoes to fill. For many years he gave us leadership and direction, and the people of Arkansas knew that when Oren Harris was looking out for us we were in the best of hands.

Recently, the Arkansas Democrat featured Judge Harris in a Sunday story that brought together many of the traits of character that distinguished this fine American. It is a fitting tribute to our Congressman, our judge, our teacher, and our friend.

I ask unanimous consent that the article be printed in the RECORD.

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

[From the Arkansas Democrat, Sept. 18, 1988]

OREN HARRIS

(By Judy Rains)

United States Senior District Judge Oren Harris is a lot like a perennial on a mountaintop—he's still high up there blooming. And at age 84, he's not interested in stepping down from the bench.

"I tell people I'll retire when I can't stand up to put my socks on," laughs the judge. "I'm probably asked that question more than anything." Making a judgment on taking it easy is for tomorrow or "when outside parties think I'm not normal."

Harris' daughter, Carolyn McLeod, is more specific. "He's worked all of his life," she says. "He wouldn't know what to do with himself if he didn't."

A tribute to a long and illustrious career in public service will come Harris' way Friday, Sept. 23, at the Excelsior Hotel, when he will be honored at a dinner for the 56 years he has been a prosecuting attorney, U.S. Congressman and federal judge.

Former Rep. Wilbur D. Mills is chair of the Host Committee for the evening, which includes former President Gerald Ford and longtime friends of Harris, his family and distinguished alumni of Ouachita Baptist University, beneficiary of the event.

Sitting at the president's table in the Arkansas Bar Center recently and dressed patriotically in a red, white, and blue striped tie and Arkansas-shaped cuff links, Harris' mind is on the upcoming event. He's also remembering when.

As chief judge of the Western District of Arkansas since 1967, he works six days a week on a caseload scheduled eight or 10 months in advance. From his home base in El Dorado, he does a lot of preparation each Saturday for the coming week, he says. But he doesn't have to.

Because Harris has been a senior judge and semi-retired since 1976, he can refuse any case he wants to. But he makes it clear that he did not assume that status because partial retirement was on his agenda.

"I took the action because we badly needed another judge," he says, explaining the move allowed another judge to be appointed for the Western district. "It has made no difference in my caseload."

Harris had an inclination toward a career in law while he was a teen-ager, he says. He could have come by it naturally. "My dad wanted to be lawyer, but my grandmother didn't want him to. She said he would not live an honest life if he was a lawyer."

Harris' father chose a career as a schoolteacher in Belton instead and also farmed. His son considered following in his father's footsteps. "I went to talk to a member of the school board and he said, 'You're not dry behind the ears. Go get an education.' At the time, Harris was 19.

After graduating from Prescott High School, he attended Henderson Brown College in Arkadelphia, now Henderson State University, on a football scholarship and graduated in three years. But his love for football almost sidetracked him from a law career.

"I was on my way to Texarkana to accept a coaching job and I stopped to talk to my brother in Hope. While I was there, he made arrangements with me (for me) to go to Cumberland College to study law. I didn't go to Texarkana."

Cumberland University Law School in Lebanon, Tenn., which yielded Harris a law degree, put him on the path for the next avenue he would travel—that of public servant.

The pathway began in El Dorado, where Harris first practiced law, and before it took him to Washington, D.C., he was appointed deputy prosecuting attorney of Union County. He was subsequently elected prosecuting attorney for the 13th Judicial Circuit of Arkansas.

IMPORTANT DECISION

Harris got off to a flying start during his first year as a congressman in 1941 by voting on what he remembers to be the most memorable piece of legislation during his 25-year congressional career.

"The was was coming on and the National Guard was the only good military group we had," he says, speaking slowly and deliberately like you would expect a judge to. "Our military status was terrible. In December of 1941, the authority to keep them in service was to expire. We had legislation considered to extend the time they could be maintained.

"The fellows in the National Guard * * * their parents wanted their sons to come home. So we had to vote. The vote was 203 to keep the National Guard enforced and in placed and 202 wanted to let it expire. Nearly three months after that, we had the unfortunate experience of Pearl Harbor."

The congressman says it was the most important vote he cast. "I don't know what we would have done if it had gone the other way."

PROMOTES LEGISLATION

From the beginning, Harris served on the Committee on Interstate and Foreign Commerce, which was involved with transportation, oil, gas, public health and communications. He chaired the committee for 10 years, and during his tenure on the committee, he "brought about a hospital in every county I represented and they are still operating," he says, adding the district included 40 percent of the state.

The committee controls almost every regulatory agency in the federal government and much of the legislation it created was major and memorable, the chairman recalls.

A colleague at the time when Harris left Congress said while he was chairman that he wanted to be right "and those around him could sense this easily. If he would tell his committee it was so, it was so. He was not always 100 percent right. He was just wrong enough to make him human."

The Chairman, known for his ability to bring accord out of controversy, brought about the passage of numerous legislative enactments. His record is unsurpassed in legislative enactments by Congress in the areas of transportation, aviation, securities and exchange and federal power.

Harris was also the recipient of many awards for his work. And he might still be in Congress today if it hadn't been for President Lyndon Johnson.

RECURRING SUGGESTION

For 2½ years before he finally relented, Harris' name had been brought up for a newly created federal judgeship. "I kept saying, 'I don't want my name to brought up.' I wanted (U.S. Attorney) Jim Gooch to do it. He (McClellan) knew I was a very close friend of President Kennedy and Bobby Kennedy, and I prevailed upon Bobby to let him (Gooch) have it. Bobby said 'No. But you can talk to Jack about it if you want to.' I didn't and then my name came up again."

In 1964, I was in Fayetteville for the dedication of the new science building. Sen. McClellan was on the program and he talked to me and brought it up again.

The same year the soon-to-be federal judge and his wife, Ruth, were at a reception at the White House. After shaking hands with President Johnson in the receiving line, the President told the congressman he was going to nominate him for a federal judgeship.

"I thought I was going to fall through the floor," Harris recalls. "I got real nervous. Not many are told about that by the president himself."

After considering Johnson's suggestion, Harris, who was well-respected among his peers, remembers thinking "I owed it to my good friends to accept. I hated to leave Congress. No friend suggested I stay in Congress."

And all along, it seems as if he was being groomed for his next position without his knowing it. He says he performed as chairman of the Committee on Interstate and Foreign Commerce "pretty much as I preside now. I had a real good background for the job. Most of my work on the committee was highly technical and legal."

TYPICAL OF THE TIMES

In the turbulent '60s, as Harris started his new career, civil rights was the issue of the hour, and the new judge got more than his share of cases pertaining to the cause. "I've dealt with more civil rights school cases than any other judge and they were all in heavy black areas," says Harris, who voted against the Civil Rights Act in 1964.

But he says he didn't have any problem judging the cases. "I knew about the problems better than anyone. Very frankly, I made some rulings I knew would be reversed by the Appelate Court.

"People were not ready. I was acting without having time to bring the people to see the matter had to come and was going to come. They were trying times and it caused me a lot of mental worry. It still does, even though there aren't as many cases."

In hindsight, Harris says he wouldn't vote any differently on the Civil Rights Act if he had the opportunity, explaining he voted the way his constituents wanted him to. "At the time, I thought they were going too far. It was directed to the South and I thought that was wrong."

With those days behind him, Harris' work today calls for him to travel "a lot of the State," he says. But business does not preclude pleasure, as it enables him to keep in closer contact with his daughter, who lives in Little Rock, and son James, a Little Rock attorney, and five grandchildren. But Harris' life is still his work and vice versa.

"When you are in this job, the judiciary, your whole life has got to be in this field," he says. "There can't be anything else."

The PRESIDING OFFICER (Mr. WIRTH). The Senator from Hawaii.

(The remarks of Mr. MATSUNAGA pertaining to the introduction of legislation appear in today's RECORD under Statements on Introduced Bills and Joint Resolutions.")

Mr. MATSUNAGA. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MELCHER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MELCHER. Mr. President, I ask unanimous consent that I may speak as if in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

SOCIAL SECURITY AND MEDICARE

Mr. MELCHER. Mr. President, press stories covering the National Economic Commission cochairman Bob Strauss' Tuesday comments are misleading as to his position on Social Security and Medicare.

As chairman of the Senate Special Committee on Aging, I know how stressful and alarming the intermittent clatter that is heard from time to time from political leaders is to those retirees who depend upon their Social Security checks for their livelihood.

I read the press coverage and then talked to Bob Strauss as to his position and what the Commission was considering.

Particularly in a Presidential election year comments emanating from this auspicious council which he cochairs receive significant media attention, and getting the word from the horse's mouth is important. Well, I am here to say that the old political war horse from Texas, Bob Strauss, is not about to worry the folks on Social Security about cutting their benefit checks. While it is true that part of what the Commission reviews is entitlements such as Social Security and Medicare, nothing in the offing, as far as Bob Strauss is concerned, would recommend a reduction of benefits for the millions of retired folks whose livelihood depends upon these Social Security checks.

Furthermore, it is only Congress—not the Commission, nor the President—that can alter the law that fixes Social Security benefits, cost-of-living adjustments, certain Medicare benefits, or the costs of the supplemental, part B, and catastrophic coverages that are assessed monthly to retirees. And, by vote after vote over the past several years, Congress has lined up with big majorities to side with Social Security and Medicare recipients. Furthermore, the American public, in poll after poll, also sides with them.

I know from frequent discussions in senior citizen centers of the concerns of retirees. I know from the testimony that we have received in the public hearings of the Senate Special Committee on Aging of the concerns of national organizations of retirees. And I know from their collective judgments that they approve of the trend that has developed in Congress. That trend is to protect the retirees on meager incomes and to require wealthy retirees to contribute more toward the benefits they receive.

Let me summarize that trend. Since 1975, earnings limitations have been indexed to the national average of wages for those on Social Security. For those 65 through 69, earned income up to $8,400 in 1988 does not reduce their Social Security benefits. For them, for every dollar they earn over $8,400, their benefits are reduced 50 cents. At age 70, the earnings limitation and reduction in benefits cease, and they can earn all they want with no effect on their Social Security benefits. Bills in Congress would increase, double, or remove the earnings limitations. Doubling the earnings limit would cost the trust fund $2 to $3 billion per year. There has been no action on the bills. Under present law, starting in 1990 the reduction in benefit will be reduced to $1 for each $3 earned over the limit. According to a recent report of the Congressional Budget Office, the earnings limitations affect only 1 of 10 in the 65 through 69 age group.

The second item that reflects the trend in Congress was adopted in 1983. It affects the taxes that the more affluent Social Security recipients must pay. They must compute their adjusted gross income and add one-half of their Social Security benefits. Then they must add all of the tax-exempt interest income they receive. A retiree who is single can deduct $25,000 from that amount, and a couple filing a joint return can deduct $32,500 from that amount. One-half of that balance becomes taxable, providing that it is not more than one-half of their Social Security benefits.

I know just reciting that sounds rather mixed up, but let me give you an example.

A couple filing a joint return receives $10,000 in Social Security benefits and has $10,000 adjusted gross income. One-half of their Social Security benefit, or $5,000, is added to their adjusted gross income. This particular couple then has $20,000 in tax-exempt interest income. The total of their adjusted gross income, one-half of their Social Security benefits, and their $20,000 tax-exempt interest income added together comes to $35,000. Subtract $32,500 from the $35,000 to get $2,500, and one-half of that balance, or $1,250 of their $10,000 in Social Security benefits, becomes taxable and this couple pays more in Federal income tax into the U.S. Treasury. IRS statistics reveal that only a very small percentage of Social Security beneficiaries have to pay income tax on part of their Social Security benefits.

The third point in the trend in Congress deals with catastrophic coverage under Medicare. The catastrophic supplemental premium that is charged a Medicare recipient is based solely on income tax liability. If that tax liability is less than $150, no supplemental premium liability is charged the Medicare recipient for the catastrophic coverage. But if the Medicare recipient's tax liability is over $150, they pay a supplemental premium based on a sliding scale where the maximum that can be charged for the first year is $800 and the maximum goes up gradually higher in later years.

As far as I can determine, these steps taken by Congress in recent years have been satisfactory to retirees, but it is clear that these are limited mean testing for Social Security and Medicare recipients. That is the trend in Congress and it is a careful attempt to maintain the integrity of the trust funds for both Social Security beneficiaries and Medicare beneficiaries, while still protecting the retirees who depend upon their meager Social Security checks to pay their bills.

I believe this trend will continue, as it should, and, while the more wealthy retirees will find themselves subject to making part of their benefits check liable for income tax and may have to pay more of the cost of Medicare than those retirees on lowest income levels, it is reassuring for the integrity of the Social Security and Medicare trust funds, which is the concern of all of us.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. PRYOR). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MELCHER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS

Mr. MELCHER. Mr. President, on behalf of the majority leader, Senator BYRD, I move that we be in recess for 20 minutes.

The motion was agreed to and, at 4:10 p.m., the Senate recessed until 4:30 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. PRYOR).

SOVIET-AMERICAN EFFORTS ON STRATEGIC ARMS CONTROL

Mr. BYRD. Mr. President, the Soviet Foreign Minister is in town today, reportedly carrying new arms control proposals from the Soviet leader. I hope that the President will be able to make progress on some of the issues which remain unresolved in the strategic offensive and defensive arms reduction negotiations. I think it is important that the negotiations go forward during the transition period

and that the transition team from the new administration which is elected in November be integrated into this process as soon as possible.

However, Mr. President, there are also reports of Soviet interest in reaching some kind of interim agreements or arrangements, of a formal nature, with the administration on specific matters which are pieces of the overall negotiations. I believe there is more danger than good in such "interim arrangements." The Senate has spoken decisively on this matter already. I remind the administration that the Senate adopted a declaration, by a very large majority, in the context of the INF Treaty, which made it clear that the United States is not bound by any interim agreements, frameworks, or whatever verbiage is used to describe arrangements agreed to by the parties.

There are many problems associated with such arrangements. First, they have not been subject to the scrutiny of the Senate in the context of advising and consenting to the ratification of a treaty. Second, they are not part of a complete agreement, in which the entire deterrent, security, and cost impacts can be judged as a whole. Third, they may give the false illusion of major progress, and raise false expectations regarding the prospects of a successful outcome of the negotiations on strategic force treaties. Fourth, they may unnecessarily lock in the next administration to arrangements which might be more difficult to adjust in the context of the ongoing negotiations. In a word, framework agreements carry dangers and have a very limited utility.

The Senate declaration attached to the INF Treaty stated specifically:

Pursuant to this declaration, any joint statement by the United States of America with the Union of Soviet Socialist Republics of a framework for the negotiation of strategic arms treaties contemplated hereby and such framework itself, shall serve for the purpose only of guiding the conduct of the negotiations which the United States herein has declared its desire to pursue expeditiously, and shall not constrain any military programs of the United States.

Mr. President, if interim arrangements are reached between the parties, the Senate is not a party to those agreements. This Senate is not going to adjust the military spending priorities of this Nation based on something which has not been subject to Senate scrutiny. We learned a lesson in the INF Treaty. Although it was a simple treaty, we had to send our negotiators back twice to clarify some pretty big loopholes. Three committees took 5 months to sort it out.

This administration is a long way from a START Treaty. The hour is far too late for the current administration. If some progress can be made, that is welcome, and I encourage it, but let us not raise false expectations that something is being achieved of great consequence. I hope that the administration will resist any Soviet tactic to nail us into some kind of interim arrangements which have uncertain impacts on the flexibility of the next administration and the national security of this Nation.

I have written President Reagan on this matter, and I ask unanimous consent that the text of that letter be printed in the RECORD.

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

U.S. SENATE,
OFFICE OF THE MAJORITY LEADER,
Washington, DC, September 22, 1988.

THE PRESIDENT,
The White House, Washington, DC.

DEAR MR. PRESIDENT: Recent newspaper reports indicate that the United States and the Soviet Union may be contemplating some form of "interim agreement" limiting the strategic nuclear forces of the two sides in the absence of a completed START Treaty.

As you know, the Senate, in its Resolution advising and consenting to the ratification of the INF Treaty, explicitly adopted an amendment declaring that the United States is not bound by such interim frameworks. As the amendment states, any informal agreements or "frameworks" which would limit U.S. forces would have no binding effect and "shall serve for the purpose only of guiding the conduct of the negotiations which the United States herein has declared its desire to pursue expeditiously, and shall not constrain any military programs of the United States." Such interim agreements could, as well, needlessly complicate the negotiating efforts of the next administration.

Frameworks or interim arrangements can easily raise false expectations regarding the prospect of a successful outcome of the negotiations, while not themselves being subject to the kind of scrutiny that would be required to obtain the approval of the Senate of any treaty.

The remaining time of the present administration would be better spent on efforts to insure the strict adherence of the Soviet Union to the Geneva Accords concerning Soviet withdrawal from Afghanistan and on efforts to insist that the Soviet Union correct its violation of the ABM Treaty, the radar at Krasnoyarsk.

Sincerely,

ROBERT C. BYRD.

MESSAGES FROM THE HOUSE

At 12:43 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House agrees to the amendment of the Senate to the bill (H.R. 1154) to remedy injury to the U.S. textile and apparel industries caused by increased imports.

ENROLLED BILL SIGNED

At 2:22 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the Speaker has signed the following enrolled bill:

H.R. 1154. An act to remedy injury to the U.S. textile and apparel industries caused by increased imports.

The enrolled bill was subsequently signed by the Deputy President pro tempore [Mr. MITCHELL].

At 4:30 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 resolution, without amendment:

S.J. Res. 322. Joint resolution to designate the week of September 23-30, 1988, as "National American Indian Heritage Week".

The message also announced that the House has agreed to the following concurrent resolution, without amendment:

S. Con. Res. 141. A concurrent resolution authorizing the rotunda of the U.S. Capitol to be used on January 20, 1989, in connection with the proceedings and ceremonies for the inauguration of the President-elect and Vice President-elect of the United States.

The message further announced that the House has passed the bill (S. 1927) to provide for the consideration by the Secretary of the Interior of the desert land entry in the vicinity of Dinosaur National Monument, and for other purposes, with an amendment, in which it requests the concurrence of the Senate.

The message also announced that the House has agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (H.R. 1518) to amend the Motor Vehicle Information and Cost Savings Act to provide for the appropriate treatment of methanol and ethanol, and for other purposes.

The message further announced that the House agrees to the amendment of the Senate to each of the following bills:

H.R. 2858. An act to provide for refunds pursuant to rate decreases under the Federal Power Act; and

H.R. 2884. An act to assure uniformity in the exercise of regulatory jurisdiction pertaining to the transportation of natural gas and to clarify that the local transportation of natural gas by a distribution company is a matter within State jurisdiction and subject to regulation by State commissions, and for other purposes.

The message also announced that the House has passed the following bills and joint resolution, in which it requests the concurrence of the Senate:

H.R. 2109. An act for the relief of Rosa Pratts;

H.R. 2461. An act for the relief of Milena Mesin and Bozena Mesin;

H.R. 2511. An act for the relief of Tarek Mohamad Mahmoud;

H.R. 2857. An act for the relief of Christy Carl Hallien of Arlington, TX;

H.R. 3238. An act for the relief of Maria Linda Sy Gonzalez;

H.R. 3414. An act for the relief of Meenakshiben P. Patel;

H.R. 3917. An act for the relief of Rajani Lal;

H.R. 4188. An act to designate the U.S. courthouse located at 445 Broadway in Albany, NY, as the "James T. Foley United States Courthouse";

H.R. 4538. An act to remit reimbursement of relocation expenses of William D. Morger;

H.R. 4566. An act for the relief of Charlotte S. Neal;

H.R. 4634. An act for the relief of Merrill L. Johnson-Lannen;

H.R. 4642. An act to provide for the reinstatement of the canceled entry of William A. Wright to certain lands in Lamar County, AL;

H.R. 5007. An act to designate the U.S. courthouse at 620 Southwest Main Street, Portland, OR, as the "Gus J. Solomon United States Courthouse";

H.R. 5059. An act to quiet title and possession with respect to a certain private land claim in Sumter County, AL;

H.R. 5066. An act to add additional land to the Salt River Pima-Maricopa Indian Reservation in Arizona, and for other purposes; and

H.J. Res. 648. Joint resolution to encourage increased international cooperation to protect biological diversity.

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. 350. Concurrent resolution authorizing the printing of a history of the Committee on Ways and Means; and

H. Con. Res. 357. Concurrent resolution expressing the sense of the Congress that the historic restoration and commercial development of a self-sustaining Union Station will provide enormous historic and social benefit to the District of Columbia and to all the Nation as a great transportation center, a grand and magnificent monument to American architecture, and a model commercial development.

MEASURES REFERRED

The following bills were read the first and second times by unanimous consent, and referred as indicated:

H.R. 2857. An act for the relief of Christy Carl Hallien of Arlington, TX; to the Committee on the Judiciary.

H.R. 4538. An act to remit reimbursement of relocation expenses of William D. Morger; to the Committee on Energy and Natural Resources.

H.R. 4566. An act for the relief of Charlotte S. Neal; to the Committee on Armed Services.

H.R. 4642. An act to provide for the reinstatement of the canceled entry of William A. Wright to certain lands in Lamar County, AL; to the Committee on Energy and Natural Resources.

H.R. 5059. An act to quiet title and possession with respect to a certain private land claim in Sumter County, AL; to the Committee on Emergy and Natural Resources.

H.R. 5066. An act to add additional land to the Salt River Pima-Maricopa Indian Reservation in Arizona, and for other purposes; to the Select Committee on Indian Affairs.

H.J. Res. 648. Joint resolution to encourage increased international cooperation to protect biological diversity; to the Committee on Foreign Relations.

The following concurrent resolution was read, and referred as indicated:

H. Con. Res. 350. A concurrent resolution authorizing the printing of a history of the Committee on Ways and Means; to the Committee on Rules and Administration.

MEASURES PLACED ON THE CALENDAR

The following bills, previously received from the House of Representatives for concurrence, were read the first and second times by unanimous consent, and placed on the calendar:

H.R. 4686. An act to amend the Federal Aviation Act of 1958 relating to aviation research; and

H.R. 3048. An act to establish a national Federal program effort in close collaboration with the private sector to develop as rapidly as possible the applications of superconductivity to enhance the Nation's economic competitiveness and strategic wellbeing, and for other purposes.

ENROLLED BILLS SIGNED

The PRESIDENT pro tempore (Mr. STENNIS) reported that he on today, September 23, 1988, had signed the following enrolled bills, which had previously been signed by the Speaker of the House:

H.R. 517. An act to designate Soldier Creek Diversion Unit in Topeka, Kansas, as the "Lewis M. Paramore Diversion Unit"; and

H.R. 5090. An act to implement the United States-Canada Free Trade Agreement.

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on today, September 23, 1988, he had presented to the President of the United States the following enrolled bill:

S. 1544. An act to amend the National Trails System Act to provide for cooperation with State and local governments for the improved management of certain Federal lands, and for other purposes.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. JOHNSTON, from the Committee on Energy and Natural Resources, with amendments and an amendment to the title:

S. 1991. A bill entitled the "Uranium Mill Tailings Remedial Action Amendments Act of 1987." (Rept. No. 100-543).

By Mr. JOHNSTON, from the Committee on Energy and Natural Resources, with an amendment in the nature of a substitute:

S. 1480. A bill to improve the integration of universities and private industry into the National Laboratory system of the Department of Energy in order to speed the development of technology in areas of significant economic potential (Rept. No. 100-544).

By Mr. PELL, from the Committee on Foreign Relations, with an amendment:

S. 2756. A bill entitled the "Anti-Apartheid Act Amendments of 1988" (Rept.: No. 100-545).

By Mr. GLENN, from the Committee on Governmental Affairs, with an amendment in the nature of a substitute:

S. 1911. A bill to amend title 5, United States Code, to allow all forest fire fighting employees to be paid overtime without limitation while serving on forest fire emergencies (Rept. No. 100-546).

By Mr. GLENN, from the Committee on Governmental Affairs, with an amendment in the nature of a substitute and an amendment to the title:

S. 1504. A bill to provide for an alternative to the present adversarial rulemaking procedure by establishing a process to facilitate the formation of negotiated rulemaking committees (Rept. No. 100-547).

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. MELCHER (for himself and Mr. LEAHY):

S. 2826. A bill to permanently extend the authority granted under the Temporary Emergency Wildfire Suppression Act; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. MATSUNAGA (for himself, Mr. BYRD, Mr. HATFIELD, Mr. PELL, Mr. STAFFORD, Mr. KENNEDY, Mr. HARKIN, Mr. SPECTER, Mr. ADAMS, Mr. BAUCUS, Mr. BIDEN, Mr. BINGAMAN, Mr. BOREN, Mr. BOSCHWITZ, Mr. BRADLEY, Mr. BREAUX, Mr. BUMPERS, Mr. BURDICK, Mr. CHAFEE, Mr. CHILES, Mr. COCHRAN, Mr. CONRAD, Mr. CRANSTON, Mr. DANFORTH, Mr. DASCHLE, Mr. DECONCINI, Mr. DIXON, Mr. DODD, Mr. DURENBERGER, Mr. EVANS, Mr. EXON, Mr. FORD, Mr. GLENN, Mr. GORE, Mr. GRAHAM, Mr. HEINZ, Mr. HOLLINGS, Mr. INOUYE, Mr. JOHNSTON, Mrs. KASSEBAUM, Mr. KERRY, Mr. LAUTENBERG, Mr. LEAHY, Mr. LEVIN, Mr. MELCHER, Mr. METZENBAUM, Ms. MIKULSKI, Mr. MITCHELL, Mr. MOYNIHAN, Mr. MURKOWSKI, Mr. PROXMIRE, Mr. PRYOR, Mr. REID, Mr. REIGLE, Mr. ROCKEFELLER, Mr. ROTH, Mr. SANFORD, Mr. SARBANES, Mr. SASSER, Mr. SIMON, Mr. STENNIS, Mr. WEICKER, Mr. FOWLER and Mr. WIRTH):

S. 2827. A bill to amend the United States Institute of Peace Act to provide an authorization of appropriations for the Institute without regard to fiscal year limitations, and for other purposes; placed on the calendar.

By Mr. BAUCUS:

S. 2828. A bill to provide grants to cover uninsured losses from "let burn" fires; to the Committee on Small Business.

By Mr. HELMS:

S.J. Res. 384. Joint resolution to delay the export of U.S. communication satellites for launch by Chinese space launch vehicles; to the Committee on Foreign Relations.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. MELCHER (for himself and Mr. LEAHY):

S. 2826. A bill to permanently extend the authority granted under the Temporary Emergency Wildfire Suppression Act; to the Committee on Agriculture, Nutrition, and Forestry.

WILDFIRE SUPPRESSION ASSISTANCE ACT

● Mr. MELCHER. Mr. President, to enable our Federal fire-fighting agencies to marshal all available resources in the fight to control wildfires, I am introducing, with the co-sponsorship of Senator LEAHY, the proposed "Wildfire Suppression Assistance Act of 1988". This measure would permanently extend legislation that was recently enacted in Public Law 100-428 authorizing through 1988 the Secretary of Agriculture and the Secretary of Interior to enter into reciprocal fire-fighting agreements with other nations.

BACKGROUND

Although in years past the United States and Canada have assisted each other in combating forest fires, until very recently Federal fire-fighting agencies lacked express statutory authority to engage in such activities or to reimburse Canada for such assistance. Lacking a firm statutory basis, fire-fighting arrangements with Canada were unnecessarily complicated or altogether precluded. To remedy this situation, on July 13, 1988, I introduced S. 2641 to grant the U.S. Forest Service the National Park Service and certain other Federal agencies the authority to enter into international fire-fighting arrangements and to provide reimbursement for help in this area. Joining as a cosponsor of that legislation was the Chairman of the Agriculture Committee, Senator LEAHY.

Throughout August and into September in Yellowstone, our Nation's oldest and beloved national park, fires continued to rage, often overwhelming the brave efforts of U.S. fire fighters. Canadian fire-fighting assistance was urgently needed. However, certain issues surrounding an amendment to the House counterpart to S. 2641 could not be resolved in a timely manner. As a compromise, the House sponsor elected to push forward an interim measure, absent the amendment in question, to provide the needed authority through December 31, 1988. To ensure the swift enactment of this legislation, S. 2641 was modified to conform to the House interim bill and passed by the Senate as the "Temporary Emergency Wildfire Suppression Act", on September 8, 1988. On the following day, S. 2641 was signed into law as Public Law 100-428. Such prompt action on this measure could not have been possible without the help of the chairman of the Agriculture Committee, to whom I remain very grateful.

Under Public Law 100-428, the Secretary of Agriculture and the Secretary of Interior, with consultation with the Secretary of State, may enter into international fire-fighting agreements. Reimbursement for fire-fighting assistance from other nations is authorized. The law also ratified two existing agreements with Canada to assure their legitimacy.

RESULTS OF PUBLIC LAW 100-428

Within 24 hours of enactment of Public Law 100-428, the U.S. Forest Service sought and received from Canada a wide range of needed fire-fighting personnel and equipment to help control the Yellowstone fires. Among these were 125 helicopter-support personnel, 5 DC-6 and 5 B-26 air-tankers, 8 observation aircraft, 2 CL-215 aircraft, 1 Falcon infra-red aircraft, 4 5-member water-handling teams, 200 water pumps and 3,895 hand-held fire fighting tools. These fire-fighting resources were otherwise not available in the U.S.

Now that most of the fires in the West have come under control, some of this fire-fighting equipment is no longer needed and is thus on its way back to Canada. However, what's of particular importance is that the administrative machinery for obtaining Canadian fire-fighting assistance at a moment's notice is now in place.

THE BILL

As I mentioned, the authority in Public Law 100-428—namely, to enter into reciprocal, fire-fighting arrangements with foreign fighting organizations—expires on December 31, 1988. Unfortunately, the threat of uncontrollable wildfires in future years does not. To remedy this problem, my bill would make permanent Public Law 100-428. This legislation is supported by the U.S. Forest Service and the National Association of State Foresters.

CONCLUSION

Mr. President, the fires that earlier devastated Yellowstone National Park have at last been brought under control. Those fires have taken a terrible toll on Yellowstone. However, without Canadian fire-fighting assistance, the results might well have been worse. To ensure that no obstacles to receiving such assistance from our neighbor to the North should fires of similar proportions again threaten our forests and parks, I urge my colleagues to support this simple but important measure.●

By Mr. MATSUNAGA (for himself, Mr. BYRD, Mr. HATFIELD, Mr. PELL, Mr. STAFFORD, Mr. KENNEDY, Mr. HARKIN, Mr. SPECTER, Mr. ADAMS, Mr. BAUCUS, Mr. BIDEN, Mr. BINGAMAN, Mr. BOREN, Mr. BOSCHWITZ, Mr. BRADLEY, Mr. BREAUX, Mr. BUMPERS, Mr. BURDICK, Mr. CHAFEE, Mr. CHILES, Mr. COCHRAN, Mr. CONRAD, Mr. CRANSTON, Mr. DANFORTH, Mr. DASCHLE, Mr. DECONCINI, Mr. DIXON, Mr. DODD, Mr. DURENBERGER, Mr. EVANS, Mr. EXON, Mr. FORD, Mr. GLENN, Mr. GORE, Mr. GRAHAM, Mr. HEINZ, Mr. HOLLINGS, Mr. INOUYE, Mr. JOHNSTON, Mrs. KASSEBAUM, Mr. KERRY, Mr. LAUTENBERG, Mr. LEAHY, Mr. LEVIN, Mr. MELCHER, Mr. METZENBAUM, Ms. MIKULSKI, Mr. MITCHELL, Mr. MOYNIHAN, Mr. MURKOWSKI, Mr. PROXMIRE, Mr. PRYOR, Mr. REID, Mr. RIEGLE, Mr. ROCKEFELLER, Mr. ROTH, Mr. SANFORD, Mr. SARBANES, Mr. SASSER, Mr. SIMON, Mr. STENNIS, Mr. WEICKER, Mr. FOWLER, and Mr. WIRTH):

S. 2827. A bill to amend the U.S. Institute of Peace Act to provide an authorization of appropriations for the Institute without regard to fiscal year limitations, and for other purposes; placed on the calendar.

NATIONAL INSTITUTE OF PEACE AUTHORIZATION ACT

Mr. MATSUNAGA. Mr. President, I send a bill to the desk for introduction and ask unanimous consent that it be placed on the Senate calendar.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MATSUNAGA. This, I might say, has been cleared on both sides.

Mr. President, I am today introducing with 63 bipartisan cosponsors, a bill which would reauthorize the U.S. Institute of Peace.

Created by Congress in 1984, the Institute is mandated to provide peace research, education, and training for individuals and organizations in both the public and private sectors. The Institute may accomplish these goals through its own in-house research and training programs, by providing grants or contracts to develop and strengthen peace research, education, and training programs at other institutions, through its public outreach programs, and through the Jennings Randolph Program for International Peace.

The Institute's Board of Directors was nominated by President Reagan and confirmed by the Senate in 1985, and sworn into office in February 1986. Under the able leadership of Board Chairman John Norton Moore, the Institute established its headquarters here in Washington, DC, and hired a modest staff. During its first 2 years of operations, the first Jennings Randolph Program fellows were appointed, and nearly $2 million in grants to other institutions and individuals were awarded. The Institute also launched its first in house research project, and "Intellectual Map of the International Peace Field," and initiated several public outreach projects including a high school essay contest, a newsletter, and a pilot television program on summitry which was broadcast by a number of public television stations last December, on

the eve of the Reagan/Gorbachev Summit in Washington, DC.

I might add, Mr. President, that the Institute has carried out these initial projects on a very modest budget. Its first appropriation was $4 million. However, because it did not actually become operational until the middle of fiscal year 1986, and had not spent all of its appropriation for that year, its 1987 appropriation was only $625,000. For 1988, the Institute received an appropriation of $4.3 million. It is clearly time for the Institute to grow and to expand its activities. For that reason, it sought a significant increase in appropriations for 1989 from $4.3 to $8 million and actually received an appropriation of $7 million in the 1989 appropriations bill for the Departments of Labor, Health and Human Services and Education.

For that reason, too, the reauthorization bill which I am introducing today would provide a permanent authorization for the Institute, similar to the permanent authorizations provided for the GI bill educational programs and other Federal programs. No changes would be made in the Institute's mission, and its authorization would be capped at the level of $20 million—an amount which should allow adequate room for the Institute's growth and development over the next several years.

Mr. President, as the introducer and principal sponsor of the original legislation which created the U.S. Institute of Peace 4 years ago, I am very proud of its initial achievements. Oversight hearings held jointly by the Senate Committee on Foreign Relations and the Senate Committee on Labor and Human Resources last year revealed that the Institute has already won the acceptance and respect of the academic community which earlier feared that the Institute would duplicate efforts already underway. In fact, as predicted, the Institute of Peace is providing a unique and much needed boost to peace research, education, and training in this country. The Institute is ready, now, to do much more in this area and it deserves the continued support of the Congress to help make the United States a real leader in the quest for world peace. I hope, therefore, that my bill to reauthorize the Institute will be given early favorable consideration by the Senate.

Mr. HATFIELD. Mr. President, it is with great pleasure that I join my dear friend, Senator SPARK MATSUNAGA, in support of this legislation to authorize $20 million a year for the U.S. Institute of Peace. Our colleagues will remember that the Institute was created by an act of Congress 4 years ago—after a long battle waged for more than a decade by Senator MATSUNAGA, Senator Jennings Randolph, Senator Vance Hartke, and me. I was proud to be a warrior in that battle, and am proud to rise again to champion the cause of peace—to champion the cause of teaching peace.

The nuclear age had not yet dawned, Mr. President, when Herbert Hoover warned that "If Western civilization is to be saved from another relapse into the Dark Ages, it must be saved at the peace table." The year was 1942, and the United States was engaged in that famous war to end all wars. Forty-six years, 50,000 nuclear weapons and more than 100 wars later, I repeat President Hoover's warning.

Last year, the nations of this world spent $1.8 million a minute on their militaries—the United States was responsible for almost half of that. Current nuclear arsenals represent 2,600 times the explosive force of all the armanents used in World War II—again, the United States is responsible for half of that. We have spent so much money, so much time, and so much of our precious resources on the weapons of war, Mr. President, and yet we are no more secure today than we were when President Hoover uttered his prophetic warning during a time of war.

In the end, Mr. President, that is what the U.S. Institute of Peace is all about: security. In creating it, we sent a message to the world that we understand the urgent need for peaceful conflict resolution. The security of our Nation depends on it. Now, Mr. President, it is time to back that message up—it is time to signal our long-term commitment to the U.S. Institute of Peace, to the dream it represents and to the security of our Nation.

By Mr. BAUCUS:

S. 2828. A bill to provide grants to cover uninsured losses from "let burn" fires; to the Committee on Small Business.

PRESCRIBED FIRE RELIEF ACT

● Mr. BAUCUS. Mr. President, this summer, fire scorched over 1.6 million acres of land in the greater Yellowstone area and Montana.

Scores of firefighters from the United States and Canada fought the blazes in heroic fashion as the entire world watched. The fires this year were a disaster waiting to happen. In this second year of record drought, the forests were tinder boxes—at the mercy of nature and man.

The scope of what happened in Yellowstone this summer won't be fully understood for years to come. Citizens and lawmakers alike must take a new look at the impact of the natural burn policy. But the debate over how and why the fires burned should wait until cooler months.

For now, the people of Montana need to focus on the future. Much as the forest begins to build anew, so too must the families and communities in West Yellowstone, Cooke City, Silver Gate, Augusta, Polebridge and others begin to recover from the fires of 1988.

To help them rebuild, I am introducing legislation today to provide grants to individuals who suffered losses caused by this summer's forest fires.

While it is too early to tell the extent of injury caused by fires this summer, there is no doubt it is extensive.

Outfitters are claiming losses of anywhere from $1 to $3 million. Yellowstone Park figures showed a 7.3-percent drop in visitors in July 1988 compared with July 1987.

Farmers and ranchers have lost hundreds of miles of fence, thousands of acres of pasture, tons of hay, many cattle and several million board feet of timber. Some retail store owners report that sales are down as much as 70 percent from last year.

Under normal circumstances, when a natural disaster occurs, the Federal Government has programs to provide relief assistance in the form of low interest loans to those who have been injured.

However, in my opinion the implementation of the Federal Government's natural burn poicy is responsible for much of the injury caused by this year's forest fires. In many instances the losses suffered in my State were caused not simply by an act of God, but by the manner in which a Federal policy was implemented.

Therefore, I believe people who have suffered losses because of fires which were natural burn fires should receive compensation, and not just disaster loan assistance.

My legislation would establish a five member commission to determine which fires were natural burn fires, and then determine whether substantial economic or physical injury was caused by the fires.

In the event the commission finds that substantial injury was caused by a natural burn fire, those people affected would receive a grant, as opposed to a loan, from either the Small Business Administration or the Farmers Home Administration. These grants would be made in an amount equal to loans businesses, farms and ranches would ordinarily be eligible for under current disaster assistance programs.

This legislation would not give grants to everyone, but only to those people injured as a result of a natural burn fire. The commission would detemine who those people are.

Congress can only do little to stop a raging forest fire. But it can do a lot to help communities rebuild from the ashes. We cannot offer enough thanks to the thousands of brave firefighters who fought the blazes this summer, and who are still on the fire lines today. But we can—and should—do the right thing, and help the communities

and families hit by the fires of 1988 rebuild again.

Mr. President, I ask unanimous consent that the complete text of my bill be inserted immediately following my remarks.

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

S. 2828

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 "Prescribed Fire Relief Act of 1988".

SEC. 2. PRESCRIBED FIRE COMMISSION.

(a) ESTABLISHMENT AND COMPOSITION.—There is established a Prescribed Fire Commission (hereinafter referred to as the "Commission") which shall consist of—

(1) the Administrator of the Small Business Administration, who shall serve as chairperson;

(2) the Commissioner of the Bureau of Land Management, Department of the Interior;

(3) the Director of the National Park Service, Department of the Interior;

(4) the Chief of the Forest Service, Department of Agriculture; and

(5) the Administrator of the Farmers Home Administration, Department of Agriculture.

(b) FUNCTION.—Not later than 45 days after the date of enactment of this Act, the Commission shall have completed a study and determined—

(1) which of the fires that occurred in 1988 in any National Park, National Forest, or other public land of the United States were permitted to burn under the Forest Service's "wilderness fire policy," the National Park Service's "prescribed natural fire policy" or the Bureau of Land Management's "prescribed fire" policy, and

(2) whether substantial economic or physical injury resulted from such fire.

(c) REPORT.—Upon completion of its study, the Commission shall prepare and transmit to the President and the Congress a report setting forth its determinations.

(d) MEETINGS.—The Commission shall meet at least once every 6 months during the 2 years following submission of its report to assess any further information regarding economic or physical injury resulting from such fires.

SEC. 3. SMALL BUSINESS ADMINISTRATION ASSISTANCE.

(a) IN GENERAL.—Section 7 of the Small Business Act (15 U.S.C. 636) is amended by adding at the end the following:

"(m)(1) The Administration is authorized to make a grant to compensate a homeowner or business concern for any losses incurred as a result of a fire—

"(A) which was identified under section 2(b)(1) of the Prescribed Fire Relief Act of 1988, and

"(B) which was found under such section to have caused substantial economic or physical injury.

"(2) The amount of the grant under this subsection may not exceed the lesser of—

"(A) the amount of the physical or economic loss sustained that is not covered by insurance or otherwise; or

"(B) the maximum amount of a loan for which the applicant would be eligible under section 7(b)(1) or section 7(b)(2) of this Act.".

(b) CONFORMING AMENDMENT.—Section 4(c)(1)(A) of the Small Business Act (15 U.S.C. 633(c)(1)(A)) is amended by striking "and 7(c)(2)" and inserting ", 7(c)(2), and 7(m)".

SEC. 4. EMERGENCY GRANTS.

Section 321 of the Consolidated Farm and Rural Development Act (7 U.S.C. 1961) is amended—

(1) by redesignating subsection (d) as subsection (e); and

(2) by inserting after subsection (c), the following new subsection:

"(d)(1) The Secretary, upon consultation with the Administration of the Small Business Administration, may make a grant to individuals and entities eligible for loans under subsection (a) for any losses incurred as a result of a fire—

"(A) which was identified under section 2(b)(1) of the Prescribed Fire Relief Act of 1988, and

"(B) which was found under such section to have caused substantial economic or physical injury.

"(2) The amount of the grant under this subsection may not exceed the lesser of—

"(A) the amount of the physical or economic loss sustained that is not covered by insurance or otherwise; or

"(B) the maximum amount of a loan for which the applicant would be eligible under section 324 of this title.".

SEC. 5. TERMINATION.

The authority to make a grant under this Act or under any amendment made by this Act shall not apply to any loss incurred in connection with a fire that begins after December 31, 1988.●

By Mr. HELMS:

S.J. Res. 384. Joint resolution disapproving the export of communication satellites incorporating United States technology for launch by the People's Republic of China; to the Committee on Foreign Relations.

DISAPPROVING EXPORT OF COMMUNICATIONS SATELLITES TO THE PEOPLE'S REPUBLIC OF CHINA

Mr. HELMS. Mr. President, on September 12 the State Department notified Congress of its intent to approve pending export licenses for American-built satellites to be exported for launch by the People's Republic of China. The administration can issue these licenses within 30 days of the notification unless Congress enacts a resolution of disapproval.

Regardless of the merits of this arrangement, Mr. President, Congress should not sanction any such proposal before the three accompanying bilateral agreements with China have been negotiated and made available to Congress.

Specifically, the President has made the granting of these pending export licenses contingent on the conclusion of three bilateral agreements yet to be negotiated with China. These agreements are to provide for:

First, the liability responsibility of the Chinese Government;

Second, adequate safeguards on technology transfer; and

Third, guarantees that the United States commercial launch industry will not be made victim of future unfair trade practices by the Chinese.

How these three issues are resolved could well determine the extent to which the export of these satellites is consistent with our national interest. As such, Congress cannot fulfill its responsibility in considering this proposed export until these three vital agreements have been concluded and made available to Congress. In addition, it would decidedly weaken our country's ability to negotiate if Congress has already approved the transaction in advance of required negotiations.

Accordingly, I am today introducing a resolution of disapproval. As Senators are aware, this resolution is subject to the expedited procedures pursuant to section 36(c) of the Arms Export Control Act and section 601(b) of the International Security Assistance and Arms Export Control Act of 1976.

Mr. President, under these procedures it is in order for a Senator to move after 10 calendar days to discharge the Foreign Relations Committee from further consideration. A motion to proceed to Senate consideration of the resolution is then privileged.

Mr. President, while procedures provide that the Senate will deal with this issue prior to adjournment, I hope that this will not be the case. Rather, I hope the administration will see the shortcomings of submitting a proposal so prematurely, and will withdraw this proposal until such time as the text of the bilateral agreements is available.

ADDITIONAL COSPONSORS

S. 702

At the request of Mr. SIMON, the names of the Senator from Tennessee [Mr. GORE] and the Senator from Rhode Island [Mr. PELL] were added as cosponsors of S. 702, a bill to provide for the collection of data about crimes motivated by racial, religious, or ethnic hatred.

S. 1522

At the request of Mr. RIEGLE, the name of the Senator from Illinois [Mr. SIMON] was added as a cosponsor of S. 1522, a bill to amend the Internal Revenue Code of 1986 to extend through 1992 the period during which qualified mortgage bonds and mortgage certificates may be issued.

S. 1738

At the request of Mr. WILSON, the names of the Senator from Utah [Mr. HATCH], the Senator from New York [Mr. D'AMATO], and the Senator from Washington [Mr. EVANS] were added as cosponsors of S. 1738, a bill to make long-term care insurance available to civilian Federal employees, and for other purposes.

S. 1843

At the request of Mr. ROTH, the name of the Senator from Alabama [Mr. HEFLIN] was added as a cosponsor of S. 1843, a bill to provide for equality of State taxation of domestic and foreign corporations.

S. 2047

At the request of Mr. THURMOND, the name of the Senator from Alaska [Mr. STEVENS] was added as a cosponsor of S. 2047, a bill to require a health warning on the labels of all alcoholic beverage containers.

S. 2653

At the request of Mr. SASSER, the name of the Senator from Virginia [Mr. WARNER] was added as a cosponsor of S. 2653, a bill to establish a National Commission on the Thrift Industry.

S. 2695

At the request of Mr. BENTSEN, the name of the Senator from Minnesota [Mr. DURENBERGER] was added as a cosponsor of S. 2695, a bill to amend title 5, United States Code, to provide for the payment of interest on delayed initial payments under the Civil Service Retirement System and the Federal Employees' Retirement System, and for other purposes.

S. 2698

At the request of Mr. DODD, the name of the Senator from North Carolina [Mr. SANFORD] was added as a cosponsor of S. 2698, a bill to provide Federal assistance to the National Board for Professional Teaching Standards.

S. 2704

At the request of Mr. HARKIN, the name of the Senator from Hawaii [Mr. INOUYE] was added as a cosponsor of S. 2704, a bill to require that certain Federal entities and certain non-Federal entities receiving Federal financial assistance provide television sets that display closed captioning, to eliminate the payment to Federal employees traveling on official business of lodging expenses incurred at a place of public accommodation that does not, on request, provide guests with guest rooms furnished with televisions that display closed captioning, and for other purposes.

S. 2810

At the request of Mr. KERRY, the name of the Senator from Hawaii [Mr. INOUYE] was added as a cosponsor of S. 2810, a bill to amend the Marine Mammal Protection Act of 1972 and to authorize appropriations for that act, and for other purposes.

S. 2816

At the request of Mr. CRANSTON, the name of the Senator from California [Mr. WILSON] was added as a cosponsor of S. 2816, a bill to amend the National Trails System by designating the Juan Bautista de Anza National Historic Trail, and for other purposes.

S. 2819

At the request of Mr. DOLE, the names of the Senator from New Mexico [Mr. DOMENICI], the Senator from Virginia [Mr. WARNER], and the Senator from Arizona [Mr. MCCAIN] were added as cosponsors of S. 2819, a bill to amend the Export Administration Act of 1979 to impose sanctions against firms involved in the transfer of chemical agents or their related production equipment or technical assistance to Iran, Iraq, Libya, and Syria, and for other purposes.

SENATE JOINT RESOLUTION 355

At the request of Mr. HEFLIN, the name of the Senator from Nevada [Mr. REID] was added as a cosponsor of Senate Joint Resolution 355, a joint resolution designating October 7, 1988, as "National Teacher Appreciation Day."

SENATE JOINT RESOLUTION 371

At the request of Mr. SPECTER, the names of the Senator from Ohio [Mr. GLENN], and the Senator from Missouri [Mr. DANFORTH] were added as cosponsors of Senate Joint Resolution 371, a joint resolution designating October 1988 as "National Domestic Violence Awareness Month."

SENATE JOINT RESOLUTION 372

At the request of Mr. HATCH, the names of the Senator from Delaware [Mr. BIDEN], the Senator from New York [Mr. MOYNIHAN], the Senator from North Carolina [Mr. HELMS], the Senator from Connecticut [Mr. DODD], the Senator from Massachusetts [Mr. KERRY], the Senator from Michigan [Mr. LEVIN], the Senator from Georgia [Mr. NUNN], the Senator from Connecticut [Mr. WEICKER], the Senator from Virginia [Mr. WARNER], the Senator from Ohio [Mr. GLENN], the Senator from Iowa [Mr. GRASSLEY], the Senator from Missouri [Mr. DANFORTH], the Senator from Minnesota [Mr. DURENBERGER], the Senator from Idaho [Mr. MCCLURE], the Senator from Washington [Mr. ADAMS], the Senator from North Dakota [Mr. BURDICK], the Senator from South Carolina [Mr. THURMOND], the Senator from Oklahoma [Mr. NICKLES], the Senator from Alabama [Mr. HEFLIN], the Senator from Hawaii [Mr. INOUYE], the Senator from South Carolina [Mr. HOLLINGS], the Senator from Louisiana [Mr. JOHNSTON], the Senator from Colorado [Mr. ARMSTRONG], the Senator from Oklahoma [Mr. BOREN], the Senator from Indiana [Mr. QUAYLE], the Senator from Ohio [Mr. METZENBAUM], the Senator from Arizona [Mr. MCCAIN], the Senator from Missouri [Mr. BOND], and the Senator from New Jersey [Mr. BRADLEY] were added as cosponsors of Senate Joint Resolution 372, a joint resolution to designate the week beginning November 21, 1988, through November 27, 1988, as "National Adoption Week."

SENATE JOINT RESOLUTION 373

At the request of Mr. BYRD, the names of the Senator from Louisiana [Mr. BREAUX], the Senator from Kansas [Mr. DOLE], and the Senator from Alaska [Mr. STEVENS] were added as cosponsors of Senate Joint Resolution 373, a joint resolution to designate the week beginning November 13, 1988, as "National Craniofacial Deformity Awareness Week."

SENATE RESOLUTION 385

At the request of Mr. LAUTENBERG, his name was added as a cosponsor of Senate Resolution 385, a resolution expressing the opposition of the Senate to the continued control of the cathedral of Vilnius, Lithuania, by the Union of Soviet Socialist Republics.

SENATE RESOLUTION 470

At the request of Mr. RIEGLE, the names of the Senator form Ohio [Mr. METZENBAUM], the Senator from Ohio [Mr. GLENN], and the Senator from New Jersey [Mr. BRADLEY] were added as cosponsors of Senate Resolution 470, a resolution relating to Great Lakes medical waste.

SENATE RESOLUTION 474

At the request of Mr. WALLOP, the name of the Senator from Maine [Mr. COHEN] was added as a cosponsor of Senate Resolution 474, a resolution in support of the President's policy regarding Soviet ABM Treaty violations.

AMENDMENTS SUBMITTED

MINIMUM WAGE RESTORATION ACT

DOMENICI AMENDMENTS NOS. 3272 and 3273

(Ordered to lie on the table.)

Mr. DOMENICI submitted two amendments intended to be proposed by him to the bill (S. 837) to amend the Fair Labor Standards Act of 1938 to restore the minimum wage to a fair and equitable rate, and for other purposes, as follows:

AMENDMENT No. 3272

At the appropriate place, insert the following new section:

SEC. . SUMMER YOUTH TRAINING WAGE.

(a) IN GENERAL.—Section 6(a) of the Fair Labor Standards Act of 1938 (29 U.S.C. 206(a)) is amended—

(1) by striking out "or" at the end of paragraph (4);

(2) by striking out the period at the end of paragraph (5) and inserting in lieu thereof "; or"; and

(3) by adding at the end thereof the following:

"(6) if such employee is participating in the program authorized under part B of title II of the Job Training Partnershp Act (29 U.S.C. 1631 et seq.), not less than $3.35 an hour after December 31, 1980.".

(b) CONFORMING AMENDMENT.—Section 142(a) of the Job Training Partnership Act (29 U.S.C. 1552(a)) is amended by striking

out "section 6(a)(1)" each place it appears in paragraphs (2) and (3) and inserting in lieu thereof "paragraph (1) or (6), as applicable, of section 6(a)".

AMENDMENT No. 3273

At the appropriate place, insert the following new section:

SEC. . SUMMER YOUTH TRAINING WAGE.

(a) IN GENERAL.—Section 6 of the Fair Labor Standards Act of 1938 (29 U.S.C. 206) is amended by adding at the end thereof the following new subsection:

"(g)(1)(A) Any employer may, in lieu of the minimum wage prescribed by subsection (a)(1), pay any individual participating in the progrm authorized under part B of title II of the Job training Partnership Act (29 U.S.C. 1631 et seq.) the wage prescribed by subparagraph (B) if such participant has not been previously employed by such employer.

"(B) The wage referred to in subparagraph (A) shall be at least a wage equal to 80 percent of the wage prescribed by subsection (a)(1), but at least $3.35 per hour.

"(2) An employer may pay a participant the minimum wage authorized by paragraph (1) for a period not to exceed 90 days beginning with the day the participant began employment with the employer.

"(3) No participant may de displaced by any employer (including partial displacement such as reduction in hours, wages, or employment benefits) as a result of an employer paying the rate described in this subsection.".

(b) CONFORMING AMENDMENT.—Section 142(a) of the Job Training Partnership Act (29 U.S.C. 1552(a)) is amended by striking out "section 6(a)(1)" each place it appears in paragraphs (2) and (3) and inserting in lieu thereof "subsection (a)(1) or (g), as applicable, of section 6".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to participants in the program authorized under part B of title II of the Job Training Partnership Act (29 U.S.C. 1631 et seq.) first employed by an employer on or after January 1, 1989.

SPECTER (AND HEINZ) AMENDMENTS NOS. 3274 THROUGH 3279

(Ordered to lie on the table.)

Mr. SPECTER (for himself and Mr. HEINZ) submitted six amendments intended to be proposed by them to the bill S. 837, supra; as follows:

AMENDMENT No. 3274

At the end, add the following:

SEC. 5. CERTAIN STEEL FACILITIES.

(a) IN GENERAL.—The provisions of section 1 of this Act shall not take effect unless the provisions of subsection (b) are enacted.

(b) RESTRICTION ON SALE.—Notwithstanding any other provision of law, any facility used in the production or distribution of steel, in which the Economic Development Administration (E.D.A.) has security interest and which is an asset in a bankruptcy proceeding, may only be sold to a buyer who enters into a contract under which the buyer agrees—

(1) not to remove the facility from the site at which the facility is located on the date of enactment of this Act, and

(2) not to transfer ownership of the facility to any person who does not enter into a contract under which the transferee agrees—

(A) not to remove the facility from such site, and

(B) not to transfer the facility to any person who does not enter into such a contract,

unless none of the persons who offer to buy the facility are willing to enter into such a contract.

AMENDMENT No. 3275

At the end, add the following:

SEC. 5. CERTAIN STEEL FACILITIES.

(a) IN GENERAL.—Section 1 shall not take effect unless the provisions of subsection (b) are enacted.

(b) RESTRICTION ON SALE.—Notwithstanding any other provision of law, no steel or other facility, which is subject to bankruptcy proceedings may be sold to a foreign buyer where the Economic Development Administration (E.D.A.) has security interest when the foreign buyer intends to remove those facilities from there existing location in the United States when there are other buyers for those facilities who will retain those facilities in their current location even though there is a significant price differential which may cause a financial loss to the E.D.A.

AMENDMENT No. 3276

At the end, add the following:

SEC. 5. CERTAIN STEEL FACILITIES.

(a) IN GENERAL.—The provisions of Section 4(d) of this Act shall not take effect unless the provisions of subsection (b) are enacted.

(b) RESTRICTION ON SALE.—Notwithstanding any other provision of law, any facility used in the production or distribution of steel, in which the Economic Development Administration has security interest and which is an asset in a bankruptcy proceeding, may only be sold to a buyer who enters into a contract under which the buyer agrees—

(1) not to remove the facility from the site at which the facility is located on the date of enactment of this Act, and

(2) not to transfer ownership of the facility to any person who does not enter into a contract under which the transferee agrees—

(A) not to remove the facility from such site, and

(B) not to transfer the facility to any person who does not enter into such a contract,

unless none of the persons who offer to buy the facility are willing to enter into such a contract.

AMENDMENT No. 3277

At the end, add the following:

SEC. 5. CERTAIN STEEL FACILITIES.

(a) IN GENERAL.—Section 4(d) of this Act shall not take effect unless the provisions of subsection (b) are enacted.

(b) RESTRICTION ON SALE.—Notwithstanding any other provision of law, no steel or other facility, which is subject to bankruptcy proceedings may be sold to a foreign buyer where the Economic Development Administration (E.D.A.) has a security interest when the foreign buyer intends to remove those facilities from there existing location in the United States when there are other buyers for those facilities who will retain those facilities in their current location even though there is a significant price differential which may cause a financial loss to the E.D.A.

AMENDMENT No. 3278

At the end, add the following:

SEC. 5. CERTAIN STEEL FACILITIES.

(a) IN GENERAL.—The provisions of this Act shall not take effect unless the provisions of subsection (b) are enacted.

(b) RESTRICTION ON SALE.—Notwithstanding any other provision of law, any facility used in the production or distribution of steel, in which the Economic Development Administration has a security interest and which is an asset in a banckruptcy proceeding, may only be sold to a buyer who enters into a contract under which the buyer agrees—

(1) not to remove the facility from the site at which the facility is located on the date of enactment of this Act, and

(2) not to transfer ownership of the facility to any person who does not enter into a contract under which the transferee agrees—

(A) not to remove the facility from such site, and

(B) not to transfer the facility to any person who does not enter into such a contract,

unless none of the persons who offer to buy the facility are willing to enter into such a contract.

AMENDMENT No. 3279

At the end, add the following:

SEC. 5. CERTAIN STEEL FACILITIES.

(a) IN GENERAL.—The provisions of this Act shall not take effect unless the provisions of subsection (b) are enacted.

(b) RESTRICTION ON SALE.—Notwithstanding any other provision of law, no steel or other facility, which is subject to bankruptcy proceedings may be sold to a foreign buyer where the Economic Development Administration (E.D.A.) has a security interest when the foreign buyer intends to remove those facilities from there existing location in the United States when there are other buyers for those facilities who will retain those facilities in their current location even though there is a significant price differential which may cause a financial loss to the E.D.A.

PROMPT PAYMENTS ACT

GRASSLEY (AND ARMSTRONG) AMENDMENT NO. 3280

Mr. GRASSLEY (for himself and Mr. ARMSTRONG) proposed an amendment to the amendment of the House to the bill (S. 328) to amend chapter 39 of title 31, United States Code, to require the Federal Government to pay interest on overdue payments, and for other purposes, as follows:

At the end, add the following:

(d) Section 5 shall take effect on the date of enactment of this Act.

PRESIDENTIAL ADVISORY PANEL FOR COORDINATION OF GOVERNMENT DEBT COLLECTION AND DELINQUENCY PREVENTION ACTIVITIES

SEC. 15(a)(1)(A). There is established a Presidential Advisory Panel for Coordination of Government Debt Collection and Delinquency Prevention Activities (hereafter in this section referred to as the "Panel"). The Panel shall consist of fifteen members appointed by the President in accordance with subparagraph (B).

(B) The President shall appoint fifteen members to the Panel, of which at least

(i) five members shall be representatives of debt collection agencies of various sizes;

(ii) five members shall be attorneys experienced in the field of debt collection; and

(iii) one member shall be an official of the Federal Government.

(C) No person shall be appointed to the Panel who is, or is a member of a company or organization which is, retained to perform debt collection services for the Federal Government.

(2) Members shall be appointed to the Panel within sixty days after the enactment of this Act. Members of the Panel shall take office upon such date of appointment.

(3) The President shall designate from among the members of the Panel a Chairman and Vice Chairman. Vacancies in the membership of the Panel shall not affect the power of the remaining members to execute the functions of the Panel and shall be filled in the same manner as the original appointments.

(b) The Panel shall—

(1) review and evaluate Federal policies on debt collection and delinquency prevention;

(2) recommend uniform policies, procedures, and guidelines for the collection of debts owed to the United States Government;

(3) develop, after consulting with the Office of Management and Budget and other appropriate Federal agencies, the priority and manner of delinquent debt collections and procedures for the prevention of delinquencies;

(4) establish training manuals to increase the effectiveness of employees involved in collection activities; and

(5) undertake additional related tasks and make interim reports of its activities and recommendation as the President may determine necessary.

(c)(1) The Panel may make appropriate rules respecting its organization and procedures, except that no recommendation shall be reported from the Panel unless a majority of the Panel assents.

(2) Each Federal agency shall make staff personnel and support services available to the Panel to enable the Panel to carry out its functions.

(3)(A) Subject to subparagraph (B), the members of the Panel may be reimbursed for travel, subsistence, and other necessary expenses incurred by them in carrying out the functions of the Panel.

(B) Any member may decline the reimbursement of expenses.

(d)(1) The Panel shall submit a final report to the President and to the Congress not later than eighteen months from the date of the first meeting of the Panel, containing the findings and recommendations of the Panel with respect to matters described in subsection (b).

(2) The panel shall terminate within thirty days following the submission of the final report.

(e) There are authorized to be appropriated for any fiscal year such sums as may be necessary to carry out the provisions of this section.

(f) Except where inconsistent with this Act, the provisions of the Federal Advisory Committee Act shall apply to the Panel

CORRECTIONS IN THE ENROLLMENT OF S. 328

SASSER (AND DANFORTH) AMENDMENT NO. 3281

Mr. SASSER (for himself and Mr. DANFORTH) proposed an amendment to the concurrent resolution (H. Con. Res. 351) to correct errors in the enrollment of the bill S. 328, as follows:

At the end of the concurrent resolution add the following:

(5) In section 3902(h)(2)(B) of title 31, United States Code (as added by section 3(c) of the bill), strike out clause (ii) and insert in lieu thereof the following:

"(ii) for a loan agreement, the 30th day beginning after the date of receipt of an application with all requisite documentation and signatures, unless the applicant requests that the disbursement be deferred;".

RETAIL COMPETITION

THURMOND AMENDMENTS NOS. 3282 AND 3283

(Ordered to lie on the table.)

Mr. THURMOND submitted two amendments intended to be proposed by him to the bill (S. 430) to amend the Sherman Act regarding retail competition, as follows:

AMENDMENT NO. 3282

At the end of S. 430 add the following:

TREBLE DAMAGE REFORM

SEC. . Subsection (a) of section 4 of the Clayton Act (15 U.S.C. 15(a)) is amended to read as follows:

"(a) Any person who shall be injured in his business or property by reason of anything forbidden in the antitrust laws may sue therefor in any district court of the United States in the district in which the defendant resides or is found or has an agent, without respect to the amount in controversy, and shall recover actual damages by him sustained, interest calculated at the rate specified in section 1961 of title 28, United States Code, or at such other rate as the court finds to be fair to fully compensate such person for the injury sustained, on such actual damages for the period beginning on the earliest date for which injury can be established and ending on the date of judgment, unless the court finds that the award of all or part of such interest is unjust in the circumstances, and the cost of suit, including a reasonable attorney's fee: *Provided*, That except as provided in subsection (b), damages sustained by reason of such person having been overcharged or underpaid by any person subject to liability under the antitrust laws for such damages shall be trebled: *And provided further*, That prejudgment interest under this section on actual damages that are trebled shall be recovered only if, pursuant to a motion by the injured person promptly made, the court finds that the award of all or part of such interest is just in the circumstances, taking into consideration only—

"(1) whether such person or the opposing party, or either party's representative, made motions or asserted claims or defenses so lacking in merit as to show that such party or representative acted intentionally for delay, or otherwise acted in bad faith;

"(2) whether, in the course of the action involved, such person or the opposing party, or either party's representative, violated any applicable rule, statute, or court order providing for sanctions for dilatory behavior or otherwise providing for expeditious proceedings; and

"(3) whether such person or the opposing party, or either party's representative, engaged in conduct primarily for the purpose of delaying the litigation or increasing the cost thereof.".

SEC. 213. Section 4A of the Clayton Act (15 U.S.C. 15a) is amended to read as follows:

SEC. 4A. Whenever the United States is injured in its business or property by reason of anything forbidden in the antitrust laws it may sue therefor in the United States district court for the district in which the defendant resides or is found or has an agent, without respect to the amount in controversy, and shall recover actual damages by it sustained, interest calculated at the rate specified in section 1961 of title 28, United States Code, or at such other rate as the court finds to be fair to fully compensate the United States for the injury sustained, on such actual damages for the period beginning on the earliest date for which injury can be established and ending on the date of judgment, unless the court finds that the award of all or part of such interest is unjust in the circumstances, and the cost of suit: *Provided*, That damages sustained by reason of the United States having been overcharged or underpaid by any person subject to liability under the antitrust laws for such damages shall be trebled: *And provided further*, That prejudgment interest under this section on actual damages that are trebled shall be recovered only if, pursuant to a motion by the United States promptly made, the court finds that the award of all or part of such interest is just in the circumstances, taking into consideration only—

"(1) whether the United States or the opposing party, or either party's representative, made motions or asserted claims or defenses so lacking in merit as to show that such party or representative acted intentionally for delay, or otherwise acted in bad faith;

"(2) whether, in the course of the action involved, the United States or the opposing party, or either party's representative, violated any applicable rule, statute, or court order providing for sanctions for dilatory behavior or otherwise providing for expeditious proceedings; and

"(3) whether the United States or the opposing party, or either party's representative, engaged in conduct primarily for the purpose of delaying the litigation or increasing the cost thereof.".

SEC. 214. Paragraph (a)(2) of section 4C of the Clayton Act (15 U.S.C. 15c(a)(2)) is amended by striking the second sentence and inserting in lieu thereof the following: "The court may award under this paragraph, pursuant to a motion by such State promptly made, interest calculated at the rate specified in section 1961 of title 28, United States Code, or at such other rate as the court finds to be fair to compensate natural persons in such State for the injury sustained, on such total damage for the period beginning on the earliest date for which injury can be established and ending on the date of judgment, if the court finds that the award of all or part of such interest is just in the circumstances.".

AMENDMENT NO. 3283

At the end of S. 430 add the following:

The Clayton Act (15 U.S.C. 12 et seq.) is amended by inserting immediately after section 4II the following new section:

SEC. 4I. (a)(1) The court shall reduce the claim under section 4, 4A, or 4C of this Act of any claimant releasing any person from liability or potential liability for such claim by the greatest of: (1) any amount stipulated for this purpose; (2) the consideration paid for the release; or (3) the actual damages fairly allocable to the person being released from liability or potential liability (or treble such actual damages to the extent such claim is for treble damages) and any interest on such actual damages under section 4, 4A, or 4C of this Act.

"(2) In any action under section 4, 4A, or 4C of this Act based on a contract, combination, or conspiracy among competitors, the court shall conclusively presume that any person whose sales or purchases would otherwise be included in a calculation of damages based on overcharges or underpayments has been released from liability or potential liability if it has not been joined as a defendant and if it is established by the defendant that such person is legally and practically available as a party to the action to recover such damages.

"(b) For purposes of subsection (a):

"(1) Where the claim is based upon a price-fixing agreement among competitors and damages are sustained by reason of overcharges or underpayments resulting from such agreement, damages shall be allocated on the basis of each such competitor's proportionate share of the total of all such competitors' overcharges or underpayments.

"(2) With respect to all other claims, damages shall be allocated on the basis of relative responsibility for the origination or perpetration of the violation for which damages are being awarded and the benefits derived therefrom, unless the court determines that a more equitable result would be achieved by allocating damages by the method used in paragraph (b)(1).

"(c) Nothing in this section shall affect the joint and several liability of any person for any claim under the antitrust laws, and nothing in this section shall affect whether or not an action may be maintained as a class action under rule 23(b) of the Federal Rules of Civil Procedure.".

EFFECTIVE DATE

SEC. 204. The provisions of this subtitle shall apply to all actions commended under section 4, 4A, or 4C of the Clayton Act after the date of enactment of this Act.

TECHNICAL CORRECTIONS TO THE TAX REFORM ACT OF 1986

KASTEN AMENDMENT NO. 3285

(Ordered to lie on the table.)

Mr. KASTEN submitted an amendment intended to be proposed by him to the bill (H.R. 4333) to make technical corrections relating to the Tax Reform Act of 1986, and for other purposes, as follows:

Amend Section 107(e) of S. 2238 by adding the following new paragraphs:

(5) Section 59 of the 1986 Code is amended by adding at the end thereof the following new subsection:

"(k) SPECIAL RULE FOR MORTGAGE GUARANTY INSURERS.—In the case of a taxable year to which section 56(f) applies—

"(1) DETERMINATION OF REGULAR TAX.—For purposes of section 55(c)(1), the regular tax shall include the total amount paid for tax and loss bonds under section 832(e)(2) with respect to the deduction permitted under section 832(e)(1) for the taxable year. The regular tax shall be reduced (but not below zero) by the amount paid for tax and loss bonds acquired with respect to a deduction permitted under section 832(e)(1) for a prior taxable year that is restored to income under section 832(e)(5) in the current taxable year, but regular tax shall only be reduced to the extent that the payment for tax and loss bonds with respect to such prior year deduction was treated as a payment of regular tax.

"(2) DETERMINATION OF APPLICABLE ADJUSTMENT.—For purposes of section 56(c)—

"(A) the deduction permitted by section 832(e)(1) shall not be allowed, and

"(B) the inclusion in gross income required by section 832(e)(5) shall be disregarded to the extent that a deduction in a prior taxable year for that amount was disallowed by reason of subparagraph (A) of this paragraph."

(6) The amendment made by paragraph (5) shall take effect as if included in the amendments made by section 701 of the Tax Reform Act of 1986.

MINIMUM WAGE RESTORATION ACT

KASTEN AMENDMENT NO. 3284

(Ordered to lie on the table.)

Mr. KASTEN submitted an amendment intended to be proposed by him to the bill S. 837, supra, as follows:

At the appropriate place in the bill, insert the following:

SEC. . SOCIAL SECURITY EARNINGS LIMITATION INCREASED TO REFLECT INCREASE IN MINIMUM WAGE.

(a) IN GENERAL.—Section 203(f)(8) of the Social Security Act (42 U.S.C. 403(f)(8)) is amended by adding at the end thereof the following new subparagraph:

"(E) Notwithstanding any other provision of this subsection, in the case of any individual who has attained normal retirement age (as defined in section 216(L)) the exempt amount determined under this paragraph for any month of a taxable year beginning after December 31, 1988, shall be increased by an amount equal to—

"(i) the product of—

"(I) the amount of the increase in minimum wage per hour for such year under the Minimum Wage Restoration Act of 1988, and

"(II) 2000 hours; divided by

"(ii) 12.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to months in taxable years beginning after December 31, 1988.

RELIEF OF CERTAIN PERSONS IN RIVERSIDE, CA

CRANSTON (AND WILSON) AMENDMENT NO. 3286

(Ordered to lie on the table.)

Mr. CRANSTON (for himself and Mr. WILSON) submitted an amendment intended to be proposed by them to the bill (H.R. 4050) for the relief of certain persons in Riverside County, CA, who purchased land in good faith reliance on an existing private land survey, as follows:

On page 1, line 3, after the word "That" insert: "Section 1."

At the end of the bill insert the following:

"SEC. 2. Notwithstanding any other provision of law, the Secretary of the Interior shall, within six months of the enactment of this Act, complete the state indemnity application CA 16096 for land in Inyou County, California as submitted to the State Director, Bureau of Land Management, California State Office, Sacramento, California and shall convey the lands described therein to the State of California."

Mr. CRANSTON. Mr. President, this amendment directs the Secretary of the Interior to convey to the California State Lands Commission a 20-acre parcel of land in Inyo County, CA, as part of the State's indemnity selection. The Bureau of Land Management has recommended that this parcel be classified for disposal through State indemnity selection. However, because the land has been withdrawn and is subject to the injunction in National Wildlife Federation versus Burford, the BLM has not been able to convey the property. The amendment provides the necessary authority to complete the transaction. The National Wildlife Federation has indicated it has no objection to this amendment.

THRIFT INDUSTRY NATIONAL COMMISSION

GARN (AND PROXMIRE) AMENDMENT NO. 3288

Mr. DOLE (for Mr. GARN and Mr. PROXMIRE) proposed an amendment to the bill (S. 2653) to establish a National Commission on the Thrift Industry, as follows:

On page 1, line 6, strike "the Thrift Industry" and insert in lieu thereof "Federal Deposit Insurance."

On page 4, line 14, insert after the word "Corporation" the words "and the Federal Deposit Insurance Corporation,".

On page 4, line 16, insert after the word "Corporation" the words "and the Federal Deposit Insurance Corporation".

On page 4, line 17, strike the word "thrifts" and insert in lieu thereof "depository institutions".

On page 4, line 19, insert after the word "Corporation" the words "and the Federal Deposit Insurance Corporation".

On page 4, line 21, insert after the word "Corporation" the words "or the Federal Deposit Insurance Corporation".

On page 4, line 23, strike "thrifts" and insert in lieu thereof "depository institutions".

On page 5, line 5, strike the words "thrift industry" and insert in lieu thereof "banking and thrift industries".

On page 5, line 14, strike the word "and" and on line 15 redesignate clause "(6)" as clause "(7)" and insert the following new clause (6):

"(6) future methods to improve the regulation of the thrift industry, including capital and accounting standards; and"

On page 5, strike lines 18 through 24, and insert in lieu thereof the following:

"(1) The Commission shall submit to the President and to the Congress a final report which shall contain a detailed statement of the findings and conclusions of the Commission, including its recommendations for administrative and legislative action that the Commission considers advisable, in two stages: First, the Commission shall report on all the issues principally relating to the thrift industry and the Federal Savings and Loan Insurance Corporation, as well as those issues relating to both the Federal Deposit Insurance Corporation and the Federal Savings and Loan Insurance Corporation, by February 1, 1989; and second, the Commission shall report on the issues relating principally to the banking industry and the Federal Deposit Insurance corporation by April 1, 1989."

On page 9, line 2, strike "$250,000" and insert in lieu thereof "$500,000".

JOB TRAINING PARTNERSHIP ACT AMENDMENT

HATCH AMENDMENT NO. 3287

Mr. DOLE (for Mr. HATCH) proposed an amendment to the bill (H.R. 4857) to amend the Job Training Partnership Act to make a technical change, as follows:

At the end of the bill, insert the following:

"SEC. 2. The amendments made by this Act shall apply with respect to funds available for expenditure on or after June 30, 1988."

NOTICES OF HEARINGS

SUBCOMMITTEE ON PUBLIC LANDS, NATIONAL PARKS, AND FORESTS AND THE SUBCOMMITTEE ON CONSERVATION AND FORESTRY

Mr. BUMPERS. Mr. President, I would like to announce for the public that a joint oversight hearing has been scheduled before the Subcommittee on Public Lands, National Parks and Forests of the Committee on Energy and National Resources, and the Subcommittee on Conservation and Forestry of the Committee on Agriculture, Nutrition, and Forestry.

The hearing will take place on September 29, 1988, beginning at 2 p.m. in room SD-366 of the Senate Dirksen Office Building in Washington, DC.

The purpose of the oversight hearing is to receive testimony from the Departments of the Interior and Agriculture on their current policies regarding fire management on lands administered by the National Park Service and the Forest Service; how those policies were formulated; and the manner in which they were implemented with respect to the recent fires in and around Yellowstone National Park.

The Secretaries of the Interior and Agriculture, as well as the Director of the National Park Service and the Chief of the Forest Service have been asked to appear. Those wishing to submit written testimony for the record may do so by sending two copies of their testimony to the Subcommittee on Public Lands, National Parks and Forests, U.S. Senate, SD-364, Washington, DC 20510.

For further information regarding the hearing, please contact Beth Norcross of the subcommittee staff, at (202)224-7145.

SUBCOMMITTEE ON ENERGY REGULATION AND CONSERVATION

Mr. METZENBAUM. Mr. President, I would like to announce for the public that a hearing has been scheduled before the Subcommittee on Energy Regulation and Conservation of the Committee on Energy and Natural Resources.

The hearing will take place Tuesday, October 4, 1988, at 9:30 a.m., in room SD-366 of the Senate Dirksen Office Building.

The purpose of the hearing is to receive testimony on S. 2179, a bill to amend the Petroleum Marketing Practices Act.

Those wishing to present oral testimony or who wish to submit written testimony for the hearing record should contact Mr. Joel Saltzman, staff counsel, Committee on Energy and Natural Resources.

For further information, please contact Mr. Saltzman at 224-7932.

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. GLENN. Mr. President, I would like to announce that the Governmental Affairs Committee will hold a hearing on Wednesday, September 28, at 10 a.m., in SD-342 Dirksen on the nomination of John Alderson, nominee for administration, General Services Administration. For further information, please call Len Weiss, staff director, at 224-4751.

ADDITIONAL STATEMENTS

DUMPING OF MEDICAL WASTES

● Mr. GLENN. Mr. President, I join with my colleagues from Michigan in expressing outrage at the dumping of medical wastes into the Great Lakes. Much of the recent publicity has focused on the pollution of the Atlantic seaboard's beaches with used syringes, intravenous bags, surgical tubing and all manner of vials and gloves. Some of the more frightening instances involve vials with residue of HIV-positive blood. But the last month has shown that the Great Lakes are not immune to this pollution.

Two hundred syringes and other unidentified medical objects washed up on a beach in Cleveland in August. State agencies in Ohio are still attempting to determine the hazard that these wastes represent and their origin. A State park beach in Michigan has experienced a similar wash-up of nearly two garbage bags' worth of medical waste.

These events should not be considered casual occurrences. They should alert communities and individuals to the fact that we still produce too much waste. This waste can be dangerous if we do not find ways to safely reduce and dispose of it. Illegal disposers will continue to endanger the public health and the environment if we do not make every effort to prevent them.

Congress has made it increasingly difficult for polluters to illegally dispose of solid and hazardous waste on land. These criminals have now turned to our Nation's waters as a disposal route. We cannot allow further degradation of our lakes by these preventable criminal actions.

I am proud to join Senator LEVIN as a cosponsor of his bill to extend to the Great Lakes a pilot medical waste tracking program similar to the one that Senator LAUTENBERG's bill applies to the New York and New Jersey coast. The bill requires that a demonstration program be established by EPA to promulgate and enforce regulations on medical waste in the Great Lakes States. This is an excellent step in the right direction that will be well complemented by the Senate's ocean dumping bill.

I am equally proud to join my colleague, Senator RIEGLE, in cosponsoring his sense of the Senate that the Great Lakes must be included in any medical waste legislation that addresses marine pollution. The Senate and the House must work together to arrive at a compromise that will provide the Great Lakes with comprehensive protection from future medical waste pollution.●

A SURPRISE 50TH WEDDING ANNIVERSARY CELEBRATION

● Mr. BOND. Mr. President, on Sunday, September 25, 1988, the children and grandchildren of Ruben and Marjorie Fuller will be hosting a surprise 50th wedding anniversary party. Ruben and Marjorie were married August 27, 1938, in Johnston County, MO. Relatives from as far as Idaho will be attending a luncheon and open house. Mrs. Fuller, formerly Marjorie Pittenger, comes from a family whose ancestors emigrated from Germany to the fertile fields of Missouri. Mr. Fuller shares a similar story.

They have continued the tradition of their ancestors by working the soil and raising a small herd of cattle and Yorkshire hogs. Their success is evidenced by the devotion of their son, 3 daughters, 11 grandchildren and numerous friends. Ruben and Marjorie

are the best of what America stands for: honesty, integrity, endless toil, and unyielding generosity to those in need.

I congratulate them on their 50th anniversary and am glad to be of service to these true Missourians in the U.S. Senate.●

HEARINGS ON HEALTH PROBLEMS IN THE AEROSPACE INDUSTRY CAN BE HELPFUL

● Mr. ADAMS. Mr. President, earlier this morning my colleague, Senator REID, announced that he would hold hearings designed to examine the possible impact that certain chemicals used in both commercial and defense aerospace programs may have on workers. In addition, I assume these hearings will also explore the various questions which have been raised about the impact of national security regulations on our ability to fully protect the health of our workers.

I have an obvious interest in this issue because a great deal of defense and commercial work is done by workers at the Boeing Corp., which is based in my State. Since the initial press reports on this problem surfaced, we have had discussions with the interested parties and, based on those discussions, it appears that there is a willingness to deal with the issue in good faith. The hearings Senator REID intends to hold can make a valuable contribution by focusing on the state of our scientific knowledge; the adequacy of existing regulations and inspections; and the systemic problems associated with the worker's need to know and the need of Government and the desire of business to keep certain information secret. I congratulate Senator REID for his initiative in this area and I look forward to working with him as he explores this issue.●

IN "LOCO" PARENTIS

● Mr. ARMSTRONG. Mr. President, it appears that the Senate will soon begin debate on legislation which would require employers to provide leave to employees for the purpose of parenting. The Grand Junction Daily Sentinel recently published an editorial which I think my colleagues will find interesting. The Sentinel calls this legislation an "unwarranted, albeit well-meaning, intrusion of the Federal Government into the affairs of both private and public employers." And, Mr. President, I couldn't agree more.

Today's work force is diverse and complex. More so than at any time in our Nation's history. According to the 1986 census today's labor force is 44 percent female. Married women with young children comprise the most new entrants. Eighty percent of all working women are in their prime childbearing years (ages 18-44)—that's 65 percent of all American women in this age group.

American businesses have responded to this change. Employers are voluntarily spending a record amount on employee benefits. On the average, employers pay 39.9 percent of their payroll in benefits. Voluntary annual expenditures by employers on benefits has risen from $290 billion in 1973 to $742 in 1986.

A vast array of benefits are now offered to employees including: dental and vision care, long- and short-term disability, life insurance, vacation and sick leave, maternity leave, pension, and retirement coverage, holidays, bereavement leave, education assistance, legal assistance, adoption assistance, profit sharing, and employee discounts. All these benefits are not mandated. They reflect the Nation's ability to adapt to the changing needs of the work force.

Proponents of this legislation state that three-fourths of the public support the concept of parental and medical leave. What the proponents aren't saying is that a majority of those same people do not want the government to interfere in the negotiations between employer and employee to decide on the terms of that leave.

Mr. President, I would not like to see the Federal Government mandating, across-the-board, specific leave requirements for every one of America's 112 million employees. The points made in the Grand Junction Daily Sentinel are worth considering as we debate this issue, and I ask that the editorial be inserted in the RECORD at this point.

The editorial follows:

[From the Grand Junction Daily Sentinel, Sept. 9, 1988]

IN "LOCO" PARENTIS

Monday Congress is scheduled to vote on a bill to require all employers in this country with 50 or more employees to provide the parents of newborn, newly adopted or seriously ill children with 10 weeks of unpaid leave. Both the House and Senate labor committees have approved similar bills and the chances of this particular piece of legislation, sponsored by the redoubtably liberal likes of Colorado Rep. Pat Schroeder and Connecticut Sen. Christopher Dodd, are looking very good indeed.

Right now there are no federal requirements that employers offer any kind of parental leave. How could we have limped along for decades without it? Well, most states have for years required some sort of provision of leave. Such benefits are routinely included in collective bargaining agreements. Many other employers, large and small, offer it voluntarily or provide it as one option among several employee benefits packages. Working people manage to rear families despite what Schroeder considers to be an appalling gap in the federal government's authority to butt in.

The bill pending in Congress is flawed both philosophically and practically. It is short-sighted public policymaking at its classic worst—one more unwarranted, albeit well-meaning, intrusion of the federal government into the affairs of both private and public employers.

Take, for instance, the potential effect of such a bill on a typical school district. Parental leave policy aside, the school district's frist responsibility is to its students. Should a school district be precluded from balancing an employee's wish to return to work two weeks before the end of term against what is in its students' best interests? Will parents be happy when this law is in force and their children experience more switching of teachers, more use of substitutes and, in general, increased interruptions in the smooth flow of the school year? Shouldn't the schools be able to modify an employee's request to take leave or return from leave?

This law, in fact, would create yet another "entitlement" for a particular group of employee, an entitlement to be provided at the expense of their fellow workers who do not have young children, and in the case of government employees, at the expense of the public they serve.

The bill would encourage rigidity instead of flexibility in the job market, as well as place an unbearable financial burden on smaller compaines operating on thin margins.

In the real world, decent treatment of employees is not unknown, even without the hand of Big Brother resting on the shoulder of both public and private sector employers. The provision of parental leave can be and is being dealt with on the state and local levels, tailored to community priorities. Providing it through federal mandate is precisely the kind of social engineering we don't need.●

SQUEEZE PRETORIA

● Mr. SIMON. Mr. President, one of the leading lawyers in this city is, John Douglas, the son of our former colleague Senator Paul Douglas and a man who headed the Civil Rights Division of the U.S. Justice Department under Attorney General Robert Kennedy.

John Douglas follows his father's footsteps in his concerns for justice.

Recently, he wrote an article on South Africa that I will ask to insert into the RECORD at the end of my remarks. He calls for greater United States action on the South African front. And simple justice demands that we do precisely what he asks.

Let me add, those either in opposition to sanctions or in support of sanctions who expect sanctions to work quickly, I think are badly mistaken. Sanctions and other economic forms of pressure simply are a means of saying where we stand and saying so firmly and letting those in power in South Africa know that we mean business when we say we oppose the evils of apartheid. But those evils will not crumble quickly. The fact that they will not crumble quickly does not mean that we should not stand up forcefully and vigorously.

I urge my colleagues to read the John Douglas piece, which appeared

in the New York Times on July 25, 1988.

The article follows:

[From the New York Times, July 25, 1988]

SQUEEZE PRETORIA

(By John Douglas)

WASHINGTON.—In portraying economic growth as the key to future democracy in South Africa, opponents of comprehensive sanctions misread the history of apartheid. South Africa's experience indicates that economic expansion can be compatible with a sophisticated police state.

Since World War II, every Nationalist Party administration has blocked political participation by blacks and suppressed their protests with naked force. This was true in the 1960's, when the economy grew at a rapid 6 percent; in the 70's, when the rate was 3 to 4 percent, and in the 80's when, until recently, there has been stagnation.

Indeed, it was in the high-growth 60's that the Afrikaner regime enacted the statutes, including the so-called Terrorism Act that institutionalized the classic elements of a police state. They included arrests without warrants, indefinite detentions without trial and removal of judicial control over detentions.

Critics of sanctions point to the economic gains in the 80's for some blacks, particularly for small-businessmen, as heralding decisive political influence to come. But this vision of "black empowerment" is a mirage. Black entrepreneurs are too few in number and too dependent on the state bureaucracy to ever constitute an efective force against apartheid. Today, black-owned businesses account for only 1 percent of the gross domestic product.

For the black population as a whole, the economy remains a disaster. Blacks own less than 2 percent of the nation's capital stock. The average income of black households has lagged far behind inflation. The unemployment rate for blacks stands at 25 percent and is increasing. New jobs average 22,000 a year whereas the work force grows by more than 300,000 annually. Small wonder, then, that the economic advances of some blacks have added nothing to black political power.

Opponents of comprehensive sanctions similarly misconstrue the role of black labor unions. Their theory is that, with national prosperity, the unions will inexorably accumulate economic power and can then transfer that power to the political arena.

But this formulation views black unions in isolation, wholly removed from everyday apartheid. It assumes erroneously that the economic aspirations of black workers can be divorced from their political aspirations. The two strands are inseparable, as witness the recent three-day "stay away," called by the largest labor federation, to demonstrate grassroots opposition to apartheid.

The rationale of economic growth also ignores the severity of the constraints under which black unions function. The high black unemployment rate assures a large pool of potential replacements for striking workers. Strikers cannot picket. Most important, union members are no match for the Government's guns, whips and dogs, all of which are at the ready in major labor disputes.

Last year's strike by 340,000 black miners was instructive. Its three-week duration was a remarkable achievement, but in the end the National Union of Mine Workers capitulated. Before the strike, the union asked for a one year pay increase of 30 percent. After management fired 40,000 strikers, the union accepted the owners' pre-strike offer of 23 percent. The raise was impressive on its face but actually modest, given the 3 to 1 disparity between white and black pay, the average monthly wage of $245 and a 15 percent inflation rate.

During that strike, the security forces of management and the state went on a rampage. Shootings of strikers, assaults and beatings were commonplace. Hundreds of strikers were injured. More were arrested. Nine were killed.

The pattern of white domination has characterized all of South Africa's labor-management relations. In the 50's, the Government collaborated with industry to smash the fledgling black unions. Two decades later, the Government acceded to industry's entreaties and legalized limited types of union activity.

Management made this about face in the interests of efficiency and stability: It was less costly to deal with union representatives than to cope with the larger number of individual workers who were becoming increasingly restive. But then, as now, the black unions operated at the sufferance of the Government.

In contrast to the passive approach exemplified by the champions of economic growth for South Africa, comprehensive sanctions would represent an affirmative policy.

Mild selective sanctions, enacted in 1986, have increased slightly the costs of maintaining apartheid. Adoption of comprehensive sanctions plus vigorous Presidential leadership would encourage other industrial democracies to forge a common policy and impose signficiant strains on the economy—primarily, albeit not exclusively, on its white sector. Those strains would resonate with the resistance to apartheid in the black communities and thereby generate the best opportunity for a non-racial democracy.●

NATION'S REPORT CARD ON SCIENCE ACHIEVEMENT IN GRADES 3 TO 7 AND 11

● Mr. STAFFORD. Mr. President, the National Assessment of Educational Progress today released their fifth report on the state of science learning in the Nation's elementary and secondary schools. Though scores have slightly improved, the news about student mastery of science curriculum is not good. Furthermore, the older the students assessed—up to 17 years of age—the poorer the relative performance when compared to other industrialized nations. Minority students have made the most gains, which is indeed the best news contained in this report. Younger students have also made gains since the NAEP testing program began in 1969. Their progress, however, only puts them on part with third-grade students tested 20 years ago. In summery, they have reclaimed the ground which was lost during the 1970's. Most disturbing is the evidence that the gender gap has increased in spite of greater attention to the inclusion of female students in science education. Again, older girls showed a greater achievement gap when compared to male students then was evident among 9-year-old boys and girls.

The news about poor science achievement scores for American elementary and secondary students is not new. Earlier NAEP reports were taken seriously by the Congress. In 1985, I was the major Senate sponsor of legislation designed to make grants to States to upgrade science and math teacher training, retraining and in-service opportunities. That program, known as the math science education act has never received adequate funding from the Congress to meet the teacher training needs in school districts across the Nation. The funding trend, however, is improving. In fiscal year 1986, $45 million was appropriated for the math science education act. This year, the Congress has agreed to increase that funding to $137 million. It is a far cry, however, from the $330 million recommended by my colleague CLAIBORNE PELL and I during consideration of the trade bill in the 100th Congress.

The availability of Federal dollars for upgrading the instructional skills of math and science educators has contributed to the improved performance, however modest, reported by the NAEP. We must do a better job in the future. I would hope the two presidential candidates would add math science education to the list of programs they intend to expand and fully fund.

The Gallup organization recently released a survey which pinpointed U.S. students as relatively ignorant about world geography when compared to students living in other industrialized nations. Coupled with this alarmingly poor performance on tests of basic scientific knowledge, the news for our planet is not good. Concern and respect for the environment are the traits of educated young people. The survival of our planet is truly at risk unless our citizens are technologically skilled and mindful of the fragile state of the soil, the water and the air that we breathe. Science education is the key.●

● Mr. SIMON. Mr. President, I am concerned about the long run implication of our policies in Panama.

The President who knows most about Panama is deeply critical of our Panama policy. I'm referring to President Jimmy Carter.

The recent New York Times article titled "Crisis in Panama Hits Middle Class," suggests that there will be long run damage to stability, which is being created by our policies in Panama.

I ask to insert the New York Times article in the RECORD at this point.

The article follows:

CRISIS IN PANAMA HITS MIDDLE CLASS—MANY PROFESSIONALS ARE OUT OF JOBS AS THE DEPRESSION CAUSED BY U.S. GROWS

(By Lindsey Gruson)

PANAMA, Aug. 25—Unable to pay her utility bill after being laid off, Juana recently had a friend turn off her electricity meter.

"We have to do whatever we can to survive," said Juana, a 38-year-old lawyer who wanted to be identified only by her first name. "I've used up all my savings. Just getting enough to eat is very hard."

It is an accepted part of urban life here that thousands of poor families routinely turn off their electricity meters so they get power free. But now the practice has become common among what many Panamanians call "the new poor"—the formerly thriving middle class.

After two decades of relative prosperity that contrasted sharply with developments in the rest of Central America, the sudden growth of this type of crime among professionals illustrates the desperation facing Panama's middle class.

MANY ARE EMIGRATING

Once the envy of the region, the country's middle class has been particularly hard hit by the continuing depression, which was set off by the confrontation between the United States and Gen. Manuel Antonio Noriega, the military chief and de facto ruler.

General Noriega is under Federal indictment in the United States on racketeering and drug trafficking charges. Washington has applied stringent economic sanctions, which have crippled Panama's economy, in an effort to force him to give up power.

Shaken by the deteriorating conditions, doctors, lawyers, bankers and other white-collar workers have been emigrating. Luis Alberto Arias, the president of an investment company and former general manager of the National Bank of Panama, said five of his squash club's 100 members had already left and others planned to go.

"The country is decapitalizing itself," lamented a leading economist, a former Government minister. "People are eating away their lifetime savings. We're rotting from the inside."

That has led to growing fears that Panama's financial hemorrhage may be irreversible. The country now faces the economic decline, political polarization and violence that have engulfed all its neighbors except Costa Rica, according to many bankers, economists and Western diplomats.

UNEMPLOYMENT CLIMBING

"The middle is being squeezed out," one Western diplomat said. He noted that the deficit is equal to tax receipts and predicted that the Government would be forced to cut public employees' salaries.

Although estimates vary widely, the United States Commerce Department predicts that the country's gross domestic product this year will plummet by 10 to 15 percent, or $750 million. Many private economists estimate much sharper declines.

The official unemployment rate, which has ballooned to 18 percent from 10.2 percent at the end of 1986, continues to climb. Private economists say unemployment is now 30 percent or more, perhaps 50 percent, if the severely underemployed are included.

An increasing number of Panama's poor are being forced out of the city and back to the farm. Private relief agencies report that hunger is growing, while long-time residents say Panama City already is noticeably shabbier.

WE'RE GETTING PRETTY LEAN

They say that the crime rate has jumped and that there is more litter in the streets. Garbage is collected much less frequently, especially in neighborhoods that have been centers of protest against General Noriega. Real estate prices have dropped by 40 percent.

Dominado Ador Kaiser Bazan, the senior partner in a large construction company and former president of the Contractor's Association, estimated that spending on construction, which totaled $220.5 million in 1987, would drop to $15.5 million this year.

"So far we've survived on our fat," he said. "But we're getting pretty lean."

The economic decline is perhaps most evident in Panama's financial industry, the regional banking center before the crisis. Deposits and outstanding credit have dropped to about $15 billion from $37 billion at the beginning of last year, according to the Commerce Department.

After half a dozen foreign banks, including Bankers Trust Company of New York, Republic National Bank of New York and First Chicago Bank, have closed their Panamanian operations. Others are expected to follow. Credit is almost nonexistent.

WE'VE GONE BACK 400 YEARS

Several bankers and economists said the economy is regressing, turning away from modern services and back to such traditional industries as agriculture and fishing.

"In many ways, we've gone back 400 years," said Mr. Arias. "It's almost a medieval economy. Soon we'll be like any other Latin American country."

The developments have left many middle-class professionals like Juana, the unemployed lawyer, without a useful skill. Noted before the crisis for their lavish life styles, members of the old middle class have been forced to slash their spending, refinance their mortgages and rearrange their lives.

Many business people and middle-class professionals are surviving only by relying on barter. Several supermarkets, for instance, trade food coupons for computer services.

"It's getting worse and worse every day," said Mr. Arias. "The economic pool is stagnating, just like a pond whose source has dried up."●

WASTE EXPORT CONTROL ACT, S. 2598

● Mr. D'AMATO. Mr. President, I rise today as a cosponsor of the Waste Export Control Act, S. 2598.

The United States is on the brink of a waste management crisis. The ill-fated voyage of the garbage barge—the *Marbo*—received a great deal of media attention both in this country and abroad. But the *Marbo's* maldorous odyssey may have served a purpose in highlighting a mounting national problem—garbage.

Most people give little thought to what happens to their garbage when they bag it and put it out on the curbside for pickup. What happens to that garbage once it is collected? According to the Environmental Protection Agency, over 80 percent of the 160 million tons of solid waste produced each year in this country is landfilled; about 10 percent is incinerated; and another 10 percent is recycled.

The alarming news about landfilling is that many of the country's landfills are nearing capacity and will soon shut down. Fresh kills landfill, which serves New York City, is expected to close before the turn of the century. Municipalities hoping to replace landfilling with incineration are finding that emissions from these plants contribute to air pollution and may violate Clean Air Act standards.

So, what are we to do with our garbage? Areas faced with more garbage than they can handle and rising disposal costs are looking at alternatives to landfilling and incineration. Many are exporting their waste to Third World countries which have comparatively lenient environmental regulations and where disposal costs are inexpensive. Many of these countries readily accept this waste needing the enormous amount of money they receive for doing so.

Unfortunately, many are accepting hazardous waste that has caused notable harm to their ecosystems. Needless to say this does nothing to promote good international relations with these countries.

This legislation is designed to control the exportation of such wastes by insisting that wastes meet the waste disposal standards which apply in the United States. Potential exporters will be required to apply for special permits through the Environmental Protection Agency. The permit applications must certify that the waste will be disposed of "in a manner providing environmental protection consistent with the requirements for transportation, treatment, storage or disposal of such or similar waste within the United States."

Promoting environmental protection as well as maintaining good international relations are goals of this legislation. I urge my colleagues to vote it into law.●

CONGRESSIONAL BUDGET OFFICE ESTIMATE OF COSTS OF S. 2800

● Mr. JOHNSTON. Mr. President, the Congressional Budget Office estimate of the costs of S. 2800, as reported to the Senate on September 16 (S. Rpt. 199-518), Calendar No. 951), was not available at the time the report was filed. The cost estimate for S. 2800 was subsequently received by the Committee on Energy and Natural Resources on September 20.

I ask that the text of the CBO estimate be printed in the RECORD for the advice of the Senate.

The text of the CBO estimate follows:

CONGRESSIONAL BUDGET OFFICE,
Washington, DC, September 20, 1988.

Hon. J. BENNETT JOHNSTON, Jr.,
Chairman, Committee on Energy and Natural Resources, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has reviewed a bill to amend the Nuclear Waste Policy Act of 1982 with respect to the Office of the Nuclear Waste Negotiator and the Monitored Retrievable Storage Commission, as ordered reported by the Senate Committee on Energy and Natural Resources, September 14, 1988.

This bill would amend the Nuclear Waste Policy act of 1982 by making the Office of the Nuclear Waste Negotiator an independent establishment in the Executive Branch. Under current law, the office is within the Executive Office of the President. The bill would also extend for five months the deadline for the Monitored Retrievable Storage (MRS) Commission's report to the Congress on the need for an MRS facility.

CBO estimates that changing the status of the Office of the Nuclear Waste Negotiator would have no significant impact on the federal budget, because it would not change the mission of the nuclear waste negotiator. The extended deadline for the MRS Commission's report could increase the commission's cost by $0.5 million or less over the fiscal years 1989 and 1990.

Enactment of this bill would not affect the budgets of state or local governments.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is Kim Cawley, who can be reached at 226-2860.

Sincerely,

JAMES L. BLUM,
Acting Director.●

DENNIS KOSLOWSKI, OLYMPIC ATHLETE

● Mr. DURENBERGER. Mr. President, I would like to take a minute to recognize an Olympic athlete that is making Minnesotans proud today. Dennis Koslowski of St. Louis Park, MN, won a bronze medal Wednesday in the 100-kilo class of Greco-Roman wrestling. Dennis' victory brings home the only Greco medal for the United States of the Seoul games. His hard work and determination enabled him to upset the Soviet champion and receive a well deserved medal.

Mr. President, I ask that an article from the Minneapolis Star and Tribune be printed in the RECORD as a tribute to Dennis Koslowski's achievement.

The article follows:

A BRONZE, BUT STILL A GOLDEN MOMENT—WRESTLER'S PERSONAL TRIUMPH IS AN AMERICAN FIRST

(By Jay Weiner)

SEOUL, SOUTH KOREA.—Like archers might, Sylvie Koslowski and Duane Koslowski took aim at a special target. Her husband and his twin brother Dennis, was the human bull's-eye, their love the arrows.

Dennis Koslowski, of St. Louis Park, was about to win a bronze medal, the first ever by an American Greco-Roman wrestler during a nonboycotted Olympic Games. Do not minimize such specificity. The gold medal winner in his 220-pound class and the man he defeated for third place—a Pole and a Bulgarian—would have been absent were this 1984 in Los Angeles and not 1988 in Seoul. They are nationalities that usually control this high-technique, upper-body-strength sport.

Dennis Koslowski, 29, a chiropractor by profession, readjusted his life by soundly whipping Ilia Gueorguiev of Bulgaria 4-0. In so doing, Koslowski came full circle from a childhood of uncertainty in South Dakota to an international moment of triumph. When the six-minute match ended, the blond, sturdy, normally calm Koslowski hopped on his toes like a little boy, blew a kiss to his wife, gazed at his brother.

A half-hour later, when he approached the victory stand, he was giggly, waving to Americans in the jam-packed Sangmu Gymnasium, the site of much noise on this evening. In the match before Koslowski's, Kim Youngnam won South Korea's first gold medal of the Olympics. The house was rocking.

The home team had an instant national hero who upset a Soviet champion. Flags waved, chants echoed. The Koslowski family had something to remember too. Tears flowed.

"Good, good," said Sylvie Koslowski, more stunned than overwhelmed, pushing her glasses up the bridge of her nose, attempting to stay under control as her husband blew a kiss to her from 300 feet away.

"As time goes on, the medal will gain more significance," said Duane, a half-hour younger than his brother. "I know he's thinking, 'I worked hard. I tried hard. I deserve it.' But after a while, it will take on a romantic aspect. It's a symbol of his love for the sport."

When Sylvie Lloret of Paris, France, met Dennis Koslowski of Doland, S.D., in Minnesota six years ago, she knew nothing of wrestling. She wasn't really sure she liked Dennis Koslowski. Oh, there was an initial, good old-fashioned crush. She met him at Duane and Denise Koslowski's wedding. Sylvie had been an exchange student in Morris, Minn., where Denise grew up and was Denise's maid of honor. When Sylvie returned to her job as public affairs officer with the French Ministry of Culture, she sat down and wrote Dennis a six-page letter.

She received no reply.

A month later, she wrote a second letter. It included the sentence, "You are such a jerk."

It was then that Sylvie began to understand this man who grew up with his twin brother, with no mother and a distant dad, who was raised by an aunt and an uncle, who turned to sports for a security blanket.

Dennis did not respond to Sylvie's missives because he was at a training camp for the 1984 Olympics. When he got back home in the Twin Cities, he quickly wrote back.

"He said, 'I'll be in France,'" she recalled Wednesday, sitting nervously in a plastic chair at a far end of Sangmu Gym, tiny U.S. and South Dakota flags in her hand.

Six months later, they rendezvoused in Reims, France, where Dennis won the Andre Guerin Memorial Tournament. Two years later, in February 1985, they married. In the interim, Dennis Koslowski failed to make the Olympic team, a runner-up at the trials. Sylvie did not understand the depth of his disappointment until soon after their wedding.

He might not admit it or talk about—"you know those South Dakota boys," she said—but there was something churning inside him.

"Dennis had a passion," said Sylvie, now the mother of 2-year-old Angela, "I believed I had to go with it. I'm happy to be tagging along." Wednesday there was a medal around his neck. Today there are headlines. in 1985, '86 and '87, there were doubts. "There were times I wasn't sure we would make it," said Sylvie, a full-time homemaker. "Dennis was a student. Angela was just born. We had no real income. We were living in a one-bedroom, $235-a-month apartment in St. Paul."

She remembers the party after his graduation from the Northwestern College of Chiropractic. There were 40 people in that one bedroom because it was summer and the bedroom had an air-conditioner.

They endured, even though Dennis finished a disappointing seventh at the 1986 world championships. They kept pushing, even though he was turned down by some employers who felt his wrestling would interfere with his work.

Finally, Arlen Lieberman, who operates a chiropractic office in Golden Valley, took Koslowski in.

"If Dennis wouldn't have this boss, maybe he'd be selling shoes or something," said Sylvie. "Because I know he was not going to miss getting to Seoul."

At 25, Duane Koslowski came out of retirement to help his brother. Since they were 12, first in Webster, S.D., and then in Doland, they had been known to bang each other around for better or for worse. Duane, about an inch taller and wrestling at up to 250 pounds, understood that his brother needed a training partner. He was there to serve.

They had been a team since they were kids, when their widowed dad couldn't care for his five children any longer and distributed them among relatives. Duane and Dennis, age 8, went to an aunt and an uncle. Wrestling became a vehicle "to feel good about ourselves." Football, too, and they played at Minnesota-Morris.

Wednesday afternoon, seven hours before his twin was to win an Olympic medal, Duane was manhandled by the Soviet world champion and soon-to-be Olympic champ Alexander Kareline.

"I felt like I was wrestling a Volkswagen," Duane said of the 15-0 whipping, moments before Dennis jogged onto the floor of the gym, wearing his USA red wrestling singlet, looking intense.

Duane admitted disappointment at his elimination from the tournament but said all that was behind him now as Dennis and Gueorguiev took to the center mat. "I'm excited for Dennis," said Duane, an insurance salesman who lives in Brooklyn Park with Denise and their children, Christina, 2, and Jason, 5. "I provided him a training partner and we always talked about opponents. But he did the work. This will be his medal."

Duane Koslowski, as blond and square-jawed as his twin, lowered his voice.

"I'll tell you, the first two minutes are really important here," he said, sitting a row in front of Sylvie, next to Denise, overlooking the mat. "I know the guy does not like to wrestle Dennis. But I know the guy has a terrific lift too. Dennis will have to stay away from that."

Denise chanted, "U-S-A, U-S-A," while Duane watched so closely. Within 48 seconds. Dennis was penalized for passivity and Gueorguiev had his first break. Koslowski would be placed on all fours by the referee and the Bulgarian would be on top, a perfect position to execute his lift and take an early lead.

"This is really bad," said Duane, biting his lip, squirming in his seat. "Good, good, good

. . . All right . . . He got out of it. Man, I thought the Bulgarian would get at least a point."

Gueorguiev, the 1987 European champion, never scored. Dennis did. Two points with 1:14 to go in the first period, two more points with 48 seconds left.

"This was the plan," said Duane, suddenly animal. "He's in the driver's seat. He's got him. I think Dennis is like a shark smelling blood right now."

Gueorguiev plodded back to his corner after the first period. He knew it was over. Koslowski appeared satisfied. Two minutes and 50 seconds later, Denise, Sylvie and Duane, with several hundred other U.S. fans in the 5,000-seat arena, were counting down the clock.

It was over. Dennis raised his arms in victory. The crowd cheered. Dennis wept. Duane had tears in his eyes behind the sunglasses. Dennis hugged his coaches, Dan Chandler and Pavel Katsen, who lifted him in a king's chair and briefly carried him.

"I could kiss everybody," said Sylvie Koslowski.

Afterward, Dennis' right eye was puffy. He cut his eyelid against Andrzej Wronski, the eventual gold medalist, Wednesday afternoon and received six stitches. He was sipping juice to get the system flowing for the drug-testing people. He was exhausted.

"I knew I had to win five coming in here," Koslowski said. "Five wins and I envisioned a gold medal around my neck. I did win five, but lost two." He survived seven matches in three days, "the longest three days I can remember," four hours of sleep a night, limited eating. His two losses were both by one point. He advanced in a weight class in which the 1984 Olympic champ and the 1987 world champ were eliminated. He lost 1-0 to the gold medal winner, Wronski.

"Gosh, I think I can beat the Pole too," he said, cockier now with the bronze around his neck. But there will be no more gut-wrenches for him. It's back to chiropractic medicine, back to being a dad.

He has plans to call his father, Henry Koslowski of Marion, Ill., with whom he speaks infrequently, to share his glory. He will be a tourist in Seoul for the next week, with Sylvie, his brother and Denise. He hopes others will be inspired to try the sport that kept him and Duane on a right track after a rough start.

"I think we came from a challenging background," Dennis said. "Wrestling is a sport that attracts people like that. We've come full circle. We've had a lot of setbacks. With all our losses, we are OK."

He wondered if he would fade into anonymity after these fleeting days of fame. He reported that as the Polish national anthem played while he was on the victory podium, he sang the words to the "Star-Spangled Banner" to himself.

"Right now, I feel real emotional with the results," Dennis said. "All the people who helped me, my employer, my brother, my wife. I feel good for everybody. It felt good to win a medal for them.●

TRIBUTE TO DR. MARIA GOMEZ CARBONELL

● Mr. GRAHAM. Mr. President, on October 1, Miamians will honor a women whose achievements are numerous and legendary. Her life is an example of the richness of ethnic diversity in this great country of ours. The State of Florida benefited from her generosity; the Miami community feels the loss of her presence.

Dr. Maria Gomez Carbonell was born in Havana, Cuba, and dedicated much of her life to securing civil rights for Cuban women. She earned a doctorate in philosphy and literature, authored several books, served as a member of the Cuban House of Representatives for 4 years and in Cuban Senate for 8 years before Fidel Castro's regime. During that time of public service Dr. Gomez also served in the Cabinet of the Republic of Cuba and on many socially and educationally-oriented commissions to improve the living standards and academic opportunities for Cubans.

In exile in Miami, Dr. Gomez remained an activist, working for a free Cuba and to preserve the heritage of Cuban-American children. Floridians realized, in Dr. Gomez, what an unintended gift Castro's revolution had given to the United States. She symbolized a dedicated, educated, high-minded group of people who brought their dreams and their energy with them to this country. In that sense, Dr. Gomez was quintessentially an American. We are fortunate to have the legacy of her contributions.

To celebrate Maria Gomez Carbonell's memory, Florida's Governor has declared October 1, 1988, as "Dr. Maria Gomez Carbonell Day" in the State of Florida. I would like to add my voice to the many singing her praises. It is from such selfless and directed lives that Florida draws its own vigor and inspiration.

Mr. President, I thank the Chair for the opportunity to honor an important, an outstanding Floridian.●

PERSONAL FREEDOM AND HUMAN RIGHTS IN THE SOVIET UNION

● Mr. GRAHAM. Mr. President, I am pleased to join my colleagues, Senators CONRAD and WIRTH, in working toward promoting personal freedoms and human rights in the Soviet Union. Soon we will be meeting with Soviet Ambassador Dubinin to reiterate our interest in the welfare of Soviet citizens who have been denied the rights of a free society. I commend Senator CONRAD for his leadership in ensuring that these issues remain at the top of our agenda in our relations with the Soviet Union.

Last April, Senators CONRAD, WIRTH and I joined several other Senators on a trip to the Soviet Union. During our visit, I had the very special opportunity to meet with various Soviet refuseniks and participate in a Passover Seder with Alik and Galina Zelichonok, refuseniks living in Leningrad. Passover symbolizes the tremendous sacrifices necessary to achieve freedom and human dignity; it is the triumph of humanity over oppression. That sacred occasion reaffirmed my deep commitment to do everything possible to help the Zelichonoks and others like them gain the right to emigrate to a free society.

Through my communications with Soviet refuseniks and those who have emigrated, it is evident that glasnost has not proven to be as positive a policy as we had hoped. Acts of anti-semitism in the Soviet Union seem to be on the rise. It is unfortunate that, as Jewish people worldwide celebrate the High Holy days, they cannot greet the new year with optimism.

As I look back on this past year, one of the happiest days I remember was June 28, when an American-Soviet couple was reunited after 8 years of separation. Galina Vileshina of Boca Raton, Florida, worked tirelessly to get her husband out of the Soviet Union. Her efforts inspired me to write letters and make phone calls and personal contacts on their behalf with American and Soviet officials. Her success has encouraged me to continue to press Soviet officials at every level to grant their citizens the fundamental rights of a free society.

We must make the Soviets understand the high value we Americans place on religious tolerance, free emigration, and the basic right to live and work without fear. This week, as Soviet Foreign Minister Shevardnadze meets with Secretary of State Shultz to negotiate arms reductions and safeguard human life, he must be reminded that the right to live as one chooses is as important as the right to live. There is no more effective way for the Soviets to understand the importance we place on human rights than by insisting that they be included in any negotiations we have with their country.

It is my hope that our initiatives will spark positive results; I look forward to working with my colleagues on this important endeavor.●

BUSINESS FOR PEACE

● Mr. HARKIN. Mr. President, I call to your attention a unique Iowa organization, "Business for Peace." Business for Peace is a bipartisan group of 104 business executives and leaders from the Des Moines area. They are split roughly equally between Republicans, Democrats, and independents. They are drawn together by one common concern: nuclear war.

Despite their political diversity, they have been able to reach a consensus on broad national security issues, something we have been losing here in Congress of late. Members of Business for Peace endorse a basic statement entitled "War Doesn't Work Anymore." This week, they have also released a consensus statement on the Strategic Defense Initiative, or "Star

Wars." The fact that they could reach a consensus on the controversial SDI program reflects the diligence and effort they put into their activities.

They conclude in part that "the SDI program should not proceed beyond the research and land-based testing phases permitted by the ABM Treaty" unless the five conditions are met, including technical feasibility, cost-effectiveness, survivability, transition stability, and long-term economic and political support. I submit that their statement is a thorough and accurate assessment of SDI, and these views are representative of the majority of business men and women in this nation who are not financially dependent on the SDI program.

I commend these statements to my colleagues, and ask that they be printed in the RECORD.

The material follows:

WAR DOESN'T WORK ANYMORE

Business men and women, like others, have concerns which transcend their daily activities. Many of us share a common belief that the overriding concerns in today's world are: the increasing reliance on military force, and the threat of a nuclear war. In particular, we believe that:

1. In the face of nuclear extinction, alternatives to war and terrorism must be found. For humanity to survive, nations and their foreign policies, like businesses, must adapt to change.

2. "National Security" means global security.

Business has learned that its own well-being depends on a global economy. Similarly, one nation's security can no longer be purchased at the price of another's insecurity.

3. The arms race must be halted.

Today's nuclear arsenals can wage 1,000,000 Hiroshimas. More nations seek nuclear weapons. Conventional weapons are in mass production. Chemical weapons ("nerve gas") are widely held. Biological weapons research continues. Allowing nuclear and conventional weapons to proliferate further—in both stable and unstable nations—destroys any sense of security we may think we have.

4. An arms race is not an intelligent allocation of human and capital resources.

The application of resources to disease reduction, food distribution, population growth, reduction in human rights abuses, and improved living standards reduces the chance of war and enhances national security.

5. National economies are hurt, not helped, by arms spending.

In the long run, a disproportionate use of a nation's best talent and resources to prepare for war impairs its relative economic progress. Both the U.S. and the U.S.S.R. are examples.

6. We do not favor unilateral disarmament.

Disarmament must flow from verifiable agreements and we must move forward with such agreements. However, until such agreements are implemented, a U.S. military force—sufficient to deter a nuclear first strike and a conventional attack—is a necessity.

7. The number one item on today's foreign policy agenda must be multilateral disarmament.

Trust among nations is not a prerequisite; however, a long-term view and the identification of mutual interest are necessities for progress.

PEACE IS A RESPECTABLE WORD

As business men and women, we support the work of others who are committed to a process of peace making—a process that must show results if the nation is to be secure.

We pledge to educate ourselves and speak out on policy options. We urge businesspeople, and others, to join us.

Together, we can—and must—build a world without war. It's a matter of our survival.

BUSINESS FOR PEACE—STRATEGIC DEFENSE INITIATIVE [SDI]

Debate over the Strategic Defense Initiative (SDI) first announced by President Reagan in 1983 has focused on at least five major issues. This paper examines each of the issues, following which a concluding summary of the position of Business for Peace on SDI is presented.

WILL SDI WORK? WHAT DOES "WORK" MEAN; A TOTAL OR PARTIAL DEFENSE AGAINST NUCLEAR ATTACK? WHEN CAN IT BE DEPLOYED?

It is now generally agreed that in the foreseeable future SDI will not provide the total and complete defensive shield described when the concept was first proposed. Thus, at best, only a partial defense against an all out Soviet nuclear attack can be realistically expected. This means a sizable number of missiles will reach their intended targets.

Those who support SDI argue that a partial defense, particularly if deployed to protect military targets, would complicate and increase the uncertainty of the outcome of a Soviet first strike. They also suggest that while a nearly impregnable shield against nuclear attack may not be feasible at the present time, future research and development is likely to lead to significant breakthroughs that may ultimately make this objective achievable.

Opponents of SDI claim the program will never achieve either the partial or the more optimistic defensive goals claimed by its supporters. Soviet counter measures will be introduced to thwart SDI defenses or they will simply be overwhelmed by a significant increase in Soviet offensive weapons. The technical problems involved in an effective system for defense against nuclear attack are so overwhelming that they will require a long time to resolve. Finally, opponents argue that, as it is presently conceived, SDI will provide no defense against submarine or aircraft launched "flat trajectory" missiles or nuclear weapons delivered by a variety of other means.

Although SDI may provide a limited defense against a Soviet nuclear missile attack, it is our position that a total defense, as initially envisioned, is unlikely to be achieved for years. However successful SDI ultimately proves to be, the program will not address the nuclear threat posed by other delivery methods and by other nations with nuclear capability or which may ultimately acquire it. The Soviets will initiate offensive and defensive countermeasures if SDI is deployed. If we then feel the need to respond this is likely to trigger a race with the Soviet Union to erect stronger and stronger defenses against nuclear attack.

WHAT WILL SDI ACTUALLY COST? CAN WE AFFORD IT AND IS IT THE BEST USE OF OUR DEFENSE DOLLARS?

With a budget of $4.6 billion this fiscal year and $14 billion spent during the last five years, SDI is a major cost item in the defense budget. Thus, affordability and cost/benefit considerations are clearly relevant SDI issues.

SDI supporters believe development and deployment of SDI is feasible and that the system will perform as anticipated. Thus, the costs (supporters tend to lean toward the low side of the estimated range), are viewed as justified by SDI's anticipated strengthening of our defenses against nuclear attack.

Opponents of SDI have serious reservations about the program's feasibility, question whether SDI will truly strengthen our defenses and are convinced that the program's ultimate costs will exceed current estimates. They therefore conclude the program's costs will exceed the benefits to be derived.

Although the Defense Department has not provided its cost estimate of the limited defensive system contemplated by the Phase 1 system or the expected costs of a comprehensive system, there is general agreement that SDI will involve major expenditures over an extended period of years. In light of the program's costs, coupled with the pressing need to control government expenditures, we believe development and deployment of SDI should proceed only if the program's feasibility can be demonstrated.

DOES SDI VIOLATE THE ABM TREATY? IS THIS A RELEVANT ISSUE TO CONSIDER IN DECIDING WHETHER TO DEVELOP SDI?

Supporters of SDI contend that the original treaty limited development and testing in space of only those systems that are based on technology existing in 1972. Others argue that SDI development, testing and deployment should proceed even though it may violate the ABM Treaty because (a) the Treaty has failed to achieve its original goal of avoiding an offensive nuclear arms race; (b) a policy of limiting this nation's military defenses and depending solely upon our ability to destroy an enemy and its ability to destroy us is an unacceptable way of avoiding war; and (c) the Soviet Union has violated the ABM Treaty and has been developing its own defenses against nuclear attack.

Opponents of SDI argue that the ABM Treaty prohibits development and testing in space of the types of weapons contemplated by SDI. They also argue that while the ABM Treaty has failed to prevent a buildup of offensive nuclear missiles, the threat of annihilation has restrained both sides from initiating a nuclear first strike. The recent signing of the INF Treaty and negotiations currently in progress to further reduce the number of offensive nuclear weapons are also clear evidence that progress is finally being made to reduce the nuclear threat. They argue that no concrete efforts have been made to formally address and seek to resolve alleged ABM Treaty violations by the Soviet Union; instead, they are being used as justification for the U.S. to violate the Treaty by proceeding with SDI.

There is general agreement that the ABM Treaty permits the development and land based testing of immobile sophisticated antiballistic missile weaponry. While we support such efforts, we oppose developments, testing and/or development in violation of either the letter or the spirit of the

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ABM Treaty. If we believe the Soviet Union is violating the Treaty, formal negotiations should be undertaken to seek compliance rather than abrogating the Treaty ourselves based on alleged Soviet non-compliance.

HOW WILL THE SOVIET UNION RESPOND IF WE DEVELOP AND DEPLOY SDI? WILL THIS ACCELERATE OR RETARD THE ARMS RACE?

Supporters of SDI argue that proceeding with SDI will better position us to negotiate further decreases in nuclear arms. They contend that history has shown that negotiating from strength is the most effective way to deal with the Soviet Union. They claim that when only a small percentage of missiles can be counted upon to reach their targets the Soviets will cease building them and reduce their number. Thus, SDI will not lead to a buildup of Soviet missile capability.

Those opposed to SDI contend that if we proceed with SDI the Soviets will increase their offensive nuclear forces and initiate other countermeasures. Thus, SDI will stimulate an offensive arms race.

We do not know if SDI will accelerate or retard the arms race. Since the military communities of contending nations tend to mirror-image each others' technology, the Soviets are likely to proceed with a defensive SDI system themselves. This might be desirable since it runs counter to the present policy of mutual assured destruction (MAD) on which the ABM Treaty is based. SDI would also move both nations away from large offensive ballistic missile forces. SDI is consistent with the proposition that we are much more interested in live Americans than in dead Russians . . . and vice versa.

We believe SDI research should be continued with emphasis on involving all of our allies and encouraging the Soviets to participate with us. As the research evolves, new discoveries are likely to change the emphasis of defensive programs. It is vital to stimulate, encourage and investigate new innovative approaches. We must, however, continue with an open mind but with our goal being to slow down, and eventually eliminate, the arms race. If, as research continues, interaction between the Soviet Union and the United States does not result in progress in this direction, alternative solutions must be sought.

WILL SDI DRAIN OUR TECHNICAL AND ECONOMIC RESOURCES OR WILL THERE BE VALUABLE SPINOFFS THAT WILL ENHANCE OUR TECHNOLOGICAL AND ECONOMIC CAPABILITIES?

Supporters of SDI argue there will be many valuable spinoffs from SDI that will enhance our technological and economic capabilities. They claim that SDI development will proceed hand-in-hand with commercial development of space. Thus, rather than hindering our ability to compete internationally, SDI will enhance our competitive positive in a multitude of space related activities and products.

SDI opponents content that SDI will drain our technical and economic resources and further weaken our nation's abilities to compete in world markets. They argue that our limited scientific and technological resources must be applied to enhancing our worldwide economic competitive position. While defense programs have yielded valuable commercial spinoffs. SDI opponents contends the costs have been unnecessarily high.

We concur that in the past space related technology has proven commercially useful. It is reasonable to assume this may be true in the future and that SDI research may yield technological innovations and products. However, at this point it is impossible to estimate the cost.

CONCLUSION

We believe the SDI program should not proceed beyond the research and land based testing phases permitted by the ABM Treaty unless and until the program has met certain requirements, including the following; (a) SDI technological feasibility issues have been settled; (b) the program's cost-effectiveness at the margin appears attractive (that is, the estimated costs of SDI are less than those incurred by the Soviet Union to neutralize SDI defenses); (c) there are reasonable assurances that SDI can be deployed and the deployment maintained in the face of feasible Soviet countermeasures; (d) the transition to systems to defend against nuclear attack as contemplated by SDI do not undermine stability in US.-Soviet relations; and (e) economic and political support of SDI for the long haul is assured.

Based upon the foregoing criteria, we believe the SDI program should, at this point, be confined to research and testing efforts necessary to ensure the United States remains abreast of the technology involved in systems to defend against nuclear attack. Further, a major effort should be made to closely monitor similar efforts by the Soviet Union, if possible negotiating an exchange of research information with the Soviets and a joint U.S.-Soviet effort to develop defenses against nuclear attack.●

NEW JERSEY LOSES A LABOR LEADER

● Mr. LAUTENBERG. Mr. President, on September 22 a valued and dedicated officer of the Essex-West Hudson Central Labor Council, AFL-CIO, died. Fred F. Stecher, Sr., served both the labor movement and the community in many capacities in a long lifetime of hard work and civic minded concern. His service was recognized in 1983 when he received an honorary degree from Essex County College for his "outstanding commitment to the rights of working people."

I know that Fred will be missed by the many organizations of which he was a member, many of which he led, and by organized labor in New Jersey. He leaves a void which will be hard to fill. His family can take comfort in knowing that he touched many lives and has left his mark on his home State.

I ask that an obituary which appeared in the Newark Star-Ledger be printed in the RECORD following my remarks.

The article follows:

[From the Newark Star-Ledger, Sept. 23, 1988]

FRED F. STECHER, SR., AFL-CIO EXECUTIVE

Fred F. Stecher Sr., executive secretary-treasurer of the Essex-West Hudson Central Labor Council, AFL-CIO, died yesterday in Clara Maass Medical Center, Belleville. He was 68.

Funeral services will be held Monday, with a 10 a.m. Mass at Our Lady of Good Council Catholic Church in Newark to be followed by burial at Holy Cross Cemetery in North Arlington.

Visiting hours are from 2 to 4 and 7 to 9 p.m. tomorrow and Sunday at the Paul A. McDonough Funeral Home, 637 Broadway, Newark.

A lifelong Newark resident and long-time community activist, Mr. Stecher served for 14 years as top administrator of the labor council which represents union locals and their members in the bicounty area. He also served on the board of trustees of the United Labor Agency, the council's social service arm.

Mr. Stecher was elected in 1984 to a three-year term on the Newark Board of Education and served as first vice president and chairman of the board's Human Resources Committee.

At the time of his death, Mr. Stecher also was chairman of the Labor Advisory Committee of Essex County College, an institution that awarded him an honorary degree in 1983 for his "outstanding commitment to the rights of working people."

Mr. Stecher also was active in the political arena, serving since Jan. 1, 1982, as aide to Essex County Freeholder President Thomas P. Giblin and, between 1981 and 1985, as a member of the state Democratic Committee.

"The death of Fred Stecher leaves a void in the entire community in Essex County and especially within the labor movement to which Fred devoted his entire career in serving the needs of working men and women," Giblin said.

Mr. Stecher was a trustee of the United Way of Essex-West Hudson, and a member of the advisory committee to the Essex County Job Training and Partnership Act council, the Ironbound Executives Association and the Newark Bell and Siren Club.

He also had served as president of the Consumers' League of Essex County and was a member of the Friendly Sons of the Shillelagh of West Orange.

Mr. Stecher was a retired member of Local 410 of the International Union of Electrical, Electronic, Office and Machine Workers at the Westinghouse plants in Bloomfield and Belleville, where he was employed for more than 30 years.

Mr. Stecher is survived by his wife of 51 years, the former Marion E. Hubbs; his son, Fred F. Jr. of Belleville; two daughters, Mrs. Loretta Ann Gallagher of Belleville and Mrs. Patricia Ellen Marx of Newark; his brother, William J. of Florida; a sister, Mrs. Gertrude LoVello of Somers Point; 13 grandchildren and eight great-grandchildren.●

MARYLAND GOVERNOR SCHAEFER'S THOUGHTS ON HISTORICAL IMPORTANCE OF ANTIETAM BATTLEFIELD

● Mr. SARBANES. Mr. President, yesterday the Senate Committee on Energy and Natural Resources favorably reported S. 2565, a bill that would assist in preserving Antietam National Battlefield in Sharpsburg, MD, to the full Senate. As the sponsor of this legislation, I am pleased with the committee's action and look forward to consideration by the full Senate. This bill has the support of every member of the Maryland congressional delegation and the Governor of Maryland. I would like to share Gov. William

Donald Schaefer's thoughts about the historical importance of Antietam Battlefield and the need to protect and preserve the historical integrity of this site, and ask that his statement be printed in the RECORD following my remarks.

The remarks follow:

STATEMENT OF THE HONORABLE WILLIAM DONALD SCHAEFER, GOVERNOR OF MARYLAND, IN SUPPORT OF S. 2565/H.R. 4554

"The most appalling sights upon the battlefield . . . the ground strewn with bodies of the dead and dying . . . the cries and groans of the wounded . . . the piles of dead men, in attitudes which show the writhing agony in which they died—faces distorted . . . begrimed and covered with clotted blood, arms and legs torn from the body or the body itself torn asunder." These were the words of an eyewitness, one day after the bloodiest battle of our civil war, the battle of Antietam.

The historical significance of Antietam is profound. Following the Confederate victory at the second battle of Bull Run, General Lee's Confederate army marched northward crossing the Potomac River into Maryland. On September 17, 1862, Lee's forces were met by General McClellan's Union forces at Sharpsburg, Maryland. The ensuing battle, fought in the cornfield, Dunker Church, Bloody Lane and Burnside's Bridge, resulted in 23,110 casualties in one day.

By stopping Lee's forces at Antietam, McClellan prevented the Confederate Army from swinging Maryland's precarious allegiance. The border states, particularly Maryland, played a crucial role in the Union strategy. If Maryland had fallen to the Confederacy, Washington, DC would have been surrounded by the Confederate army, and the course of the war profoundly altered.

Despite the staggering losses on both sides, neither side could claim victory. The stalemate that resulted at Antietam marked the beginning of a new era during the Civil War. Recognizing the need to alter the Union's political and military plans to avoid another stalemated battle, President Lincoln embarked on what is now considered one of the most important acts of his presidency. On September 22, 1862, five days after the battle of Antietam, Lincoln issued his preliminary Emancipation Proclamation, declaring that unless the rebellious states returned to their allegiance, he would declare on January 1, 1863, that, "all persons held as slaves" in the territory controlled by the Confederates were, "then, thenceforward, and forever free." By issuing the proclamation, Lincoln hoped that newly freed slaves would join the Union army and fight for a decisive Union victory.

Antietam, and similar battlefields of the Civil War, holds special meaning for Americans because the actual battle does not merely exist as a chapter in a school textbook, but is preserved for generations to actually visit. The National Park Service and the State of Maryland have consistently worked to preserve the historical integrity of the battlefield. Unfortunately, this ongoing preservation effort is being hampered by existing statutory limitations. Under present law, the National Park Service is unable to purchase additional land or receive easements for land within the battlefield. Scenic areas within the battlefield are currently unprotected from development.

In fact, one of the most significant battlefield sites at Antietam—the cornfield where more than half the casualties occurred—is completely unprotected from development. Currently, title 16 authorizes the Secretary of the Interior to acquire no more than 600 acres of scenic land within the park. Today, roughly 1,200 acres lay unprotected from development. S. 2565/H.R. 4554 lifts the 600 acre limit and allows the National Park Service to acquire land within the Park's boundaries from sellers or donors. The protection and preservation of this battlefield is nothing less than an obligation to future generations.

Our nation's history is more than biographies or documents. It is a history shaped by the geography of the land and the people who lived, worked, fought and died for it. S. 2565/H.R. 4554 will give the National Park Service the power to permanently ensure the historical integrity of this sacred site.

I applaud the efforts of the Maryland Delegation in sponsoring this legislation and I urge all members of Congress to support this important bill.●

RESPONDING TO REMARKS OF GOVERNOR DUKAKIS, GEORGETOWN UNIVERSITY, WASHINGTON, DC

● Mr. WARNER. Mr. President, not long ago, Senator SAM NUNN appeared on the Senate floor to respond to a speech on defense given by President Reagan. Senator NUNN felt that the President's speech contained some inaccuracies which he thought should be corrected for the record.

I am moved today by similar concerns to respond to a speech given by Governor Dukakis at Georgetown University on Wednesday, September 14.

All politicians are familiar with the practice of distorting an opponent's record. And we have all, at one time or another, witnessed the selective use of facts to more favorably portray one candidate's record against another's. But I must say that in his speech at Georgetown, Governor Dukakis has set what may be a new record, even for experienced politicians, in the practice of distortion.

In his effort to discredit the Reagan administration's record on defense, the Governor strains mightily to find fault. It seems the Governor can't find anything at all in our current military posture to praise. In his view of the world, our current military capability is apparently all bad. To support this view, the Governor takes selective facts out of context and tells us only half the story. His approach becomes downright amusing when coupled with his somewhat clumsy effort to suggest, however vaguely, that he might have a "better idea." Some of these better ideas run directly counter to those he espoused during the primaries. With the benefit of a very recent tutorial on defense and foreign policy from Democratic congressional Members, Governor Dukakis is now embracing ideas which were not only foreign to him just 6 months ago, but which actually contradict positions he has held throughout most of his political career.

Today, I would like to speak briefly about the conditions that existed in the Pentagon when the Reagan administration came into office, then I will challenge several of the statements made by Governor Dukakis about what the Reagan administration has accomplished over the last 8 years. In so doing, I hope to present a more balanced picture than the one we were left with 2 weeks ago at Georgetown University.

When the Reagan/Bush administration took office in 1981, they inherited a demoralized military which had been starved for modernization, with a host of weapons systems languishing in research and development, plagued with large cost overruns resulting from high inflation, inadequate funding, and mismanagement. We had an Air Force filled with aircraft that couldn't fly for want of spare parts, a Navy so undermanned and underfunded that ships could not go to sea, and an Army filled with "Category 4" recruits, the lowest mental category accepted by the armed services, many of whom could not even successfully complete basic training.

The Reagan/Bush team began an aggressive program of modernization across the board, including both strategic and conventional forces. In the strategic area, the Reagan/Bush administration has deployed 50 MX missiles and modernized the Minuteman force; put the Trident submarine program back on track and deployed eight submarines with over 1,500 survivable warheads; deployed cruise missiles on over 150 B-52 bombers; and deployed 100 B-1B bombers on time and within cost. The B-1B's unprecedented schedule performance was not without problems, as Governor Dukakis is quick to point out, but as Air Force Chief of Staff General Welsh has stated, no informed observer can doubt the ability of the bomber to perform its mission today.

In addition, this administration has developed and begun procurement of the Trident II missile, the Stealth bomber, and the advanced cruise missile, and deployed programs that assure that the national command authorities can control nuclear forces in a crisis. The Reagan/Bush administration has revitalized our strategic deterrent, while spending less than 15 percent of the defense budget to acquire and operate strategic forces, about 10 percentage points less than President Kennedy devoted to strategic systems.

The modernization of our conventional forces has been even more impressive. Since 1981 we have procured almost 5,500 M-1 tanks and fielded an improved version called the M-1A1, the finest tank in the world today. The Reagan/Bush defense program

has procured almost 4,500 Bradley fighting vehicles and more than 300 multiple launch rocket systems [MLRS], which provide the most effective fire support our soldiers have ever had. The administration has procured more than 3,800 combat aircraft including 1,074 F-16's, 567 F-18's, and 637 AH-64 attack helicopters. They have also procured more than 190,000 of the world's most capable air-to-air, air-to-ground, and antitank missiles. With respect to our naval assets, this administration has increased the size of our fleet from 491 vessels in 1981 to 572 vessels in 1988; and readiness levels for all our conventional forces have been dramatically increased since 1981.

Without either recognizing or acknowledging this solid record of achievement, Governor Dukakis suggests that he can do better. Let's take a closer look at what he says is wrong with defense, and see what the real story is. First, I am pleased to see Governor Dukakis speak with new found passion about the importance of the men and women of our Armed Forces. Now that he is seeking to be their Commander in Chief, I hope he will take the opportunity to meet some of them. But as I said last week on the steps of the Capitol, my research indicates that before he began his Presidential campaign, he had not visited most of the military bases in his own State to meet with those young men and women in uniform. His interest in their well-being is certainly welcome—I regret that he didn't develop that interest until after he decided to run for the Presidency.

Next, Governor Dukakis tells us he will be tough with the Soviets and will negotiate reductions in strategic nuclear weapons. But at the same time he would unilaterally cancel the MX and Midgetman missiles. Now I ask you, what happens to our negotiating leverage when we give away both of our modern, mobile ICBM's? Perhaps Governor Dukakis knows something about the Soviets that no one else has discovered. Perhaps the Soviets really are waiting only to be "challenged" to lay down their arms? Certainly there was a lesson to be learned from our experience with the INF Treaty. It was simply this: The Soviet willingness to negotiate an arms limiting treaty came about only as a result of the deployment of our Pershing II and GLCM missiles. The Soviets respond to strength and commitment, not to mere challenges.

In discussing our ICBM force, Governor Dukakis points out that they are more vulnerable today than they were in 1980. He is correct. But what Governor Dukakis doesn't say is why that is true. Our missiles are more vulnerable for two reasons: First, during the past 8 years Soviet offensive technology has improved; and at the same time, congressional resistance has hampered the administration's efforts to increase our ICBM survivability. Governor Dukakis tells us he will find a "sensible and affordable way to maintain the effectiveness of the land-based missile leg of the Triad." But he gives no indication how he would do it. One wonders: What special expertise does he bring to the table to accomplish this feat? So far, all we know is that he would terminate the MX and Midgetman missiles—our only modern ICBM's.

Governor Dukakis has indicated in the past that he supports a unilateral United States moratorium on underground nuclear testing and a ban on flight testing of missiles—trusting that the Soviets might comply. Let me remind him of a quote from President John F. Kennedy who said, "Nations cannot afford in these matters to rely simply on the good faith of their adversaries."

Governor Dukakis says "They are cutting back on tanks, helicopters, people, ships." Cuts in the Reagan budget plans have occurred, but only as a result of congressionally mandated budget reductions. In fact, the congressional appetite for cutting defense has been so voracious that the fiscal year 1989 defense budget is barely $1 billion larger than fiscal year 1983 defense budget. But despite these reductions, the administration has increased the size of our Navy from 491 ships in 1981, to 572 ships today. They have substantially modernized our Army and Air Force and raised readiness levels across the board. And they have restored the morale of our service men and women and rekindled the pride that most Americans have in our military.

Governor Dukakis tells us that today only 55 percent of our Army Reserves are combat ready. But what he doesn't say is that when this administration came into office, the readiness of all components of our Armed Forces was dismally low. What he doesn't say is that by 1984, this administration had raised the Army Reserve readiness level to 40 percent, and by 1987 had achieved a level of 55 percent.

Next, Governor Dukakis tells us that a "government report says that up to 85 percent of infantry soldiers using today's antitank weapons would be dead after firing a single round." This information comes from a GAO report published over a year ago which presents a worse case scenario in which one of our older antitank missiles was matched in a computer simulation against a large number of postulated future Soviet tanks that have not even been fielded yet. Governor Dukakis does not tell us that same report contains a more realistic scenario matching our most modern antitank missile—(TOW IIB)—against the future Soviet threat, with a loss rate of only 8 percent.

Next, Governor Dukakis tells us that the "backlog of essential maintenance in the Army and Air Force is greater now than when the administration took office." For certain categories of essential maintenance this statement is true. But what the Governor does not tell us, is that since 1981 the Congress has cut the administration's request for O&M funds by nearly $30 billion. During that same period, the Congress has chosen to spend even more than $30 billion on add-ons, programs that were not requested by the administration.

Governor Dukakis claims that the administration has "failed to deploy an infantry tank missile that can take out modern Soviet tanks." The Governor is mistaken. In fact, we are currently fielding the TOW 11A missile, which was specifically designed to counter Soviet tanks with reactive armor. It can kill any Soviet tank in the field today. The TOW 11B, the follow-on to the TOW 11A, will be capable of handling the next generation of Soviet tanks.

Next, Governor Dukakis tells us that "our best pilots—the top guns—are leaving the military in record numbers." What Mr. Dukakis does not tell us, is that shortly after taking office this administration increased Navy pilot retention from a low of 16 percent in 1979 to 54 percent in 1984 through various efforts. Recently the problem of pilot retention has begun to reappear. In the fiscal year 1989 budget request the President proposed a solution to this problem but the Democratically controlled Congress chose to cut in half the administration's proposed pilot bonus while suggesting that the administration perform another study.

Next, the Governor tells us the administration has let our lead over the Soviets in ASW slip. The truth is this administration has pursued vigorously a full range of programs designed to maintain our lead in ASW warfare. This administration initiated the design and construction of our first new class attack submarines in more than 15 years, the *Seawolf*—SSN-21. The administration has also procured greatly improved sonars for our surface ships and submarines, is procuring two types of ASW helicopters—SH-60B, SH-60F—and is designing a new long-range ASW aircraft—LRRACA. The Reagan/Bush administration is procuring the new Mark-50 lightweight torpedo and the heavyweight MK-48 ADCAP torpedo. Governor Dukakis suggests he will improve on this record but does not name even one thing he would do that is different from what the Reagan/Bush administration is already doing.

Governor Dukakis tells us that "the administration proposes cutting spare parts for conventional aircraft by one-fourth to one-third." Again, the Governor does not tell us that the Congress has cut O&M funding—which buys spare parts—by nearly $30 billion over the past 7 years. Despite these reductions, this administration has increased our inventory of spare parts—measured as a percentage of validated combat requirements—from a low of 68.7 percent in 1981 to the current level of 95.8 percent.

Next, Governor Dukakis points out that in the event of war, we are currently short some 7,000 doctors and 31,000 nurses in the military. But what Governor Dukakis does not tell us is that the shortage was even worse when this administration took office. Since 1980 this administration has increased the number of doctors—both active duty and Ready Reserve—by nearly 6,000; and increased the number of nurses—active duty and Ready Reserve—by more than 10,000.

Next, Governor Dukakis says "The Navy lacks the combat aircraft to fill its carrier decks because we built more carriers than we have aircraft to go with them." What the Governor does not tell us is that the Congress decided to accelerate the funding for two aircraft carriers in fiscal year 1988, while slashing over $2 billion from the President's fiscal year 1987 and 1988 request for the Navy aircraft account. That $2 billion could have purchased 100 additional F/A-18 aircraft or 50 F-14's.

Governor Dukakis asserts that "One-third of our heavy A-6 bombers are grounded or restricted because we do not have the money to fix the cracks in their wings." The Governor is mistaken. The fact of the matter is the administration has requested and the Congress has approved funds to repair the A-6 wings. There is no shortage of money for this program. In addition to repairing the A-6 wings, this administration has vigorously supported the development of the advanced tactical aircraft [ATA] which is designed to replace the aging A-6 aircraft.

Next, Governor Dukakis tells us that we must keep faith "with our service personnel by giving them fair pay and decent benefits. * * *" What Governor Dukakis does not tell us is that for 7 of the past 8 years, the Congress has cut the administration's request for military pay raises. The President has attempted to ensure that our military personnel are fairly compensated, but the Congress has repeatedly undermined that effort.

In his speech, Governor Dukakis says that defending freedom "is a job for all Americans." He suggests that he will accomplish this through a bipartisan effort with congressional leaders. But Zbigniew Brzezinski, former National Security Adviser to Jimmy Carter, says Dukakis is the wrong man for the job. Brzezinski says Dukakis' "view of the world is basically out of touch" and that "his beliefs are such that he would not be able to fashion a bipartisan foreign policy."

Mr. President, this is a very important consideration, since all of us here know the success of any foreign policy effort is largely determined by the extent to which it enjoys bipartisan support in Congress. Those areas where we have had bipartisan support—such as in Afghanistan, the Persian Gulf, and Angola—are success stories. The single area where war remains a very real threat, Central America, is the one area in which we have been unsuccessful in fashioning a true bipartisan foreign policy. If a President cannot fashion a bipartisan foreign policy he is not likely to be a successful President. Mr. Brzezinski's words are ominous indeed.

Mr. President, I hope that my effort today has helped to set the record straight and to complete the picture which was left somewhat vague by Governor Dukakis on Wednesday of last week. The American pubic is entitled to know not just half the truth, but all the truth. The sort of mischief in which Governor Dukakis engages might be amusing were it not about matters of such supreme national importance. If our political system is to work, it is imperative that the public have the benefit of more than just half truths.●

ORDER OF PROCEDURE

Mr. DOLE. Mr. President, I have been asked by the distinguished majority leader that I might complete the business of the day. He is in a very important meeting.

EXECUTIVE SESSION

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate go into executive session.

There being no objection, the Senate proceeded to the consideration of executive business.

EXECUTIVE CALENDAR

Mr. DOLE. Mr. President, I indicate that on the Executive Calendar Nos. 740, 741, 856, 857, 858, 859, 860, 862, 863, 864, and the Coast Guard nominations beginning with John R. Turley and ending with Cynthia L. Joyner and Coast Guard nominations beginning with Roland Lill and ending with Samuel B. Bromley, Jr., have all been cleared by the majority leader.

The PRESIDING OFFICER. The nominations will be stated.

Mr. DOLE. Mr. President, I ask unanimous consent that all nominations be considered en bloc and confirmed en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nominations considered en bloc and confirmed en bloc are as follows:

FEDERAL RETIREMENT THRIFT INVESTMENT BOARD

The following-named person to be a Member of the Federal Retirement Thrift Investment Board for a term of two years: (Public Law 99-335)

Richard H. Headlee, of Michigan. (Reappointment)

The following-named person to be a Member of the Federal Retirement Thrift Investment Board for the term of four years: (Public Law 99-335)

Roger W. Mehle, of New York. (Reappointment)

EQUAL EMPLOYMENT OPPORTUNITY COMMISSION

Joy Cherian, of Maryland, to be a Member of the Equal Employment Opportunity Commission for a term expiring July 1, 1993. (Reappointment)

NATIONAL SCIENCE FOUNDATION

Charles L. Hosler, Jr., of Pennsylvania, to be a Member of the National Science Board, National Science Foundation, for a term expiring May 10, 1994. (Reappointment)

Roland W. Schmitt, of New York, to be a Member of the National Science Board, Natioanl Science Foundation, for a term expiring May 10, 1994. (Reappointment)

NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES

Hillel Fradkin, of Wisconsin, to be a Member of the National Council on the Humanities for a term expiring January 26, 1994, vice A. Lawrence Chickering, term expired.

Donald Kagan, of Connecticut, to be a Member of the National Council on the Humanities for a term expiring January 26, 1994, vice Gertrude Himmelfarb, term expired.

CORPORATION FOR PUBLIC BROADCASTING

Leslee Kathryn Alexander, of Tennessee, to be a Member of the Board of Directors of the Corporation for Public Broadcasting for a term expiring March 26, 1991, vice Harry O'Connor, term expired.

DEPARTMENT OF COMMERCE

R. Kent Burton, of Virginia, to be Assistant Secretary of Commerce for Oceans and Atmosphere, vice James Curtis Mack II, resigned.

COMMUNICATIONS SATELLITE CORPORATION

Thamas C. Griscom, of Tennessee, to be a Member of the Board of Directors of the Communications Satellite Corporation until the date of the annual meeting of the Corporation in 1991, vice Neal B. Freeman, term expired.

NOMINATIONS PLACED ON THE SECRETARY'S DESK IN THE COAST GUARD

Coast Guard nominations beginning John R. Turley, and ending Cynthia L. Joyner, which nominations were received by the Senate and appeared in the Congressional Record of July 28, 1988.

Coast Guard nominations beginning Roland Lill, and ending Samuel B. Bromley, Jr., which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of July 28, 1988.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the nominations were confirmed and I move that that motion be laid on the table.

The motion to lay on the table was agreed to.

Mr. DOLE. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of the nominations.

The PRESIDING OFFICER. Without objection, it is so ordered.

STATEMENT ON THE NOMINATION OF ROGER MEHLE TO BE CHAIRMAN OF THE THRIFT INVESTMENT BOARD

Mr. COHEN. Mr. President, I rise today to state my serious concerns regarding the nomination of Roger Mehle to serve as Chairman of the Thrift Investment Board.

Over the past few months, I have been troubled by problems that have arisen in the operation of the five-member Thrift Investment Board under the chairmanship of Mr. Mehle. This Board is charged, under the Federal Employees' Retirement System Act of 1986, with the crucial and formidable tasks of acting as fiduciaries for participants of the Federal Employees Retirement System and establishing policies for the investments and the administration of the thrift savings plan.

Members of the Board have expressed dissatisfaction with how the Board has been operating under the chairmanship of Roger Mehle, the nominee whose reappointment is now before us for confirmation. Specifically, three of the five Board members have, over the course of several months, expressed views that the Board members have not been adequately consulted in decisionmaking, that the recommendations of members have not been considered or implemented, and that the Board has lacked an overall long-term plan to guide their actions as trustees of the plan.

Three members have expressed specific concerns about the operation of the Board and about their level of involvement, such as their inability to have items scheduled for consideration at Board meetings, that the Executive Director and staff of the Board do not serve the needs of all five members of the Thrift Investment Board, and that the members lack the information necessary to conduct meaningful oversight of how the Executive Director is performing his tasks as the plan administrator. Members have argued that these conditions and attitudes have rendered them more of an advisory body, rather than a full functioning Board of plan fiduciaries, as required by the statute.

Mr. President, I want to point out that these concerns have been expressed by a majority of members on the Board, and therefore should not be dismissed solely as the views of an individual member, or a minority opinion. Rather, these views were the prevailing views of the individuals who served on the Board. In fact, this situation led to the resignation of one member of the Board, Shannon Clyne, who has confirmed that a major factor in his resignation was the frustration of not having the process followed on the Board adhere to the statutory mandate that the members of the Board act as fiduciaries of a plan.

I recognize, of course, that differences in management style and policies will occur in any collegial body such as the one created by this law, and that different points of view are indeed healthy and necessary if we are to benefit fully from the investment and management experience and expertise that the five members bring to the Board of a major pension fund. I also recognize that, as parttime members, these persons cannot perform the day-to-day operations of the TIB. I believe, however, that the Board is not functioning in accord with the standards and practices of how fiduciaries should function under ERISA, which was clearly the model on which this Board was crafted, or under the FERS statute itself. Instead of functioning as coequal fiduciaries who are, along with the Executive Director, responsible for the planning and implementation of the policies of the Thrift Investment Board, the Board has been rendered merely an advisory body, with the chairman and the Executive Director, setting the course and operation of the TIB.

While the debate and discussion at Board meetings have indeed been extensive, too often the concerns of Board members—and, I again point out, Mr. President, at times the concerns of a majority of Board members—on such issues as the appropriate role and liability of the Board members as fiduciaries, requests for information from the TIB staff and consultants, long-term planning, changes in policies, and the need for accountability to, and mechanisms for oversight of, the Executive Director by the Board have been side-stepped, postponed, or ignored.

At one point, for example, three members of the Board, Robert Monks, Shannon Clyne, and David Davenport, felt it necessary to hire outside counsel to advise them on their potential liability and level of accountability of the Executive Director. These members indicated that they took this action only as a last resort, when they were unable to rely on the advice of inhouse counsel. These members have indicated that they would not have taken this step to hire outside counsel "had the staff attorneys been available to provide assistance and had other inquiries of staff and requests for Board meeting agenda items in fact been respected."

The justification for failure to address the longstanding concerns of these members has been the strict time limits established by the statute to have the thrift savings plan established and operational. Undoubtedly, the deadlines prescribed by the statute for implementation of the TIB were difficult, and perhaps a herculean task, and the need to get the plan "up and running" was properly the first priority of the Board.

Despite the fact that the Board has begun to meet these deadlines, however, the attitude of the Chairman that the Board should act as an advisory Board, rather than truly functioning as responsibile fiduciaries appears to prevail. This was a prime reason underlying the resignation of one Board member, namely, that things were not changing even after the early deadlines were met. Legitimate issues about how members were being treated were not resolved despite repeated efforts by dissatisfied and frustrated Board members.

Recently, I have been assured by one member who has been renominated to the Board, David Davenport, that the state of affairs at the TIB have improved since the early days of its operation, and that, now that the early deadlines have been met, the Board can address these other issues of accountability and planning. I hope that he is correct. What I believe, however, is that the pattern of treating the Board as an advisory body, and not as fully participating fiduciaries, has been established and will continue as long as the current leadership of the Board is in place. I also fear that the early failure of the Board to establish a long-term policy may be detrimental to the operation of the plan, as having a long-term policy is critical to any plan of this type, and particularly to a plan of this magnitude.

Mr. President, why should we care about the situation at the Thrift Investment Board? The thrift savings plan is, after all, a viable, solid, and attractive retirement system for Federal workers. My point today is that the Board, while meeting its statutory deadlines and obligations, has not been performing the role that is set forth by the statute, that is, fiduciaries of a pension plan.

Having the Board members perform in an advisory capacity may indeed have merit and may be acceptable to the Congress as the most workable way for the Board to operate. If so, then so be it. If the Congress decides that an advisory Board is adequate and preferable to the fiduciary model, then perhaps we should conform the law to reflect reality. This, however, should be a decision of the Congress, not the Chairman of the Board. We should not just keep operating under the fiction that the Board members

are functioning as coequal fiduciaries when, in reality, they have not been treated in this manner.

The Congress has spent much time and effort in establishing a workable, solid retirement system for Federal workers. In order to ensure the long-term success of this system, the performance of the Board must reflect the mandates of the statute, and the Congress has, in my opinion, an obligation to monitor the conduct of the Board in an active oversight capacity. Having the Board meetings open to the public, which will occur under the current system, will go far, I hope, in ensuring the accountability of the Board and its leadership. Further monitoring by the Congress of the Board under the chairmanship of Mr. Mehle will still be necessary to ensure that this Board operates under the model that was so carefully set forth by the Congress in establishing this Federal Employees' Retirement System.

LEGISLATIVE SESSION

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate return to the consideration of legislative business.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE CALENDAR

Mr. DOLE. Mr. President, Calendar Order Nos. 946, 976, and 977 on the Calendar of Business, Friday, September 23, 1988, have been cleared by the majority leader and I ask unanimous consent that these be considered en bloc.

INCREASE IN SPENDING LIMITATIONS OF THE COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

The resolution (S. Res. 454) increasing the limitation on expenditures by the Committee on Environment and Public Works for the procurement of consultants with funds transferred from administrative expenses at no additional increase to authorized budget, was considered, and agreed to.

The preamble, was agreed to.

The resolution, and the preamble, are as follows:

S. RES. 454

Resolved, That section 10(b)(1) of Senate Resolution 381, of the 100th Congress, agreed to February 26, 1988, is amended by striking "$8,000.00" and inserting in lieu thereof "$11,000.00", and by reducing administrative expenses from $147,412.00 to $144,412.00 as dislosed in Senate Report 100-287.

USE OF THE CAPITOL ROTUNDA IN HONOR OF JOHN F. KENNEDY

The concurrent resolution (S. Con. Res. 137) to provide the use of the rotunda of the Capitol in honor of John F. Kennedy, was considered and agreed to.

The preamble was agreed to.

The concurrent resolution, and the preamble, are as follows:

S. CON. RES. 137

Resolved by the Senate (the House of Representatives concurring), That permission is conferred on the National Council of Returned Peace Corps Volunteers to use the Rotunda of the Capitol, from 12:00 noon, November 21, 1988, until 12:00 noon, November 22, 1988, for a vigil of readings from personal Peace Corps journals by Returned Peace Corps Volunteers in honor of John F. Kennedy, the founder of the Peace Corps, on the 25th anniversary of his death.

PRINTING OF BACKGROUND INFORMATION ON THE COMMITTEE ON ENERGY AND NATURAL RESOURCES

The resolution (S. Res. 472) authorizing the printing of background information relating to the Committee on Energy and Natural Resources, was considered, and agreed to.

The preamble was agreed to.

The resolution, and the preamble, are as follows:

S. RES. 472

Resolved, That there be printed with illustrations as a Senate document background information relating to the history of the Senate Committee on Energy and Natural Resources in connection with its one hundred and seventy-second anniversary (1816-1988) and in observance of the Bicentennial of the United States Senate; and that there be printed for the use of the committee additional copies of such document not to exceed the cost of $1,200.

Mr. DOLE. Mr. President, I move to reconsider the votes by which the resolutions were agreed to and move to lay that motion on the table.

The motion to lay on the table was agreed to.

JOB TRAINING PARTNERSHIP ACT AMENDMENTS

Mr. DOLE. Mr. President, I ask unanimous consent to proceed to the immediate consideration of Calendar No. 760, an act to amend the Job Training Partnership Act to make a technical change.

The PRESIDING OFFICER. The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (H.R. 4857) to amend the Job Training Partnership Act to make a technical change.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

AMENDMENT NO. 3287

(Purpose: To establish an effective date for the amendment)

Mr. DOLE. Mr. President, I send an amendment to the desk on behalf of Senator HATCH and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Kansas [Mr. DOLE] for Mr. HATCH, proposes an amendment numbered 3287.

Mr. DOLE. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the bill, insert the following: "SEC. 2. The amendments made by this Act shall apply with respect to funds available for expenditure on or after June 30, 1988."

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 3287) was agreed to.

The PRESIDING OFFICER. If there be no further amendment to be proposed, the question is on the engrossment of the amendment and third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read a third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

So the bill (H.R. 4857) as amended, was passed.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the bill was passed and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

CORRECTIONS IN THE ENGROSSMENT OF S. 1626

Mr. DOLE. Mr. President, I ask unanimous consent that the Secretary of the Senate be permitted to make the following corrections in the engrossment of S. 1626, the Intellectual Property Bankruptcy Protection Act, which I now send to the desk.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER TO PLACE H.R. 3048 ON THE CALENDAR

Mr. DOLE. Mr. President, I ask unanimous consent that H.R. 3048, a bill to enhance the Nation's economic competitiveness by developing superconductivity in collaboration with the

private sector, be placed on the calendar.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER TO PLACE H.R. 5210 ON THE CALENDAR

Mr. DOLE. Mr. President, I ask unanimous consent that H.R. 5210, the House drug bill, be placed on the calendar when it arrives from the House.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMEMORATION OF BICENTENNIAL OF THE FRENCH REVOLUTION

Mr. DOLE. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on Senate Joint Resolution 317, a joint resolution commemorating the bicentennial of the French Revolution.

The PRESIDING OFFICER laid before the Senate the following message from the House of Representatives:

Resolved, That the resolution from the Senate (S.J. Res. 317) entitled "Joint resolution commemorating the bicentennial of the French Revolution and the Declaration of the Rights of Man and of the Citizen", do pass with the following amendments:

Page 3, line 3, after "occasion;" insert *and*

Page 3, strike out lines 4 through 6.

Page 3, line 7, strike out "(3)" and insert: (2)

In the fifth clause of the preamble, strike out "single thirty day period," and insert: period of 31 days.

Mr. DOLE. Mr. President, I move that the Senate concur in the House amendments.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Kansas.

The motion was agreed to.

NATIONAL SEWING MONTH

Mr. DOLE. Mr. President, I ask unanimous consent that the Committee on the Judiciary be discharged from further consideration of House Joint Resolution 580, designating the month of September 1988 as "National Sewing Month," and that the Senate proceed to its immediate consideration.

The PRESIDING OFFICER without objection, it is so ordered.

The clerk will report.

The assistant legislative clerk read as follows:

A joint resolution (H.J. Res. 580) to designate the month of September 1988 as "National Sewing Month."

The PRESIDING OFFICER. Is there objection to the immediate consideration of the joint resolution?

There being no objection, the Senate proceeded to consider the joint resolution.

The PRESIDING OFFICER. The joint resolution is before the Senate and open to amendment. If there be no amendment to be offered, the question is on the third reading and passage of the joint resolution.

The joint resolution (H.J. Res. 580) was ordered to a third reading, was read the third time, and passed.

The preamble was agreed to.

Mr. DOLE. Mr. President, I move to reconsider the vote and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

COASTWEEKS '88

Mr. DOLE. Mr. President, I ask unanimous consent that the Committee on the Judiciary be discharged from further consideration of Senate Joint Resolution 369, to designate the period of September 17 through October 10, 1988, as "Coastweeks '88," and that the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report.

The assistant legislative clerk read as follows:

A joint resolution (S.J. Res. 369), to designate the period of September 17 through October 10, 1988, as "Coastweeks '88."

The PRESIDING OFFICER. Is there objection to the request of the Senator from Kansas?

There being no objection, the Senate proceeded to consider the joint resolution.

The PRESIDING OFFICER. The joint resolution is before the Senate and open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the joint resolution.

The joint resolution was ordered to be engrossed for a third reading, was read the third time, and passed.

The preamble was agreed to.

The joint resolution, with its preamble, reads as follows:

S.J. Res. 369

Whereas the coastal zone of the United States, including the coastal zone of the Great Lakes, is a varied area of rocky shores, sandy beaches, steep bluffs, productive estuaries and salt marshes, urban ports and small harbors, tidal flats, and many islands;

Whereas the coastal zone is the source of a rich scenic, cultural, and historical heritage;

Whereas the natural resources of the coastal zone included some of the most valuable economic resources of the United States, such as the coastal marine environment which supports an active fishing industry;

Whereas coastal landforms, especially barrier beaches, provide significant protection from storms, flooding, and erosion; and

Whereas the United States is strongly committed to the wise management of the coastal zone so as to ensure that the environmental and economic values of the coastal zone will be sustained into the future: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the period of September 17 through October 10, 1988, is designated as "Coastweeks '88". The President is requested to issue a proclamation calling on the people of the United States to observe such period with appropriate ceremonies and activities.

Mr. DOLE. Mr. President, I move to reconsider the vote and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ORDER TO PLACE H.R. 4686 ON THE CALENDAR

Mr. DOLE. Mr. President, I ask unanimous consent that H.R. 4686, an act to amend the Federal Aviation Act of 1958 relating to aviation research, just received from the House, be placed on the calendar.

The PRESIDING OFFICER. Without objection, it is so ordered.

NATIONAL COMMISSION ON THE THRIFT INDUSTRY

Mr. DOLE. Mr. President, I understand that the thrift bill has now been cleared by the majority leader.

Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar Order No. 872, S. 2653, a bill to establish a National Commission on the Thrift Industry.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 2653) to establish a National Commission on the Thrift Industry.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Kansas.

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Banking, Housing, and Urban Affairs, with amendments, as follows:

(The parts of the bill intended to be stricken are shown in boldface brackets, and the parts of the bill intended to be inserted are shown in italics.)

S. 2653

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. ESTABLISHMENT OF COMMISSION.

There is established a commission to be known as the National Commission on the Thrift Industry (in this **[subtitle]** *Act* referred to as the "Commission").

SEC. 2. MEMBERSHIP OF COMMISSION.

(a) APPOINTMENT.—The Commission shall be initially composed of 12 members, appointed not later than October 1, 1988.

After the meeting of the Presidential Electors in December 1988, the Commission shall be expanded to 14 members. The members shall be as follows:

(1) 2 citizens of the United States, appointed by the President.

(2) 1 Senator and 2 citizens of the United States, appointed by the President pro tempore of the Senate upon the recommendations of the Majority Leader of the Senate.

(3) 1 Senator and 1 citizen of the United States, appointed by the President pro tempore of the Senate upon the recommendation of the Minority Leader of the Senate.

(4) 1 Member of the House of Representatives and 2 citizens of the United States, appointed by the Speaker of the House of Representatives.

(5) 1 Member of the House of Representatives and 1 citizen of the United States, appointed by the Minority Leader of the House of Representatives.

(6) 2 citizens of the United States, 1 of whom is a Democrat and 1 of whom is a Republican, appointed by the President-elect as established by the allocation of electoral college votes in the Presidential election of November 8, 1988.

(b) ADDITIONAL QUALIFICATIONS.—

(1) Individuals appointed under subsection (a)(1) may be officers or employees of the Executive Branch or may be private citizens.

(2) Individuals who are not Members of the Congress, and are appointed under paragraphs (2) through (6) of subsection (a) shall be individuals who—

(A) are leaders of business or labor, distinguished academics, or other individuals with distinctive qualifications or experience; and

(B) are not officers or employees of the United States.

(c) CHAIRPERSON.—The Commission shall elect a Chairperson from among the members of the Commission.

(d) QUORUM.—A majority of the members of the Commission shall constitute a quorum for the transaction of business.

(e) VOTING.—Each member of the Commission shall be entitled to 1 vote, which shall be equal to the vote of every other member of the Commission.

(f) VACANCIES.—Any vacancy on the Commission shall not affect its powers, but shall be filled in the manner in which the original appointment was made.

(g) PROHIBITION OF ADDITIONAL PAY.—Members of the Commission shall receive no additional pay, allowances, or benefits by reason of their service on the Commission. Members appointed from among private citizens of the United States may be allowed travel expenses, including per diem, in lieu of subsistence, as authorized by law for persons serving intermittently in the government service to the extent funds are available for such expenses.

SEC. 3. FUNCTIONS OF COMMISSION.

(a) CONTENTS AND SPECIFIC RECOMMENDATIONS.—The Commission shall conduct an investigation and evaluation of, and shall report and make recommendations on—

(1) the current and future financial condition of the Federal Savings and Loan Insurance Corporation and the current and future ability of the Federal Savings and Loan Insurance Corporation to eliminate the inventory of troubled thrifts;

(2) sources of income for the Federal Savings and Loan Insurance Corporation should the Commission determine that the current financial resources of the Federal Savings and Loan Insurance Corporation will be insufficient to eliminate the inventory of troubled thrifts;

(3) problems in the structure of the deposit insurance system, such as the calculations of premiums, and proposals for such reforms as a risk-based premium;

(4) options for reform and restructuring of the thrift industry, such as a merger of bank and thrift deposit insurance and regulatory agencies, a separation of the insurance and regulation functions of the Federal Home Loan Bank Board, and bank holding company acquisitions of failing and healthy thrifts, and healthy thrifts only;

(5) future methods of increasing capital levels in the thrift industry and the level of capital currently supplied by investor, versus bank holding company, purchasers of troubled thrifts; and

(6) the current and future ability of the thrift industry to serve as a source of home mortgage credit.

(b) FINAL REPORT.—

(1) Subject to section [2103] *3*(b)(3), the Commission shall submit to the President and to the Congress on March [1] *15*, 1989, a final report which shall contain a detailed statement of the findings and conclusions of the Commission, including its recommendations for administrative and legislative action that the Commission considers advisable.

(2) Any recommendation may be made by the Commission to the President and to the Congress only if adopted by a majority vote of the members of the Commission who are present and voting.

[(3) On February 1, 1989, the President may issue an order extending the date for submission of the final report to September 1, 1989.]

SEC. 4. POWERS OF COMMISSION.

(a) HEARINGS.—The Commission may, for the purpose of carrying out this [subtitle] *Act*, hold such hearings and sit and act at such times and places, as the Commission may find advisable.

(b) RULES AND REGULATIONS.—The Commission may adopt such rules and regulations as may be necessary to establish its procedures and to govern the manner of its operations, organizations, and personnel.

(c) ASSISTANCE FROM FEDERAL AGENCIES.—

(1) The Commission may request from the head of any Federal agency or instrumentality such information as the Commission may require for the purpose of this [subtitle] *Act*. Each such agency or instrumentality shall, to the extent permitted by law and subject to the exceptions set forth in section 552 of title 5, United States Code (commonly referred to as the Freedom of Information Act), furnish such information to the Commission, upon request made by the Chairperson of the Commission.

(2) Upon request of the Chairperson of the Commission, the head of any Federal agency or instrumentality shall, to the extent possible and subject to the discretion of such head—

(A) make any of the facilities and services of such agency or instrumentality available to the Commission; and

(B) detail any of the personnel of such agency or instrumentality to the Commission, on a non-reimbursable basis, to assist the Commission in carrying out its duties under this [subtitle] *Act*, except that any expenses of the Commission incurred under this subparagraph shall be subject to the limitation on total expenses set forth in section [2105] *5*(b).

(d) MAILS.—The Commission may use the United States mails in the same manner and under the same conditions as other Federal agencies.

(e) CONTRACTING.—The Commission may, to such extent and in such amounts as are provided in appropriation Acts, enter into contracts with State agencies, private firms, institutions, and individuals for the purpose of conducting research or surveys necessary to enable the Commission to discharge its duties under this [subtitle] *Act*, subject to the limitation on total expenses set forth in section [2105] *5*(b).

(f) STAFF.—Subject to such rules and regulations as may be adopted by the Commission, the Chairperson of the Commission (subject to the limitation on total expenses set forth in section [2105] *5*(b)) shall have the power to appoint, terminate, and fix the compensation (without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title, or of any other provision, or of any other provision of law, relating to the number, classification, and General Schedule rates) of an Executive Director, and of such additional staff as the Chairperson deems advisable to assist the Commission, at rates not to exceed a rate equal to the maximum rate for GS-18 of the General Schedule under section 5332 of such title.

(g) ADVISORY COMMITTEE.—The Commission shall be considered an advisory committee within the meaning of the Federal Advisory Committee Act (5 U.S.C. App.).

SEC. 5. EXPENSES OF COMMISSION.

(a) IN GENERAL.—Any expenses of the Commission shall be paid from such funds as may be available to the Secretary of the Treasury.

(b) LIMITATION.—The total expenses of the Commission shall not exceed $250,000.

(c) GAO AUDIT.—Prior to the termination of the Commission, pursuant to section [2106] *6*, the Comptroller General of the United States shall conduct an audit of the financial books and records of the Commission to determine that the limitation on expenses has been met, and shall include its determination in an opinion to be included in the report of the Commission.

SEC. 6. TERMINATION OF COMMISSION.

The Commission shall cease to exist on the date that is 30 days after the date on which the Commission submits its report.

Mr. DOLE. Mr. President, I ask that the committee amendments be adopted.

The PRESIDING OFFICER. The question is on agreeing to the committee amendments.

The committee amendments were agreed to.

Mr. SASSER. Mr. President, today I rise, as a member of the Banking Committee, in support of S. 2653, a bill to establish a National Commission on Federal Deposit Insurance. This legislation was introduced on July 25 by my good friend, Senator GRAHAM, and I. It was reported by the committee August 5.

The Commission's purpose would be first, to study the crisis in the thrift industry, particularly the financial condition of the FSLIC.

Second, the Commission would make recommendations to Congress as to

how to return the thrifts and the FSLIC to solvency.

The Commission will also consider the financial condition of the FDIC.

Mr. President, many are now saying that the FSLIC could require a taxpayer bailout bigger than all previous bailouts combined. The time has come to end the politics as usual approach to this issue.

The Commission would be comprised of experts in the field, leaders of business, distinguished academics, Members of Congress, and other individuals with distinctive qualifications.

Appointments would be made in the same manner as they were to the National Economic Commission—the body of experts that was formed to evaluate and make recommendations on the current fiscal crisis. And the report will be due back to Congress, with recommendations, by January 15, so that the Banking Committees can begin work early in the year on a legislative solution.

The report of the Commission will be submitted in two stages. Due to the insolvency of the FSLIC, issues relating to the FSLIC and the thrifts will be addressed in the January 15 report. Those recommendations that affect both the FDIC and the FSLIC will also be contained in the earlier report. Recommendations regarding the FDIC will be due April 1.

Mr. President, we all know that the condition of the thrift industry and the FSLIC is worsening every day. The FSLIC is now losing an estimated $1 billion per month. We hear that the cost of resolving the FSLIC insolvency could be as high as $75 billion. These numbers will probably keep rising.

And serious questions are arising as to the state of the FDIC.

The obvious questions that come to mind are: What is the actual cost? What resources are available to pay the bill? How do we keep this from happening again? How do we keep the problems of the FSLIC from spreading to the FDIC?

I think we need an expert opinion on these questions and we need it quickly.

There are also a whole host of regulatory questions that should be considered. There have been proposals to revamp deposit insurance, restructure thrift regulatory agencies, and to increase capital in the thrift industry. All of these proposals and more deserve serious consideration.

The state of the thrift industry and the FSLIC may be the most serious issue facing the next administration and the next Congress. Both should have the benefit of an evaluation by, and the recommendations of, a panel of impartial experts.

Since the 1930's, the thrifts have served as the Nation's primary source of housing credit. Millions and millions of Americans own homes today because Congress established the present system of savings and loans. Recommending a strategy for building a strong new thrift industry is a major task of the Commission.

Mr. President, in closing, I want to thank the distinguished chairman of the Banking Committee, Senator PROXMIRE, and the ranking minority member, Senator GARN, for their support for this important measure. I also want to commend my friend Senator GRAHAM for his leadership on this issue.

AMENDMENT NO. 3288

Mr. DOLE. Mr. President, on behalf of Senators GARN and PROXMIRE, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Kansas (Mr. DOLE), for Mr. GARN (for himself and Mr. PROXMIRE) proposes an amendment numbered 3288.

Mr. DOLE. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 1, line 6, strike "the Thrift Industry" and insert in lieu thereof "Federal Deposit Insurance."

On page 4, line 14, insert after the word "Corporation" the words "and the Federal Deposit Insurance Corporation,".

On page 4, line 16, insert after the word "Corporation" the words "and the Federal Deposit Insurance Corporation".

On page 4, line 17, strike the word "thrifts" and insert in lieu thereof "depository institutions".

On page 4, line 19, insert after the word "Corporation" the words "and Federal Deposit Insurance Corporation".

On page 4, line 21, insert after the word "Corporation" the words "or Federal Deposit Insurance Corporation".

On page 4, line 23, strike "thrifts" and insert in lieu thereof the words "depository institutions".

On page 5, line 5, strike the words "thrift industry" and insert in lieu thereof "banking and thrift industries".

On page 5, line 14, strike the word "and" and on line 15 redesignate clause "(6)" as clause "(7)" and insert the following new clause (6):

"(6) future methods to improve the regulation of the thrift industry, including capital and accounting standards; and"

On page 5, strike lines 18 through 24, and insert in-lieu thereof the following:

"(1) The Commission shall submit to the President and to the Congress a final report which shall contain a detailed statement of the findings and conclusions of the Commission, including its recommendations for administrative and legislative action that the Commission considers advisable, in two stages: First, the Commission shall report on all the issues principally relating to the thrift industry and the Federal Savings and Loan Insurance Corporation, as well as those issues relating to both the Federal Deposit Insurance Corporation and the Federal Savings and Loan Insurance Corporation, by February 1, 1989; and second, the Commission shall report on the issues relating principally to the banking industry and the Federal Deposit Insurance Corporation by April 1, 1989."

On page 9, line 2, strike "$250,000" and insert in lieu thereof "$500,000".

Mr. GARN. Mr. President, as reported by the Senate Banking Committee, S. 2653 would establish a National Commission on the Thrift Industry to Investigate and Report on the Condition of the Thrift Industry and the Federal Savings and Loan Insurance Corporation, with recommendations for solving their problems. Mr. President, the idea of a Commission is a good one, but its focus is too narrow. It should be expanded to address the problems we are also having with bank failures and should address the broader question of restructuring deposit insurance for all our depository institutions. We need only look as far as the recent big bank failures in Texas and the drop in the total reserves of the FDIC to understand the gravity of the problem. Furthermore, it is impossible to examine the problems and proposed solutions for one industry without considering the other, particularly as they concern the fundamental issues associated with deposit insurance generally.

That is why the amendment offered today is a good one. It expands the scope of the bill to cover the FDIC and the banking industry, as well as deposit insurance generally. It also recognizes the importance of the thrift crisis by mandating that a first report dealing primarily with thrift issues be submitted by February 1, 1989, with a second report dealing primarily with banking issues by April 1, 1989. In addition, the first report will address the larger issues that affect banks and thrifts equally. Finally, a technical change is included to ensure that the funding for the Commission is at the $500,000 level that the Banking Committee voted for.

Mr. President, this is a sensible amendment that turns a good Commission into a better one. It should provide some very useful information to the next Congress. I urge my colleagues in the Senate and House to pass it soon.

Let me make one final point. The Federal Home Loan Bank Board completely supports this bill, as is evidenced by a letter from Chairman Wall, which I ask unanimous consent to be printed in the RECORD.

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

FEDERAL HOME LOAN BANK BOARD,
Washington, DC, September 23, 1988.

Hon. JAKE GARN,
Committee on Banking, Housing and Urban Affairs, U.S. Senate, Washington, DC.

DEAR JAKE: Given the current debate over problems in the thrift and banking industries, the time is right for a special commission to be established that could consider

the whole concept of federal deposit insurance as it relates to savings and loans and commercial banks.

We strongly support the effort to establish such a commission and will lend our complete cooperation to its deliberations. Our belief is that now is the time to act. Furthermore, we urge that the commission's deliberations include depository insurance for banks, as well as for thrifts, because of their close market relationship.

In more than 50 years since depository insurance first came into being, the world of finance has changed dramatically. Banks and thrifts have strived to adapt to new demands, new competition and new ways of doing business. We all know too well the cost of the mistakes, intentional and inadvertent, that have been made in recent years and of the problems of institutions in the oil patch in particular.

There are many solutions being offered and many numbers flying around. We believe a commission of responsible individuals will provide a forum for consideration of the many issues surrounding depository insurance and that out of this consideration, reasonable solutions will flow.

Sincerely,

M. DANNY WALL,
Chairman.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 3288) was agreed to.

Mr. SASSER. Senator GARN, now that we have accepted your very appropriate amendment to include the FDIC within the scope of this Commission study, do you think it would also be appropriate to require that one of the members of the panel be from the banking industry?

Mr. GARN. The Senator from Tennessee has made an excellent point. In order that we can be assured that the Commission has the very best information possible as to the condition of the banking industry as well as the FDIC, a banker should be on the panel.

Mr. SASSER. I thank the Senator, I fully agree.

Mr. GRAHAM. Mr. President, I wish to publicly commend my distinguished colleague, Mr. SASSER, for his help in getting this bill to the Senate floor—and to my colleagues for recognizing the urgency and the magnitude of the problem we have in our thrift industry.

A comprehensive study of the industry's problems and potentials is the only logical approach to solving those problems and maximizing those potentials. It will provide mid- and long-term direction for nursing the industry back to health. This study will not provide a short term, quick fix remedy but will provide assistance for the next several years as we work on this problem.

Through hearings in the Banking Committee, we have examined the savings and loan crisis. But we owe the industry and the American taxpayer the benefit of a thorough study conducted by some of the finest and most experienced analysts. It is vital that we keep our remaining savings and loan's healthy. Our efforts to do so justify the continued confidence of the American people in their savings and loans.

The first week of August, the Banking Committee held 2 days of hearings to examine this problem. Former Federal Home Loan Bank Chairman Pratt estimated the savings and loan crisis to be between $40 and $75 billion.

Others in the savings and loan industry have estimated that we lose $1 billion each month we delay. At that rate, if we let this problem slide until next year, we forfeit $6 billion.

Time is literally money in the resolution of the thrift industry's problems. And we can't afford a nickel and dime approach to a multibillion dollar predicament. We need the coherent overview a National Commission will provide. And because our global financial industries are changing so rapidly, the ongoing review and planning such a Commission would allow will help to avert similar disasters in the future.

One way to demonstrate our sincere concern that the savings and loan industry is fiscally sound would be to support this legislation. That is a debt we owe to the American people.

Mr. President, I ask unanimous consent that a letter of support for the Commission for Mr. Richard Pratt, former Chairman of the Federal Home Loan Bank Board and an editorial which I have written on the thrift industry be printed in the RECORD.

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

MERRILL LYNCH,
September 21, 1988.

Hon. BOB GRAHAM,
U.S. Senate, Washington, DC.

DEAR SENATOR GRAHAM: I am writing in support of S. 2653, legislation that you and Senator SASSER have introduced to establish a National Commission on the Thrift Industry. The creation of this blue ribbon commission to study and make recommendations on the vital issues confronting the FSLIC and the thrift industry would be an important first step for Congress and the regulators in resolving these issues. A comprehensive plan authored by industry experts and delivered to Congress in the crucial early months of 1989 would, I believe, act as a catalyst for the adoption of effective solutions, both legislative and regulatory.

While I have great confidence in the ability of Chairman Wall and the members of the Bank Board to address the problems of the industry, the existing resources of the Board and the FSLIC are clearly inadequate to resolve the industry's large and still growing problems. We must expeditiously identify and evaluate the legitimate alternatives for funding the obligations of the FSLIC. In addition, it is time to re-assess the industry's regulatory structure and deposit insurance system to ensure long term safety and soundness and to restore depositor confidence.

There are a number of short-term recommendations that Congress can make to address the problems of the industry and I have addressed these in a letter that was requested by Chairman Proxmire during the August 3 hearing at which I testified. A copy of my letter is enclosed. These short-term measures, however, are not a substitute for a comprehensive plan that sets forth long-term solutions to the problem.

I commend you and Senator Sasser for introducing this important legislation. If I or any of my colleagues at Merrill Lynch can be of assistance to you in any way, please do not hesitate to call on me.

Very truly yours,

RICHARD T. PRATT

AMERICA'S SAVINGS AND LOAN INDUSTRY

(By Bob Graham, U.S. Senator)

WASHINGTON.—The biggest economic issue facing the next President—behind the federal deficit and trade imbalance—is the crisis ravaging America's thrift industry.

Too many savings-and-loan associations are losing money, the federal insurance program that backs deposits is nearly broke and Washington doesn't want to face reality.

Handling the thrift crisis will be an early indicator of the fortitude of the Dukakis or Bush presidency, and could help set the tone for the first half of the term.

But Congress shouldn't wait until the new President is sworn in next January, hoping this issue gets on the executive agenda.

Congress must act now. The wick is lit on an economic bomb, and procrastination will make the explosion louder, more costly.

One-third of the thrift industry—some 1,000 savings-and-loan associations—is insolvent or sliding toward insolvency. Government insurance on deposits has been overwhelmed by losses.

The Savings & Loan crisis has spilled from Wall Street to Main Street.

It took a long time to get in this mess: solutions will take years, but here's what we can do in the next 60 days:

Speed up the rate of closing insolvent institutions. At the current rate of closings, too many insolvent thrifts will continue to operate into the next decade.

The argument has been made that regulators need more personnel to speed the rate of closings. If so, additional auditors and other experts should be retained.

Begin to break the cycle of using high-cost money for high-risk ventures, a high-flyer formula that often compounds losses. This predicament is like Argentina borrowing more to pay interest on existing debt.

Institutions should be required to put more of their own money into high-risk ventures. If institutions are insolvent, we should restrict their growth and, at the very least, they should stay out of high-risk investments.

Meanwhile, we should begin moving from the current flat-rate insurance premium to a risk-based premium.

If state-chartered institutions get federal insurance, their limits and activities should fall within the range of limits and activities on federally chartered thrifts. A handful of states (Texas and California among them) have allowed state-chartered savings-and-loans to venture into riskier investments. This has exacerbated the problems of the Federal Savings & Loan Insurance Corporation (FSLIC).

Focus FSLIC's attention on sliding institutions instead of concentrating only on the insolvent ones. The government should look

for merger partners for troubled thrifts before they become insolvent.

Congress should pass and the President should sign legislation to create a commission to study the thrift industry and its insurance, and make recommendations to restore the FSLIC to solvency.

The non-partisan panel would be required to submit recommendations by February 1, 1989, so Congress could begin working on comprehensive solutions.

Senator Jim Sasser of Tennessee and I have introduced a study-commission bill in the Senate, which has cleared the Banking Committee. It should reach the Senate floor in September. Similar legislation is pending in the House.

Why is the thrift industry in so much trouble?

Much of the public attention has been focused on regional economic problems, such as depressed oil and real estate prices in Texas.

Indeed, regional downturns and bad management contributed to the illness of the thrift industry, but savings-and-loan institutions also faced systemic stress that would have taken its toll regardless of the price of oil in Texas.

During the Seventies, high inflation and interest rates drained billions of deposits out of S&L's into more competitive money-market funds.

At the same time, thrifts were stuck with unprofitable portfolios of long-term fixed-rate low-interest loans.

The Eighties' solution to the inflationary pinch of the Seventies was de-regulation, designed to attract capital back to S&L's. Limits on interest payments were removed, federal insurance on deposits was increased to $100,000 per account and states expanded S&L's powers.

These actions, however well intended, have created a risk-to-profit mis-match. In other words, we have privatized profits and socialized losses.

Some thrifts and their owners have moved efficiently and profitably into new business areas. However, America's taxpayers have assumed the risk for high-flying operations—too many of which have crashed.

Analyst Bert Ely said some S&L's are operating "a government-sponsored Ponzi scheme," chasing new deposits to pay interest on old ones.

Any meaningful long-term solution to the thrift crisis must address two fundamentals, the first being the mis-match of private profits and public losses. We won't cure the illness as long as we sanction a system that encourages excess and uses tax dollars to pay for mistakes.

Secondly, we must create incentives for the industry to attract sound investment capital, new deposits and managerial expertise.

Bob Graham, Florida's junior senator in Washington, is a member of the Senate's Committee on Banking, Housing and Urban Affairs.

The PRESIDING OFFICER. The question is on the engrossment and the third reading of the bill.

The bill (S. 2653), as amended, was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S. 2653

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. ESTABLISHMENT OF COMMISSION.

There is established a commission to be known as the National Commission on Federal Deposit Insurance (in this Act referred to as the "Commission").

SEC. 2. MEMBERSHIP OF COMMISSION.

(a) APPOINTMENT.—The Commission shall be initially composed of 12 members, appointed not later than October 1, 1988. After the meeting of the Presidential Electors in December 1988, the Commission shall be expanded to 14 members. The members shall be as follows:

(1) 2 citizens of the United States, appointed by the President.

(2) 1 Senator and 2 citizens of the United States, appointed by the President pro tempore of the Senate upon the recommendations of the Majority Leader of the Senate.

(3) 1 Senator and 1 citizen of the United States, appointed by the President pro tempore of the Senate upon the recommendation of the Minority Leader of the Senate.

(4) 1 Member of the House of Representatives and 2 citizens of the United States, appointed by the Speaker of the House of Representatives.

(5) 1 Member of the House of Representatives and 1 citizen of the United States, appointed by the Minority Leader of the House of Representatives.

(6) 2 citizens of the United States, 1 of whom is a Democrat and 1 of who is a Republican, appointed by the President-elect as established by the allocation of electoral college votes in the Presidential election of November 8, 1988.

(b) ADDITIONAL QUALIFICATIONS.—

(1) Individuals appointed under subsection (a)(1) may be officers or employees of the Executive Branch or may be private citizens.

(2) Individuals who are not Members of the Congress, and are appointed under paragraphs (2) through (6) of subsection (a) shall be individuals who—

(A) are leaders of business or labor, distinguished academics, or other individuals with distinctive qualifications or experience; and

(B) are not officers or employees of the United States.

(c) CHAIRPERSON.—The Commission shall elect a Chairperson from among the members of the Commission.

(d) QUORUM.—A majority of the members of the Commission shall constitute a quorum for the transaction of business.

(e) VOTING.—Each member of the Commission shall be entitled to 1 vote, which shall be equal to the vote of every other member of the Commission.

(f) VACANCIES.—Any vacancy on the Commission shall not affect its powers, but shall be filled in the manner in which the original appointment was made.

(g) PROHIBITION OF ADDITIONAL PAY.—Members of the Commission shall receive no additional pay, allowances, or benefits by reason of their service on the Commission. Members appointed from among private citizens of the United States may be allowed travel expenses, including per diem, in lieu of subsistence, as authorized by law for persons serving intermittently in the government service to the extent funds are available for such expenses.

SEC. 3. FUNCTIONS OF COMMISSION.

(a) CONTENTS AND SPECIFIC RECOMMENDATIONS.—The Commission shall conduct an investigation and evaluation of, and shall report and make recommendations on—

(1) the current and future financial condition of the Federal Savings and Loan Insurance Corporation and the Federal Deposit Insurance Corporation, and the current and future ability of the Federal Savings and Loan Insurance Corporation and the Federal Deposit Insurance Corporation to eliminate the inventory of troubled depository institutions;

(2) sources of income for the Federal Savings and Loan Insurance Corporation and the Federal Deposit Insurance Corporation should the Commission determine that the current financial resources of the Federal Savings and Loan Insurance Corporation and the Federal Deposit Insurance Corporation will be sufficient to eliminate the inventory of troubled depository institutions;

(3) problems in the structure of the deposit insurance system, such as the calculations of premiums, and proposals for such reforms as a risk-based premium;

(4) options for reform and restructuring of the banking and thrift industries, such as a merger of bank and thrift deposit insurance and regulatory agencies, a separation of the insurance and regulation functions of the Federal Home Loan Bank Board, and bank holding company acquisitions of failing and healthy thrifts, and healthy thrifts only;

(5) future methods of increasing capital levels in the thrift industry and the level of capital currently supplied by investor, versus bank holding company, purchasers of troubled thrifts;

(6) future methods to improve the regulation of the thrift industry, including capital and accounting standards; and

(7) the current and future ability of the thrift industry to serve as a source of home mortgage credit.

(b) FINAL REPORT.—

(1) The Commission shall submit to the President and to the Congress a final report which shall contain a detailed statement of the findings and conclusions of the Commission, including its recommendations for administrative and legislative action that the Commission considers advisable, in two stages: First, the Commission shall report on all the issues principally relating to the thrift industry and the Federal Savings and Loan Insurance Corporation, as well as those issues relating to both the Federal Deposit Insurance Corporation and the Federal Savings and Loan Insurance Corporation, by February 1, 1989; and second, the Commission shall report on the issues relating principally to the banking industry and the Federal Deposit Insurance Corporation by April 1, 1989.

(2) Any recommendation may be made by the Commission to the President and to the Congress only if adopted by a majority vote of the members of the Commission who are present and voting.

SEC. 4. POWERS OF COMMISSION.

(a) HEARINGS.—The Commission may, for the purpose of carrying out this Act, hold such hearings and sit and act at such times and places, as the Commission may find advisable.

(b) RULES AND REGULATIONS.—The Commission may adopt such rules and regulations as may be necessary to establish its procedures and to govern the manner of its operations, organizations, and personnel.

(c) ASSISTANCE FROM FEDERAL AGENCIES.—

(1) The Commission may request from the head of any Federal agency or instrumentality such information as the Commission may require for the purpose of this Act. Each such agency or instrumentality shall, to the extent permitted by law and subject to the exceptions set forth in section 552 of title 5, United States Code (commonly re-

ferred to as the Freedom of Information Act), furnish such information to the Commission, upon request made by the Chairperson of the Commission.

(2) Upon request of the Chairperson of the Commission, the head of any Federal agency or instrumentality shall, to the extent possible and subject to the discretion of such head—

(A) make any of the facilities and services of such agency or instrumentality available to the Commission; and

(B) detail any of the personnel of such agency or instrumentality to the Commission, on a non-reimbursable basis, to assist the Commission in carrying out its duties under this Act, except that any expenses of the Commission incurred under this subparagraph shall be subject to the limitation on total expenses set forth in section 5(b).

(d) MAILS.—The Commission may use the United States mails in the same manner and under the same conditions as other Federal agencies.

(e) CONTRACTING.—The Commission may, to such extent and in such amounts as are provided in appropriation Acts, enter into contracts with State agencies, private firms, institutions, and individuals for the purpose of conducting research or surveys necessary to enable the Commission to discharge its duties under this Act, subject to the limitation on total expenses set forth in section 5(b).

(f) STAFF.—Subject to such rules and regulations as may be adopted by the Commission, the Chairperson of the Commission (subject to the limitation on total expenses set forth in section 5(b)) shall have the power to appoint, terminate, and fix the compensation (without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title, or of any other provision, or of any other provision of law, relating to the number, classification, and General Schedule rates) of an Executive Director, and of such additional staff as the Chairperson deems advisable to assist the Commission, at rates not to exceed a rate equal to the maximum rate for GS-18 of the General Schedule under section 5332 of such title.

(g) ADVISORY COMMITTEE.—The Commission shall be considered an advisory committee within the meaning of the Federal Advisory Committee Act (5 U.S.C. App.).

SEC. 5. EXPENSES OF COMMISSION.

(a) IN GENERAL.—Any expenses of the Commission shall be paid from such funds as may be available to the Secretary of the Treasury.

(b) LIMITATION.—The total expenses of the Commission shall not exceed $500,000.

(c) GAO AUDIT.—Prior to the termination of the Commission, pursuant to section 6, the Comptroller General of the United States shall conduct an audit of the financial books and records of the Commission to determine that the limitation on expenses has been met, and shall include its determination in an opinion to be included in the report of the Commission.

SEC. 6. TERMINATION OF COMMISSION.

The Commission shall cease to exist on the date that is 30 days after the date on which the Commission submits its report.

Mr. DOLE. Mr. President, I move to reconsider the vote and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

A LETTER TO GOVERNOR DUKAKIS

Mr. DOLE. Mr. President, on another matter, in the spirit of the debate on Sunday evening, I have taken the liberty of writing Governor Dukakis a letter. I am certain he will appreciate receiving it. But in the letter I asked 10 questions that I believe the American voters are waiting for answers on, and I ask unanimous consent that the letter to Governor Dukakis be printed in the RECORD at this point.

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

U.S. SENATE,
OFFICE OF THE REPUBLICAN LEADER,
Washington, DC, September 23, 1988.

GOV. MICHAEL S. DUKAKIS,
c/o Dukakis for President Headquarters, Boston, MA.

DEAR GOVERNOR DUKAKIS: Congratulations on winning your party's nomination. You worked hard and earned it. You also deserve credit for a good convention in Atlanta.

Election Day is now only 45 days away, and that means time is running out. That's why it is critical for you to answer some important questions the American people are asking.

Sunday night's Presidential debate in Winston-Salem offers an excellent opportunity to respond in detail, once and for all, to clear up any confusion they might have on your policy positions.

Like you, I have spent a lot of time traveling around the country and there's no doubt the voters are tuning in as November 8 approaches.

Therefore, in advance of your first debate, I am respectfully submitting 10 questions the American people would like you to answer.

(1) Will you raise taxes or won't you? Yes or no.

(2) As Governor of Massachusetts you are requested to balance the budget by the State's constitution. Why don't you support the constitutional amendment to require a balanced Federal budget, or the amendment giving the President line item veto authority?

(3) What kind of jobs creation can the entire country look forward to if the "Massachusetts Miracle" resulted in your State ranking 40th out of 50 in total job growth?

(4) How can we stay competitive when we place costs on businesses not required of their foreign competitors?

(5) In the face of the drought and short supplies, how can you and the Democratic Party support mandatory controls and supply management for our farmers?

(6) Since you don't support the death penalty for drug king-pins, how would you punish a criminal who commits a drug-related murder?

(7) Why did you criticize President Reagan for striking back against Libyan dictator Qadaffi? Don't you think America has the right to defend itself against terrorists like Qadaffi and Khomeini?

(8) Does your statement that the Monroe Doctrine is outdated really mean that in a Dukakis administration, the U.S. would stand by and permit communist forces to carry on aggression in our own backyard?

(9) Since you seem more interested in abiding by so-called "international law" than defending America's right to act in self-defense, do you believe the United States has the right to conduct covert intelligence operations? Under what circumstances?

(10) Since you're always promising to cut defense spending, where are you going to get the tens of billions of dollars to pay for your so-called "conventional defense initiative?"

I look forward to watching the debate Sunday night, and hearing your responses to whatever questions are asked.

Sincerely,

BOB DOLE,
Senate Republican Leader.

ORDER OF PROCEDURE

Mr. DOLE. Mr. President, I also understand that the homeless bill has been cleared but we have one effort to work out, one amendment. I suggest to Senator HARKIN maybe on Monday we can resolve that. Plus, there are Members on this side who have amendments, Senator ROTH and Senator GARN. They indicated they would not offer their amendments if we would reach some agreement.

So it seems to me it is in the best interests of everyone that we try to work it out on Monday, if we can. Senator HARKIN indicated he was not trying to hold up the bill. If we cannot work it out, I am certain we can take care of that on Monday.

ORDERS FOR MONDAY, SEPTEMBER 26, 1988

(Under the previous order, the following Orders for Monday, September 26, 1988, appear at this point in the RECORD:)

ADJOURNMENT UNTIL MONDAY, SEPTEMBER 26, 1988

Mr. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until the hour of 12 o'clock on Monday next.

The PRESIDING OFFICER. Without objection, it is so ordered.

WAIVER OF CALL OF THE CALENDAR

Mr. BYRD. Mr. President, I ask unanimous consent that on Monday next, the call of the calendar under rule VIII be waived.

The PRESIDING OFFICER. Without objection, it is so ordered.

MOTIONS OR RESOLUTIONS OVER, UNDER THE RULE

Mr. BYRD. Mr. President, I ask unanimous consent that on Monday next, no motions or resolutions over, under the rule, come over.

The PRESIDING OFFICER. Without objection, it is so ordered.

MORNING BUSINESS

Mr. BYRD. Mr. President, I ask unanimous consent that on Monday next, after the recognition of the two leaders, there be a period for morning business to extend until 12:30 p.m., and that Senators may speak therein for not to exceed 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADJOURNMENT TO MONDAY, SEPTEMBER 26, 1988

Mr. DOLE. Mr. President, I now move, in accordance with the previous order, that the Senate stand in adjournment until 12 noon, Monday, September 26, 1988.

The motion was agreed to; and, at 5:12 p.m., the Senate adjourned until Monday, September 26, 1988, at 12 noon.

CONFIRMATIONS

Executive nominations confirmed by the Senate September 23, 1988:

FEDERAL RETIREMENT THRIFT INVESTMENT BOARD

THE FOLLOWING-NAMED PERSON TO BE A MEMBER OF THE FEDERAL RETIREMENT THRIFT INVESTMENT BOARD FOR THE TERM OF TWO YEARS: (PUBLIC LAW 99-335) RICHARD H. HEADLEE, OF MICHIGAN.

THE FOLLOWING-NAMED PERSON TO BE A MEMBER OF THE FEDERAL RETIREMENT THRIFT INVESTMENT BOARD FOR THE TERM OF FOUR YEARS: (PUBLIC LAW 99-335) ROGER W. MEHLE, OF NEW YORK.

EQUAL EMPLOYMENT OPPORTUNITY COMMISSION

JOY CHERIAN, OF MARYLAND, TO BE A MEMBER OF THE EQUAL EMPLOYMENT OPPORTUNITY COMMISSION FOR A TERM EXPIRING JULY 1, 1993.

NATIONAL SCIENCE FOUNDATION

CHARLES L. HOSLER, JR., OF PENNSYLVANIA, TO BE A MEMBER OF THE NATIONAL SCIENCE BOARD, NATIONAL SCIENCE FOUNDATION, FOR A TERM EXPIRING MAY 10, 1994.

RONALD W. SCHMITT, OF NEW YORK, TO BE A MEMBER OF THE NATIONAL SCIENCE BOARD, NATIONAL SCIENCE FOUNDATION, FOR A TERM EXPIRING MAY 10, 1994.

NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES

HILLEL FRADKIN, OF WISCONSIN, TO BE A MEMBER OF THE NATIONAL COUNCIL ON THE HUMANITIES FOR A TERM EXPIRING JANUARY 26, 1994.

DONALD KAGAN, OF CONNECTICUT, TO BE A MEMBER OF THE NATIONAL COUNCIL ON THE HUMANITIES FOR A TERM EXPIRING JANUARY 26, 1994.

CORPORATION FOR PUBLIC BROADCASTING

LESLEE KATHRYN ALEXANDER, OF TENNESSEE, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE CORPORATION FOR PUBLIC BROADCASTING FOR A TERM EXPIRING MARCH 26, 1991.

DEPARTMENT OF COMMERCE

R. KENT BURTON, OF VIRGINIA, TO BE ASSISTANT SECRETARY OF COMMERCE FOR OCEANS AND ATMOSPHERE.

COMMUNICATIONS SATELLITE CORPORATION

THOMAS C. GRISCOM, OF TENNESSEE, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE COMMUNICATIONS SATELLITE CORPORATION UNTIL THE DATE OF THE ANNUAL MEETING OF THE CORPORATION IN 1991.

THE ABOVE NOMINATIONS WERE APPROVED SUBJECT TO THE NOMINEES' COMMITMENT TO RESPOND TO REQUESTS TO APPEAR AND TESTIFY BEFORE ANY DULY CONSTITUTED COMMITTEE OF THE SENATE.

IN THE COAST GUARD

COAST GUARD NOMINATIONS BEGINNING JOHN R. TURLEY, AND ENDING CYNTHIA L. JOYNER, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JULY 28, 1988.

COAST GUARD NOMINATIONS BEGINNING ROLAND LILL, AND ENDING SAMUAL B. BROMLEY, JR., WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JULY 28, 1988.

EXTENSIONS OF REMARKS

U.S. AVIATION NEEDS AN INFUSION OF PROGRESS

HON. NORMAN Y. MINETA
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES

Friday, September 23, 1988

Mr. MINETA. Mr. Speaker, a good friend of mine, Maj. Gen. Clifton von Kann, retired, president of the National Aeronautic Association [NAA], has written an important article concerning U.S. aerospace needs into the 21st century. I would like to share his insights and thoughts with my colleagues.

However, before turning to the article, I believe it is important for me to inform you about General von Kann's organization and introduce you to his credentials as an important aviation expert in the United States. I do so to provide a perspective that will give you a greater appreciation about the accomplishments of both and their importance to the U.S. aerospace industry.

Clifton von Kann has been president of the National Aeronautic Association since 1980. In that capacity, he has headed the oldest and most prestigious aviation/aerospace association in the United States. Von Kann came to that post after a distinguished career as the top aviator in the U.S. Army, and more than a decade as senior vice president of operations and airports of the Air Transport Association [ATA], which represents the interests of our Nation's major air carriers.

The visions of America's early aviation pioneers found voice through NAA; the visionaries who are designing tomorrow's U.S. aviation system are building on that NAA heritage. The primary mission of NAA is aviation safety and education, and in that capacity, General von Kann has testified many times as an expert witness before aviation subcommittees of this Congress. But another element of the NAA mission is representing U.S. aviation and aerospace needs in the international arena. Here, too, General von Kann has excelled. NAA is the U.S. representative to the Federation Aeronautique Internationale [FAI], based in Paris. As such NAA regulates all aviation and space contests and record activity in the United States, and General von Kann acts as U.S. aviation's ambassador at FAI meetings where records receive international validation. These activities are most important to keeping U.S. aerospace interests and our technological leadership before the international community because so much of the development in these areas stems from the activities of these record-setting attempts.

As a case in point, consider the 1986 around-the-world flight of the *Voyager*, which not only proved the stamina and excellence of a pair of U.S. aviators, Dick Rutan and Jeanna Yeager, but also the value of aeronautic concepts and materials conceived by *Voyager* designer Burt Rutan. The records set by Rutan-Yeager on behalf of American aviation ingenuity and excellence had to be sanctioned first by NAA before they could be brought before the bar of international aviation records.

Where U.S. aviation is concerned, NAA activities can be compared to those of the U.S. Olympic Committee in representing our athletes who competed so proudly in Seoul. The NAA is a continuing voice in promoting the benefits to be derived from maintaining America's technology lead in air and space. NAA supports and encourages quality education in our school systems as essential to the maintenance and growth of our technology base. NAA petitions Congress in matters important to the continuing development of aviation in America and sponsors and encourages public forums designed to inform our citizens of the benefits to be derived from our investments in air and space technology. We are fortunate that we on the Congress can call on organizations such as NAA, and leaders like General von Kann as we work to strengthen America's aviation and space industries. That's why I felt the ideas embodied in his article to be so important, because today U.S. aviation/aerospace stands at a crossroads. Once again our Nation is boldly attempting to reach for the stars with the space shuttle, and we are deeply engaged in the important work of modernizing our national airspace system so that it remains the model for the rest of the world. These are among the important subjects discussed by General von Kann in his article that follows:

U.S. AVIATION—A RECIPE FOR THE FUTURE

(By Clifton von Kann, President, National Aeronautic Association

The technical preeminence of our country in aircraft, spacecraft, and missile design and production, along with an unparalleled record of safe and efficient air transportation has for decades made the United State the world leader in aviation and has contributed greatly to our national defense. In recent years, however, strains on the system and tragic accidents have fostered a climate of doubt as to America's ability to maintain its lead in aviation and space travel. These self-doubts, if directed in a positive direction could be healthy for the future development of aviation and aerospace in the country. Left to germinate uncontrolled, however, they could develop into a serious malaise that niether our economy nor our national pride can afford.

The United States is in the midst of a Presidential election campaign, that unique means of choosing our national leaders that every four years proves the strength and the vitality of our democratic way of governing ourselves. The advent of the campaign also provides an opportunity for our nation to rededicate itself to identifying and solving the problems of our society. No matter which candidate prevails, the campaign provides an opportunity to discuss all our national problems and consider solutions. That exercise includes aviation and aerospace needs and discussion of these needs is as important today as they never have been in the past.

The importance of aviation and aerospace to the American economy has never been more paramount. The technical excellence of our manufacturers, backed by airline orders that trigger production runs and an ample supply of skilled and motivated people, has made the U.S. aerospace industry one of the most important for a healthy gross national product and employment picture. Indeed, in 1987, this industry contributed a $16 billion favorable balance of trade to the national economy, the highest such balance in the post-World War II era. U.S. commercial transports today dominate the world's airline market. The question we must ask is whether we can continue this dominance without asserting a rededication for the future health of this vital segment of the economy?

Moreover, a strong general aviation establishment has been the backbone of the U.S. aviation industry, the jumping off point for all of aviation and, yes, even space exploration, for in aviation and aerospace exploits, man must start somewhere. To paraphrase Neal Armstrong, that one small step for mankind can be considered the first solo flight in a general aviation aircraft. Yet, the strains are evident today.

General aviation manufacture and pilot starts has shown a steady decline. The modernization of the national airspace system has fallen behind schedule even while demand for commercial air travel continues to show explosive growth. Foreign manufacturers of commercial aircraft are providing tougher competition. In space, our efforts to restart manned space flight through the Space Shuttle program appear to be on schedule, but concerns over technical problems remain high on the national consciousness because of our still vivid recollection of the Challenger disaster.

As we enter the final stage of our presidential elections, this nation must insist on continued progress in aviation and space because both are vital to our national defense and economic growth. Both must be high on our list of priorities and that of our candidates. To help in that endeavor, a national plan of aviation and aerospace progress must be charted by this nation. That plan should encompass all aspects of flight, from general aviation to the exploration of space.

A blueprint for that progress must include a reversal of the decline in general aviation, our principal reservoir of talent for airline pilots, engineers, mechanics and executives; of astronauts and space scientists; of air traffic controllers and military aviators. A strong general aviation element is in the national interest.

Modernization of the airport and airway system must be pressed. The program to upgrade the national airspace system must be expedited in the interest of air safety, capacity and efficiency. A parallel program for the national airport system must be initiated.

Our nation needs to retain its mantle of providing the world's safest and most efficient air transport system. But with that role comes a responsibility to provide a fair

amount of freedom to use that airspace, by all users. In looking to the future we must find a way for private aviation to share the skies with maximum safety and with as much freedom as possible.

We also must forge ahead with the peaceful exploration and responsible exploitation of space, and should do so as much as possible in cooperative efforts and programs with other countries, at the same time insuring that a window of military vulnerability is not opened in space. Meeting these twin goals must be a prime consideration for our next administration, for they cannot be attained without strong government leadership and participation in a well-rounded program of research and development (R&D). In view of their importance to the nation as a whole, NASA's research efforts in space and in aeronautical R&D endeavors must be continued vigorously.

Throughout the United States, more than 2 million men and women are employed in aviation and aerospace. This makes up a constituency that is an essential segment of America's socio-economic programs. They and the industry in which they are employed are indispensable to the national defense, to the continued technological leadership of our country, to a favorable trade balance and to full employment.

For the benefit of our nation and to these dedicated workers, we must rededicate ourselves to continued aviation and aerospace progress.

HONORING THE 100TH ANNIVERSARY OF THE HEBREW YOUNG MEN'S ASSOCIATION

HON. BENJAMIN L. CARDIN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Friday, September 23, 1988

Mr. CARDIN. Mr. Speaker, the Hebrew Young Men's Association is celebrating its 100th anniversary on October 16, 1988. This organization was founded in 1888 by Samuel Levi, Aaron Grollman, and Philip Kirshman who had the highest intentions of helping their brothers.

The Hebrew Young Men's Association began with three major goals in mind: "to serve members in times of sickness and need, to help the widows and orphans of members, and to render assistance to all, without question of membership in the association, at all times."

Probably the most valuable benefit of membership in the early days of the association was the sick benefit. This benefit paid $3 per week to members who fell ill. Although this does not seem like a great deal of money in today's world, in the late 19th century this benefit was a godsend to those who received it. In later years, the association employed a doctor to treat members at no charge.

The Hebrew Young Men's Association looks beyond just its members and gives aid to the community as well. There have been several disasters in Baltimore when the association has come to the assistance of those affected.

The current officers of the association, President Oscar Freedman, Vice Presidents Herman Malvin and Herbert Freedman, Recording Secretary Nathan Bormel, and Financial Secretary Irving Axel can be proud of the tradition of service which they are continuing. Mr. Abraham Levin, the centennial honoree, should indeed be honored for his commitment to his fellow man. I urge my colleagues to join me in saluting this fine organization, which provides an example to us all.

HONORING THE 75TH ANNIVERSARY OF ST. MARK'S PARISH IN PITTSFIELD, MA, ON OCTOBER 2, 1988

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, September 23, 1988

Mr. CONTE. Mr. Speaker, I would like to take this opportunity to congratulate the congregation, Monsignor Johnson and Rev. Michael Shershanovich of St. Mark's parish on the occasion of the 75th anniversary of the church's founding. In the history of the church there have been only three pastors and each has been extremely instrumental in the church's growth and development.

St. Mark's was founded in 1913 by Father Michael Leonard. The original St. Mark's Church was a wooden structure on the corner of West and Onota Streets in the then rural Pittsfield. The first mass was celebrated on April 4, 1913. In 1930, with a growing population in the parish, Father Leonard purchased more land and relocated the church to West and Albro Streets where it remains today. The new church was completed in 1932. In addition, a convent and new rectory were constructed.

In 1955, upon the death of Father Leonard, Father Finn became the pastor. During his years as pastor the church was renovated, new stain glassed windows were installed, the inauguration of the long-range building program was put into effect and the St. Mark's school was built. The former wooden church on Onota Street was converted into a parish center and auditorium for social and theatrical events. After a devastating fire in 1961 which ruined these buildings money had to be raised and new buildings had to be constructed. Thanks to their generous congregation the construction plans materialized and in 1962 the buildings were ready for use.

Today Pittsfield is not the small rural town it once was. The growth in the congregation of St. Mark's reflects the growth of Pittsfield itself. Monsignor Johnson and Reverend Shershanovich serve the parish's more than 1,000 families of generous and supportive parishioners. I am impressed by their strong sense of community and dedication to their town. It's not often you find people with such great enthusiasm in performing much needed volunteer community work. Not only are the parish priests responsible for the operation of St. Mark's they also include volunteer work at the Hillcrest Hospital, Berkshire Community College and area nursing homes into their busy schedule.

In celebration of this honorable and lengthy history of St. Mark's, the congregation has planned a 75th anniversary mass with Bishop Joseph F. Maguire as the celebrant on October 2. The mass will be followed by a reception in the parish center. Mr. Speaker, it is a distinct honor for me to have such a group of dedicated and caring parishioners in my district. St. Mark's has grown into one of the finest communities in the Berkshires and I wish all of its members and clergy another successful 75 years.

To my friends of St. Mark's Parish of Pittsfield, I extend my warmest congratulations on this most solemn and glorious occasion.

BEWARE, THE COLD WAR IS NOT OVER

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, September 23, 1988

Mr. CRANE. Mr. Speaker, lately, this country has been charmed by Gorbachevmania. We have allowed the thoughts of "world peace" to creep into our living rooms and create complacency. Many feel that we can "trust" Mr. Gorbachev. His attitude is different from the cold war stylings of Brezhnev, Andropov, and Khrushchev. We have even allowed the spouses of both country's leaders to play a part. Mrs. Gorbachev competes for the style section with Mrs. Reagan. The U.S.S.R. has entered the 1980's—American style. They want to revitalize their stale economy. They want to end their ploys of world domination by withdrawing from Afghanistan, supporting the Olympic movement by attending the games in Seoul, and negotiating peace in Angola and Cambodia. All this talk of peace would make anybody feel good about the U.S.S.R.

What does all this mean? Basically, it means that those individuals who believe this strategy have been fooled. The U.S.S.R. is cutting losses with losers. They are saving money, manpower, and effort by redressing their goals and selecting targets that can be achieved. There is nothing new about this ploy. It is standard business practice. Unlike the business community, Mr. Gorbachev is trying to control the world by creating a new strategy of domination through complacency. We have given up our missiles in Europe, rejected the pleas of the Contras and allowed a Communist Nicaragua, while the press magically creates a new wave of false peace. Liberty and freedom are this country's banners and we display them proudly. It is up to us to promote such ideals while preventing the subtle domination by a "hungry bear in designer suits."

I urge my colleagues to read the following article that so eloquently describes this hoax.

NO, THE COLD WAR ISN'T REALLY OVER

(By Charles Krauthammer)

It seems that the cold war is over. Official word came not in the usual communiqué from the capitals but in a *Doonesbury* cartoon. A rethinking of the cold war is taking place at higher levels too. When a senior Democratic Senator noted in conversation that the cold war might indeed have ended, he was saying no more than Ronald Reagan said upon his return from the Moscow summit when he talked of the end of the postwar era. Since postwar has always meant cold war, the President was signaling the advent of some historic change.

Is the cold war really over? No doubt the withdrawal from Afghanistan marks a change. It signifies the demise of the Brezhnev Doctrine, first enunciated with the invasion of Czechoslovakia exactly 20 years ago. Brezhnev declared that socialism will suffer no losses: countries that come under Marxist-Leninism remain under Marxist-Leninism. Afghanistan is the first breach in that doctrine. (Grenada is too small to count.) Enthusiastic believers in the demise of the cold war also point to Gorbachev's words to show that the Soviet Union, apostle of revolution ("national liberation"), has become the defender of stability. A favorite quote: "We favor socialism, but we do not impose our convictions on anyone. Let everyone choose for himself."

This will come as news to Poles and Czechs and East Germans. But grant that outside Eastern Europe, in the Third World, the Soviets are indeed falling back. Why is that happening? Conventional wisdom has it that Gorbachev needs to rebuild his economy and restructure his society. He cannot do that while expending energy, treasure and occasional blood in foreign adventures. Internal retrenchment requires external calm. He needs a respite: a stable international arena and good relations with the U.S. Hence the cold war, like other old thinking, must go.

In this light, the Soviet pullback in the Third World is an autonomous Soviet decision, the first fruit of Gorbachev's "new thinking." The problem with this theory is that it overlooks one fact. In this sense it is very much like the common explanation of Gorbachev's acquiescence to American terms for the INF treaty. Did Gorbachev withdraw his SS-20s from Europe because of a change in ideology? Because he wanted to turn his attention to domestic tasks? In fact, he withdrew because he met resistance that he could not overcome. The U.S. responded to the SS-20s by deploying a powerful INF force of its own, despite the best Soviet efforts to stop it. As a result, the SS-20 adventure turned into a net loss for the Soviets (because the American missiles are more threatening: they can reach Soviet territory, whereas the SS-20s cannot reach American territory). Having met resistance and lost the game, Gorbachev wisely decided to cut his losses and withdraw.

Similarly, the Soviets are not withdrawing from Afghanistan because they have suddenly come to believe in "not imposing convictions on anyone" and "letting everyone choose for himself." Does anyone doubt that if the Afghan resistance had been overcome, Gorbachev would still be in Afghanistan, communizing? Gorbachev is withdrawing because he lost the war. Writes Afghan Expert Zalmay Khalilzad in the *National Interest*: "1986 was the turning point in the Afghan war." What happened? "The most crucial change in this period was the provision of U.S. Stinger [antiaircraft] missiles to the *mujahedin*." To put it bluntly, the Soviets are not leaving Afghanistan because they changed their minds. They are leaving because they lost their air cover. A change of minds followed.

Another recent elaboration in the press of the conventional wisdom puts it this way: "In the heyday of Leonid Brezhnev, the Soviet Union tried hard to promote Communism in the Third World . . . Now, under what might be called the Gorbachev Doctrine, the Kremlin has adopted a more cautious stance, backing away from confrontation." Why? Because "the Kremlin has been disappointed by the inability of Third World Marxists to impose stable Communist systems on underdeveloped societies."

But the chief cause of that instability in the 1980s is resistance. The Gorbachev Doctrine became necessary because the Brezhnev Doctrine failed. The Brezhnev Doctrine failed because it met armed resistance. And that resistance drew strength and sustenance from the U.S., more precisely from the Reagan Doctrine, the American policy of supporting anti-Communist guerrillas in the newest outposts of the Soviet empire: Afghanistan, Angola, Cambodia and Nicaragua.

Throughout the 1980s, American critics have attacked the Reagan Doctrine as too grandiose and expensive an undertaking for the U.S. They saw it as a form of imperial overstretch, to use the now famous phrase of Professor Paul Kennedy. This critique is unintelligible. the effects of the Reagan Doctrine have been precisely the reverse. It turned out to be an extremely cost-effective form of Western resistance to the Soviet expansion of the '70s. It made the new Soviet outposts expensive liabilities. The Reagan Doctrine demonstrated—to the Politburo, ultimately—that it was the *Soviet* empire that had overreached.

When applied, the Reagan Doctrine worked. Which one factor best predicts the locus of a Soviet imperial withdrawal? The answer is not a colony's proximity to the Soviet Union, nor its ideological purity, nor the amount of Soviet investment. The single factor that best predicts a Soviet retreat is the strength and consistency of foreign support for the anti-Soviet resistance. American aid to the Afghan resistance has been massive, and the policy has enjoyed universal support at home. The Soviets are retreating. In Cambodia and Angola, American support for the guerrillas has been less intense but still generally bipartisan. Moreover, China and South Africa have provided steady support to the anti-Soviet forces. The Soviets are now exerting pressure on their clients to compromise. The one place where American support for the resistance vacillated and finally collapsed was Nicaragua. Not surprisingly, Nicaragua is also the one place where the Soviet client remains firmly entrenched and where Gorbachev shows no sign of bending.

Where Gorbachev has retreated, it is not because he has abandoned Soviet foreign policy objectives. It is because he was defeated. Where he has not been defeated, he has not retreated. Gorbachev has not given up the socialist mission. He is trying to save it from Brezhnev's excessive ambition.

What, then, is Gorbachev's imperial strategy? The same as his domestic strategy: not retreat but retrenchment. The tactics too are the same. Discard losing policies. Keep those that work. In foreign policy, the Gorbachev Doctrine is imperial triage. Discard the losers. Deal away the marginals. Keep the jewels.

Afghanistan is a loser, and the Soviets are leaving. Angola and Cambodia would be nice to have, but neither is a crossroads of the world, and the Soviet clients there are locked in bloody, draining stalemate. Moreover, Cambodia is a great irritant is relations with China, and Angola in relations with the U.S. The Soviets are dealing.

Gorbachev's eye is on the jewels, three great geopolitical prizes, for the achievement of which he has husbanded most of his foreign policy resources:

CENTRAL AMERICA

Soviet support for Nicaragua has not wavered, despite wishful reports to the contrary. The *contras*, having been disarmed by the U.S., are in the process of being defeated by the Sandinistas. El Salvador and Panama are becoming less stable. Even Honduras, the American linchpin in Central America, is stirring. Central America is a high priorty for the Soviets. The Kissinger commission argued 4½ years ago that Soviet penetration of Central America would be a great strategic asset for the Soviets. It would distract and divert U.S. attention to a region that had historically been secure. It is not that a Red Army is going to march from Managua to Harlinger, Texas, but that the vast military, political and strategic energy that Washington would have to redirect to this region would necessarily be drawn from elsewhere. This would result in a net weakening of the American position in the world.

CHINA

An even bigger prize. Gorbachev wants rapprochement with China but has been rebuffed until he clears away what the Chinese call the Three Obstacles: the Soviet occupation of Afghanistan, the Vietnamese occupation of Cambodia and the Soviet-Chinese border dispute. Gorbachev is taking care of Afghanistan and the border dispute. And one reason he is putting pressure on the Vietnamese to solve the Cambodia problem is that the China card is worth more to him than Cambodia and Viet Nam combined. The next great shift in U.S.-Soviet relations may be Gorbachev doing a Nixon in China. It will not have been an accident.

EUROPE

The grand prize. Gorbachev's Wespolitik—the INF treaty, his subtle wooing of the West Europeans with the notion of a "common European homeland," his gestures toward disarmament that have already propelled him in European public opinion polls higher than the President of the U.S.—is calculated to advance the most important Soviet geopolitical objective of all, the detachment of Western Europe from America. The road to the breakup of the U.S.-European alliance is the denuclearization, leading to the neutralization, of Europe. This is a traditional Soviet objective. But ironically it may prove necessary for the success of *perestroika*. It may be, as the dissident writer Vladimir Bukovsky suggests, that the only way for the Soviets ultimately to salvage their bankrupt system is by neutralizing Europe and harnessing its energy, technology and vast wealth—not by occupation but by the domination that would follow a detachment of Europe from the U.S.

The goal of Gorbachev's foreign policy is not to end the cold war and certainly not to lose it, but to continue the struggle with the subtlety and finesse that befits the modern man he is. He is cutting his losses not because he is a sudden convert to friendship and harmony and coexistence, not because he has lost the nationalist or ideological faith that underlies Soviet realpolitik, but because he knows that what the times demand is discrimination. And in an age of triage, that means concentrating on supreme geopolitical objectives and making sacrifices at the periphery.

Gorbachev's strategy should elicit neither shock nor dismay. He is simply pursuing his country's interests in the most economical manner possible. This is not cynicism. This is realism. No need for us to be scandalized. Just forewarned, and perhaps a bit envious. Would that our leaders had his foresight and command.

EMPLOYEE BENEFIT STANDARDS IN GOVERNMENT CONTRACTING ACT

HON. WILLIAM (BILL) CLAY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Friday, September 23, 1988

Mr. CLAY. Mr. Speaker, I rise today to introduce legislation to further the national labor policy and the Federal labor force concept by standardizing employee benefits for those Americans engaged by contracts to which the Federal Government is a party.

This legislation is designed to provide a framework for the reduction of Federal expenditures by discouraging Government contracting for goods and services that can be accomplished by Government personnel. According to a recent report by the Congressional Budget Office, contracts awarded for commercial type services have increased by about 10 percent—from $32.8 billion in 1983 to $36 billion in 1985, measured in 1983 dollars. In addition to increased cost there is grave concern over the quality of services provided and the ability of Federal managers to establish and control standards of accountability for contracted workers.

Mr. Speaker, this legislation will encourage Federal agencies and departments to perform work with their own personnel. To do otherwise would be to substitute competence, loyalty, and experience for work performed by workers with competing loyalties and whose competence and experience is largely unknown. This type of activity could lead to lower morale for Federal employees and hamper existing operations. Moreover, this Federal Government should not allow itself to become a party to substandard employment practices.

To achieve these ends this proposed legislation would apply to both prime and subcontracts between any person, Federal agency or department and any employer. When the contract amount is in excess of $25,000 and is for services and/or supplies, the employer will be required to provide pension and group health plan benefits consistent with title I of ERISA. All of the employees performing under the Government contract would be eligible to participate.

The group health plan would require the premium contribution for participants who earn less than 200 percent of the minimum wage prescribed under section 6(a)(1) of the Fair Labor Standards Act of 1938. Additionally, deductible amounts shall not exceed $250 for individuals and $500 for families.

Mr. Speaker, in order to provide a practical solution for the problem of excessive Federal contracting out, this act would require that any Federal agency that awards a contract in excess of $500,000 for services, and which is not awarded on a firm fixed price basis, shall provide a written cost savings impact statement demonstrating that the service performed under the contract could not have been performed more effectively and economically by exiting Federal employees. Additionally, the Federal Government will no longer be a party to substandard employment practices, and to that end, no contract subject to this act may be awarded on the basis of a bid that contain specifications regarding uncompensated overtime.

Mr. Speaker, I strongly urge my colleagues to consider this legislation in the light most favorable to thousands of dedicated and hardworking Federal employees whose jobs were lost to contractors while the American taxpayer was asked to foot the larger bill.

SUMMARY—EMPLOYEE BENEFIT STANDARDS IN GOVERNMENT CONTRACTING ACT OF 1988

Covered contracts include both prime and subcontracts between any Federal agency or department and any employer, and any person and any employer.

When the contract amount is in excess of $25,000 and performance includes construction, alteration, repair, painting and decoration of public buildings or works, within the geographical boundaries of the United States, or the manufacture or furnishing of materials, supplies, articles or equipment.

The employer is required to provide to its employees performing under the contract a pension plan meeting the requirements of Title I of ERISA and sections 401(a), 403(b) or 408(k) of the Internal Revenue Code.

All employees performing under contract are eligible to participate.

The plan must meet requirements without taking into account social security and similar contributions and benefits.

The employer is also required to provide to its employees performing under the contract, their spouses and children, a health plan meeting the requirements of Title I of ERISA.

All employees who are participants in the pension plan are included in the health plan.

The health plan requires no premium contribution from participants who earn less than 200% of the minimum wage prescribed under section 6(a)(1) of the Fair Labor Standards Act of 1938.

Deductible amounts shall not exceed $250 for individuals and $500 for families.

Both the pension and the health care plan required under this bill must provide at least a minimum level of benefits.

No contract or subcontract subject to this Act may be awarded on the basis of a bid that contains specifications regarding uncompensated overtime.

Any federal agency that awards a contract in excess of $500,000 for services, and which is not awarded on a firm fixed price basis shall provide a written cost savings impact statement demonstrating that the service performed under the contract could not have been performed more effectively and economically by the federal government.

TRIBUTE TO REISTERSTOWN VOLUNTEER FIRE CO.

HON. HELEN DELICH BENTLEY

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Friday, September 23, 1988

Mrs. BENTLEY. Mr. Speaker, all of us in this Chamber know how great volunteers are. They have helped us in our offices, done work in our country's hospitals, and have been there to help whenever and wherever they were needed. They are the backbone of American society—people who have made life so much easier for the rest of us. To heap too much praise upon them is an impossibility.

Today I would like to honor perhaps the most special group of volunteers there are—the volunteer firefighter. These individuals literally risk life and limb for the sake of helping others. The only remuneration they receive is a sense of satisfaction at having done a good day's work.

Recently the Baltimore County Volunteer Firemen's Association had its 81st annual convention. The event was sponsored by the Reisterstown Volunteer Fire Co., an organization which earlier this year itself celebrated its 75th year of existence. I would like to salute the fine people who make up this venerable fire company, for they truly typify the spirit of voluntarism—something which is perhaps our Nation's greatest national treasure.

The Reisterstown Volunteer Fire Co. was formed on June 13, 1913, after three very bad fires. Prior to that time fires were battled by neighbors who brought their own buckets of water. Money was raised for equipment and uniforms, and by September of the following year the company was fighting its first fire. The fire company's minutes report that, "fifty logs, pile of cordwood, oak tree" were saved.

Since those early days the fire company has expanded along with the times, its equipment—purchased with donations from members of the community—has always been "state of the art." The Reisterstown Volunteer Fire Co. has always been there—from a barn fire in 1929 to the four-alarm blaze at the Woodstock Job Corps in 1988 right up to the present day. For this heroism and dedication to duty we in the Second Congressional District feel very grateful.

In addition, the fire company has sponsored many annual events. Bake sales, Easter egg hunts, Christmas parties for children, and their wonderful carnival has helped to make the Reisterstown Volunteer Fire Co. a much valued member of its community. Reisterstown just wouldn't be the same without it.

Mr. Speaker, I urge you as well as all my esteemed colleagues to join me in saluting the Reisterstown Volunteer Fire Co. for decades of devoted service. These selfless volunteers have worked hard, saved lives, and helped to make their community a much better place to live. Congratulations to all these special folks for a job well done.

AN ADVOCATE FOR THE POOR

HON. ANDREW JACOBS, JR.

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 23, 1988

Mr. JACOBS. Mr. Speaker, the following editorials from the Indianapolis Star and Indianapolis News are typical of the thoughts we Hoosiers had when the Reverend Mozel Sanders passed away.

He was friend to many and servant to God. We shall miss him.

[From the Indianapolis News, Sept. 3, 1988]

AN ADVOCATE FOR THE POOR

It's hard to know where to begin in listing the accomplishments of the Rev. Mozel Sanders.

He died in a Seattle, Wash., hospital this week at the age of 64. He was pastor of the

Mount Vernon Missionary Baptist Church on the Westside of Indianapolis for about 30 years. He helped start a local chapter of the Opportunities Industrialization Centers Inc., which provided training for jobs for poor people for several years. He started a Thanksgiving Day meal for the poor in 1974, helping a good idea blossom into a major effort in the 1980s.

The list of accomplishments could continue, but his friend, the Rev. Arthur Johnson, summed up his life this way: "Heaven must have needed somebody who was an advocate for the poor."

To put it another way, the life of Mozel Sanders was a demonstration of Proverbs 19:17. "He who is kind to the poor lends to the Lord, and he will reward him for what he has done."

In one way or another, the Rev. Sanders tried to do something to help people in need, whether it was the homeless person who had no place to go for a Thanksgiving dinner or the jobless person who needed some training and encouragement in order to land a job.

Long before it was fashionable to be deeply concerned about the homeless, he was feeding them. Long before job-training became a national issue, he was helping the unemployed go to work.

"He always thought of other people before he thought of himself," summed up Mayor William Hudnut. "He was a strong advocate of the disadvantaged in our society. He was a pastor not only to his congregation, but also to his radio ministry and his Thanksgiving feeding program, where his leadership will be missed."

He will indeed be missed throughout the community in many respects, especially by the poor people he served so diligently for many years.

[From the Indianapolis Star, Sept. 3, 1988]

REV. MOZEL SANDERS

The Rev. Mozel Sanders was conscience, compassion and love personified and turned into action.

His Thanksgiving dinners for the poor were like illustrations from the Bible brought to life.

He began in 1974 by feeding about 20 needy people, and by 1986, with 200 volunteers helping, 16,000 meals were served.

The black community leader had been pastor of Mount Vernon Missionary Baptist Church for nearly three decades.

His warmth, sincerity and encouragement touched the city's powerful, his congregation and street people. His help was down-to-earth—job training for the poor and people with drug and alcohol problems.

As Mayor William H. Hudnut said, "He always thought of other people before he thought of himself."

Rev. Sanders died at 64 on Thursday in a Seattle hospital, where he had undergone cardiac surgery after being stricken July 20.

His memory and example will go on brightening lives.

UNFILLED JOBS, DESPITE UNEMPLOYMENT

HON. BOB LIVINGSTON

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 23, 1988

Mr. LIVINGSTON. Mr. Speaker, Louisiana has the highest unemployment rate in the Nation, and yet I have just received the following letter from a constituent of mine:

DEAR MR. LIVINGSTON: I have a Tastee Donut Shop in Westwego, (LA.) and here is my problem:

I have run ads in all of our major newspapers in this area, posted signs in my shop, looking for someone to work. I've been in this business twelve years and this is the first time I've had such a problem finding employees.

The hours are eight hours a day, five to six days a week, at $5.00 an hour wages for a donut cutter—of course, with interval raises. I'm willing to train if the party is interested. And I still can't get help. The position of a donut cutter is not very difficult. Anyone with half a brain could do the job.

If the hourly wage is at fault, I'll gladly raise it. However, I don't think it is. The only other idea I have is the reason for my dilemma is that people are receiving too much aid from government funds or agencies, and people are better off not working for wages and would rather be kept than support themselves.

The laws must be changed and these agencies must stop anyone and everyone who can and must work. It's sad to say, but I am not the only business in this predicament.

No, I definitely do not believe that the minimum wage should be increased. We are in a very sad state of affairs when I cannot hire a single person to work when our unemployment is so high.

Sincerely,

MARION S. KING,
Owner.

We in Congress are always professing our concern for the less fortunate through the passage of new programs. Perhaps it is time to start making the ones we have on the books work.

LESSONS FROM THE PENTAGON PROCUREMENT SCANDAL

HON. CHARLES E. SCHUMER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, September 23, 1988

Mr. SCHUMER. Mr. Speaker, as the recent scandals have clearly demonstrated, the Pentagon's procurement system is a system in dire need of repair. Bringing sensible reform to the defense procurement process is an urgent task that must be high on the agenda of the next administration.

The following article, written by Representative BARBARA BOXER outlines a number of creative new ideas for reforming the procurement process and cutting the fraud and waste. I commend this excellent article to the attention of all my colleagues, and ask that it be printed in the RECORD.

[From the Christian Science Monitor, Aug. 15, 1988]

LESSONS FROM THE PENTAGON PROCUREMENT SCANDAL

(By Barbara Boxer)

We do not yet know who, if anyone, will be indicted in the Pentagon procurement scandal. But we do know that the system of laissez faire "self-governance" over procurement practiced by the current administration is worthy of indictment. Whoever moves into the White House next year will inherit a Pentagon procurement system in shambles.

Real reform in Pentagon procurement is essential. Unfortunately, it will have to await a change in the climate at the Pentagon that only the presidential leadership can provide. The next administration will have an excellent opportunity to achieve real reform in the defense establishment.

The current scandal has laid bare the true attitude of Reagan political appointees who protested every effort by Congress to improve the defense acquisition system. "Self-governance" became their excuse for lax law enforcement. Their protests that the outrageous costs of spare parts—from coffeepots to toilet seats—were "isolated incidents" and their claims that independent watchdogs and tough prohibitions against the revolving doors at the Pentagon are unneeded ring hollow today.

We cannot change their attitude, but we can expect a new administration to bring a new commitment to reform. Here's a blueprint:

First, we need a panel of true procurement experts to review the results of the FBI investigation and recommend changes to Congress. The task force set up by Defense Secretary Frank Carlucci is a sham; it is made up of the same people who countenanced this cozy attitude.

We need objective Pentagon critics, not industry backslappers: whistle-blowers like Ernie Fitzgerald, who unmasked the $2 billion cost overrun in the C-5 transport plane; former Assistant Secretary of Defense Lawrence Korb, who lost his job with a defense contractor for advocating more realistic defense budgeting; defense budget analyst Gordon Adams, director of the Defense Budget Project and an expert on the interrelationship among government, industry, and Congress; Richard Godwin, the Defense Department's first "procurement czar" who quit after a year of frustration; and retired Air Force Col. Jim Burton, who fought for realistic testing of weapons systems.

Second, we need an independent inspector general whose investigations cannot be short-circuited by the secretary of defense. In 1982, the current secretary of defense, then the deputy, Mr. Carlucci, fought the idea of an inspector general's office. He accepted it only after the office was granted semi-independent status. He said, "It is not tolerable in those circumstances to have someone who is not under the authority, direction, and control of the secretary of defense."

Last year the defense secretary slashed the inspector general's requested budget by 10 percent. The integrity of an inspector general's office demands that he report to the president and Congress—not the secretary of defense—in uncovering instances of waste, fraud, and abuse. An independent inspector general office would be staffed by competent professionals and include "revolving door" prohibitions to preserve an arm's-length relationship with industry. The inspector general would be prohibited from going to work for the defense industry after leaving office, or from coming to office from the industry, for five years. The inspector general's employees would have a similar ban for three years.

Third, we need to tighten revolving-door prohibitions already on the books but which were watered down by a House-Senate conference committee in 1986. We need to expand the number of Defense Department procurement officials covered by conflict-of-

interest provisions and impose criminal penalties for violations.

Finally, we need a bold approach to establish a consolidated, independent procurement corps for the military staffed and managed primarily by civilians but advised by military experts. An independent, well-qualified, and well-paid cadre of professionals, who view defense procurement as a long-term career, would serve as a buffer between the Pentagon and industry.

This idea is not new. Canada, Britain, France, West Germany, and Sweden have long maintained their defense procurement practices in a single, separate agency, and a top United States defense official recommended such a course three years ago. James P. Wade, Jr., then assistant secretary of defense for acquisition and logistics, said in an internal departmental memo that "a true service corps with dedicated professionals is a necessity. Management of the corps, in the main, must be by civilians rather than military personnel who rotate out after a number of years." Such a corps would eliminate overlapping procurement personnel in the armed services, promote better efficiencies in the $100 billion-a-year military procurement system, improve the quality of workmanship, and restore the confidence of the American public in military spending. The Pentagon brass did not like Mr. Wade's idea, because it undermined their power. Consequently, the report was shelved.

Wade recently told the House Armed Services Committee, "The system is failing . . . getting worse, and worse." He also doubted whether fundamental change can be made until a new administration takes office.

Nevertheless, it is time to lay the groundwork for the next president so he can immediately begin clearing the debris left by the Pentagon scandal. That is why several of us in Congress are unveiling major Pentagon reforms based on sound ideas that have never moved forward because of the inertia of the military-industrial complex.

We all can learn from this scandal. Let us send a message through our votes that we've had enough of pouring billions into a bottomless pit. Let us send a message that we want an ethical and honorable independent procurement system. The code name for the FBI investigation is Ill Wind. The next administration should help turn this ill wind into winds of change.

INTRODUCTION OF LEGISLATION LIMITING ISSUANCE COSTS FOR TAX-EXEMPT BONDS

HON. BRIAN J. DONNELLY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, September 23, 1988

Mr. DONNELLY. Mr. Speaker, I am introducing legislation today to impose new limits on issuance costs for tax exempt bonds.

Congress has traditionally allowed an exclusion from taxable income for interest on State and local government bonds. Since Congress provides this exclusion, it seems to me that Congress has a responsibility to limit costs associated with issuing these bonds—to insure that State and local governments use bond proceeds for legitimate governmental purposes. Congress also has a responsibility to insure that State and local governments are not overcharged when it comes time to do a bond issue.

My bill imposes a limitation on issuance costs. The limits range from 3.5 percent of bond proceeds for bond issues of $5 million or less to 1 percent for bond issues in excess of $75 million. Private activity bonds would be subject to an additional restriction: only 1 percent of the amount of the bond proceeds could be used to finance issuing costs.

Let me say, Mr. Speaker, that I recognize time for action on my proposal is limited this year, and I do not expect that it will be considered by the Committee on Ways and Means. Instead, I hope to use this opportunity to solicit serious discussion on this proposal in the coming months. I am also asking the General Accounting Office to review my proposal and ask them to make recommendations on how and whether Congress should limit issuance costs for tax exempt bonds.

I am enclosing a copy of an article from Forbes on the politics of municipal bonds which I think is a thoughtful, well-written, responsible piece of journalism. I would hope that the bond lawyers and others will take some time to read this article because it points out some rather fundamental principles of Federal income taxation which I think need to be considered.

I am also pleased that Congressman HAROLD FORD, a member of the Committee on Ways and Means, has agreed to join me as a cosponsor of this measure. I urge all of my colleagues to join in this reasonable and responsible limitation on issuance costs. A summary of the legislation, and the Forbes article, follow:

DESCRIPTION OF PROPOSAL LIMITING TAX EXEMPT BOND ISSUANCE COSTS

PRESENT LAW

Interest on obligations of State and local governments is exempt from Federal income tax under authority of section 103 of the Internal Revenue Code. Interest on bonds used to finance private activities is taxable unless a specific Code provision operates to exclude the interest income from taxation. In addition, certain restrictions are imposed on private activity and governmental bonds.

One restriction imposed on private activity bonds is a limitation on issuance costs. In general, the amount of issuance costs associated with a private activity bond that can be financed from the issue are limited to 2 percent of the proceeds of the issue. Under present law, there is no limitation on issuance costs associated with governmental bonds. Common issuance costs include, but are not limited to, underwriters fees, bond counsel fees, rating agency fees, insurance, printing costs, advertising and financial advice.

The Internal Revenue Service has taken the position that premiums paid to insure a governmental issue are treated as interest for purposes of the Code's arbitrage restrictions. (*See*, Treas. Regs. 1.103-13(c)(8)). The 1986 Tax Reform Act directed the Service to develop regulations treating certain credit enhancement devices similarly to insurance premiums. (*See*, H. Rept. 99-841, p. II-747).

EXPLANATION OF PROPOSAL

Under the proposal, new limitations would be imposed on issuance costs associated with all tax exempt bonds. Specifically, as a condition of tax exemption, issuance costs could not exceed specified amounts (whether or not financed from the bond issue). The limits on issuance costs would range from a high of 3.5 percent of the proceeds of the issue for bonds with a face amount of $5 million or less to a low of 1 percent for bonds with a face amount greater than $75 million.

In the case of private activity bonds, the present-law limitation on issuance costs which can be financed from the issue would be reduced from 2 percent to 1 percent of the proceeds of the issue. Thus, in the case of small issue private activity bonds, only 1 percent of issuance costs could be financed from the issue; the remaining costs would be required to be financed outside of the issue and subject to the overall limitations discussed above.

The proposal overrides Treas. reg. 1.103-13(c)(8) (discussed above) and any regulation which reaches the same result with respect to credit enhancement fees. The ultimate effect of such regulations is that the Federal Government subsidizes the total cost of such fees by allowing issuers to earn additional arbitrage profits. Any legislation limiting issuance costs should contain this type of provision.

The bill would also require public disclosure of issuance costs associated with the bond.

EFFECTIVE DATE

The proposal would be effective for bonds issued after December 31, 1988.

REVENUE EFFECT

Based upon a similar but more limited provision included in the 1986 Tax Reform Act which limited issuance costs financed from the issue for private activity bonds to 2 percent, and which raised $100 million, I expect that my legislation will save the taxpayers of this country at least that amount. In any event, I have asked the Joint Committee on Taxation to provide me with a more precise figure.

[From Forbes, Sept. 19, 1988]

POLITICS

(By Ben Weberman)

The municipal bond industry is a creature of politics. There is no immutable reason muni bonds have to be exempt from federal tax. Taxed like other borrowers, states and cities would have to compete in the capital markets against corporations, homeowners and the U.S. Treasury itself.

It should be no surprise that cracks appear periodically in the tax exemption that lies as the foundation under the municipal debt market. Astute bond buyers take politics into account before buying.

Here are just a few of the ways in which Congress or the Internal Revenue Service has chipped away at the exemption of late:

As a result of the 1986 tax reform, insurance companies and other corporate investors are subject to a potential tax of 20% on a portion of their tax-exempt interest. This hurts issuers of munis, since it reduces demand without reducing supply.

Bonds issued since Aug. 6, 1986 for housing, airports, student loans and industrial development are considered private-purpose bonds whose interest is subject to a tax of up to 21%. The tax applies if the individual has to pay "alternative minimum tax," which a lot of high-bracket taxpayers do.

Since 1983, people receiving Social Security may pay a tax indirectly on all their municipal bond interest, since the muni interest is used in a complicated formula deter-

mining how much of the Social Security payment is taxable.

The IRS will almost certainly decree some supposedly tax-exempt issues to be taxable, on the ground that the issuer had no legitimate purpose for the financing. Some $300 million of issues from the Guam Economic Development Authority could be affected. It isn't clear whether Guam, the underwriter (Matthews & Wright) or the bondholders will bear the tax.

Besides the Guam issue, an $80 million issue from the Territory of Northern Mariana Islands and some $400 million of housing bonds issued by small communities in Arizona may come under the same cloud. At least 56 such deals, aggregating $2.75 billion, are rumored to be under federal investigation.

The Treasury, too, is preparing rules to take away the tax exemption on what wiseacres call "pyramid bonds"—bonds to finance the bridge after it is built, repaid out of general funds. Their nickname reflects the absurdity of issuing bonds today to recover the costs of building the Egyptian pyramids. The rules probably wouldn't apply retroactively to any issues now outstanding—probably.

For now it appears that most of the $730 billion of muni bonds outstanding will remain mostly exempt in the hands of most holders. But investors must, at a minimum, avoid exposure to issues whose interest may be retroactively declared taxable. Those bonds with the cleanest tax exemption—the state general obligation bonds, for instance—will be part of a shrinking universe of outstanding tax-exempts and should increase in value.

A basic principle of tax law is that most abrupt changes incorporate some sort of grandfathering. The law taxing the muni interest of banks and some insurers, for instance, exempted bonds they held at the time of the new law. They couldn't trade the old bonds, however, without losing the exemption.

Some erosion of the once sacrosanct muni exemption can be blamed on a Congress hungry for tax revenues. But the municipal bond industry is partly at fault. There have been abuses: city bonds that finance grocery stores, issues that finance no real projects but simply fatten lawyers' and dealmakers' wallets. Instead of pressuring those who abuse the tax exemption, underwriters and lawyers rail against Congress, the Internal Revenue Service or any other regulator attempting to curb excesses. These misdirected, but loud, complaints have a perverse effect. Regulators retaliate by turning tougher.

One crackdown might actually help the market by improving yields, although you would never know that from all the wailing on Wall Street. A bill will be introduced by Brian J. Donnelly (D-Mass.), a member of the House Ways & Means Committee, to limit overhead costs for all tax-exempt bonds to 1% of proceeds, down from the 2% ceiling now imposed only on private-purpose bonds. Significantly, the Donnelly proposal would apply the limit to all tax-exempt bonds rather than only to private-purpose bonds. More important, the bill would require disclosure of all issuance costs, including side payments to underwriters and distributors from such sources as tax revenues or corporate profits (in the case of private-purpose issues).

The 1% ceiling could make small issues—say $10 million—uneconomical for some underwriters, so many municipalities would have to join pools to raise new capital. But if the dealmakers have less to spend on lavish dinners and parties to obtain business, so be it. All these costs ultimately come out of the bonds buyer's pocket.

HONORING TWO EXPLORERS OF CALIFORNIA

HON. NORMAN Y. MINETA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 23, 1988

Mr. MINETA. Mr. Speaker, I am honored to be an original sponsor of two pieces of legislation introduced this week which honor two of the great explorers of California.

The history of our great Nation has been shaped by the brave men and women who ventured into the uncharted, sometimes hostile, territory of the New World. Perhaps they were driven by religious fervor, or a thirst to explore the unknown, or the ambition to conquer new territory.

Whatever their motivation, their courageous exploits determined the course of our history and the shape of today's California.

Introduced this week was a resolution expressing congressional support for a postage stamp commemorating the 450th anniversary of the discovery of California by the Portuguese explorer and navigator Juan Rodriguez Cabrillo, and a bill to designate the Juan Bautista De Anza Trail as a component of the National Trail System. I am proud to be an original cosponsor of both of these bills.

On September 28, 1542, Juan Rodriguez Cabrillo sailed an armada of ships into the natural port of what is now the modern city of San Diego, becoming the first European to explore by sea the coast of what would eventually become the great State of California.

Juan Rodriguez Carbrillo is remembered not only for being the first to explore and navigate the coast of California as far up as present-day Humboldt County, the first to chart the sea routes from Mexico to California, and the leader of the first European expedition to settle and colonize California, but also, through his contact with the Chumash Indian society near present-day Santa Barbara, he earned a permanent place in my State's history for the role he played in our understanding of California's vital Native American heritage.

In cosponsoring this resolution, which calls for the U.S. Postal Service to issue a stamp in 1992 to commemorate Juan Rodriguez Cabrillo's important role in California's and America's history, I particularly wish to commend the Cabrillo Civic Clubs of California, including the Santa Clara County Cabrillo Civic Club based in my home city of San Jose. In the last 50 years, besides keeping alive the name of Juan Rodriguez Cabrillo for new generations of Californians, these dedicated Americans of Portuguese ancestry have served their communities and State as leaders and philanthropists. It is through their leadership that this important resolution is before us today.

Moving forward two centuries in California's history, on September 29, 1775, an expedition of 30 families, 10 soldiers, 116 children, 695 horses and mules, and 355 cattle, led by Juan Bautista De Anza, left Horcasitas, Mexico, on the beginning of a journey which was to take them thousands of miles to San Francisco Bay, an overland journey never before attempted by Spanish settlers. This party was to establish a Presidio, a mission, and a village, to help protect Spain's interests in Alta California.

Miraculously, given the hazards and challenges they faced on this trek, the expedition recorded only one death, that of a woman who died in childbirth early in their journey.

After an arduous trip beyond the then-known outposts of civilization, overcoming many dangers, including drought and cold, the expedition finally arrived at Arroyo de los Dolores, known as Mission Dolores, on June 27, 1776, to begin the task of establishing their lives in this new outpost.

Legislation has been introduced this week which would designate the Juan Bautista De Anza trail as a component of the National Trail System, stretching approximately 1,200 miles from Nogales, Arizona to the San Francisco Bay. The support from public agencies, private organizations and individuals for this designation is overwhelming. I believe it is only proper that the Federal Government join in honoring the brave troupe of settlers, and that their historic journey be remembered.

Those of us proud of our California heritage owe much to the bravery and persistance of explorers such as Juan Rodriguez Cabrillo and Lt. Col. Bautista De Anza.

For their many contributions, these intrepid explorers should be honored, and I am proud to be a sponsor of these important pieces of legislation.

COMMEMORATING THE 85TH ANNIVERSARY CELEBRATION OF HIAS OF BALTIMORE

HON. BENJAMIN L. CARDIN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Friday, September 23, 1988

Mr. CARDIN. Mr. Speaker, on Sunday, October 9, 1988, the Baltimore Office of the Hebrew Immigrant Aid Society will celebrate its 85th year.

HIAS is a service organization providing help to Jewish immigrants who come to this country. Since its inception, HIAS has counseled immigrants and assisted them in settling in the United States.

As World War II approached and Jewish immigration multiplied HIAS increased its services to meet the new demand. HIAS became involved in preparing affidavits of support and other documents necessary for hopeful immigrants to be allowed into the United States. Without the help of HIAS, many of these people might not have been able to leave their countries, and faced death in the Nazi camps.

After the war, HIAS aided Jews who fled the Nazis by processing indemnification and restitution claim cases against the German Government. Thanks in large part to the efforts of HIAS, benefits totaling more than $7 million have been secured for holocaust survivors in the Baltimore area.

HIAS to this day carries on efforts to assist Jews wishing to emigrate to the United States. In addition to preparing documents required by our Government, HIAS assists in the preparation of letters of invitation or "Vysov" letters required by the Soviet Government to apply for passports and permission to emigrate.

From preparing the paperwork necessary to come to our country, to helping immigrants settle in their new homeland, to assisting persecuted refugees obtain their financial settlements, HIAS has performed a vital service for Jews around the world who wish to live in a free society.

I urge my colleagues to join with me today in commending and honoring the work of the Hebrew Immigrant Aid Society of Baltimore for their unfailing efforts. We salute you for your dedication and devotion to making life better for our brothers and sisters.

HONORING THE RETIREMENT OF WILLIAM J. McLAREN OF ADAMS, MA

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, September 23, 1988

Mr. CONTE. Mr. Speaker, I rise today to pay tribute to Mr. William J. McLaren who, after serving 30 years in the northern Berkshire educational community, is retiring. Mr. McLaren has exemplified the ideals of commitment and dedication throughout his 30 years in education.

Mr. McLaren's dedication to the Berkshires is exhibited in the numerous educational positions he has held. As the father of three daughters, Mr. McLaren has a vested interest in our education system. William McLaren began his educational career as a teacher at C.T. Plunkett Junior High School. He later became its guidance director and eventually served as the school's principal from 1963 to 1968. From 1971 to 1981 he was the principal of Hoosac Valley High School. Since 1981 he has been the superintendent of the Adams/Cheshire Regional School District. Mr. Speaker, the Adams/Cheshire Regional School District is losing a true professional. Bill McLaren will be stepping down as superintendent, leaving behind a school system he molded into one of the finest in Berkshire County.

As a member of the Northeast Coalition of Educational Leaders, American Association of School Administrators and the Massachusetts Association of School Superintendents, Bill's involvement in education has continued outside of the classroom.

In addition to his community involvement in education, Bill is an active member of St. Thomas' Parish. Also, he is very active in the financial and economic development presently going on in the northern Berkshires. Bill's involvement with this project led to an appointment on the Economic Task Force by Gov. Michael Dukakis to study the economic potential of the northern Berkshires. Bill's interest and devotion to his community is shown by the number of worthy positions he has held in the past. These include, vice president of the Northern Berkshire United Way, director of umpires for the Adams Little League and director of the Northern Berkshire Mental Health Association. All these activities leave him little free time.

He does however, manage to find some extra hours for two of his favorite pastimes—fishing and golfing. While successful at these two sports, folks are often amused by his serious attempts at farming. Thought of as a "Gentleman Farmer," poor Bill unsuccessfully tried his hand at raising chickens and geese. Fortunately, for us, Mr. McLaren is a much better educator than he is a farmer.

Mr. William McLaren is a remarkable man who will be greatly missed. The northern Berkshire community of Massachusetts has been extremely fortunate to receive the fruits of William McLaren's labor.

I salute Bill McLaren. His accomplishments, spurred by his love and dedication for education and humanity, are impressive. His absence will be a loss to all who have learned from him and benefited from his hard work and abundant energy. I wish him a long and happy retirement.

REPEAL SECTION 532(c) OF TAX REFORM ACT OF 1986

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, September 23, 1988

Mr. CRANE. Mr. Speaker, today I have introduced a bill that would bring a sense of fairness and understanding to the Tax Code. Internal Revenue Code section 532(c), added by Congress in 1984, made the accumulated earnings tax applicable, for the first time, to widely held corporations. The legislative history shows that 532(c) was a reasonable congressional response for no true business purpose, but were simply a device to take advantage of the difference between the capital gains tax rate and the dividend tax rate. The investment corporations used their capital to purchase dividend paying stocks of other corporations. The investment corporation, receiving a dividend, was subject only to the nominal tax on the dividend—an effective rate of 6.9 percent—and, instead of paying these dividends to its shareholders, it accumulated the dividends. The investment corporation's policy was to never pay dividends and accordingly, its shares increased in value roughly equal to its dividend income.

Shareholders thus paid no taxes on dividends of the underlying stocks held by the investment corporation but could realize income equivalent to the dividend accumulation by selling their shares. The gain on the sale of those shares was taxable as capital gains 20 percent rather than ordinary dividend income as high as 50 percent. The congressional response to this tax avoidance scheme was the passage of IRC section 532(c) which, for the first time, applied the accumulated earnings tax to widely held corporations. The potential levy of the accumulated earnings penalty rate made the investment corporation an uneconomical means of avoiding taxation and effectively ended these companies thereby ensuring that dividend income would be taxed at the shareholders level of ordinary income rates.

Under the Tax Reform Act of 1986, capital gains would be taxed at the same rate as dividend income. Accordingly, the act also ensures that the investment corporation device, which converts dividend income into capital gains income, is uneconomical. The Tax Reform Act ensures that dividend income will be taxed at ordinary rates, for there will no longer be a difference between capital gains and dividend rates. Under these circumstances, section 532(c) should be repealed.

The continued application of 532(c) is not good public policy in the events of applying the accumulated earnings tax to widely held corporations. In a widely held corporation, the payment of a dividend or the accumulation of funds for expansion, investment or research and development is a decision best left to a board of directors. As a result of the applicability of the accumulated earnings tax to widely held corporations, there may be a tendency for corporations to pay dividends, even when the corporate resources should be husbanded for important future business expenditures.

The ability of the Internal Revenue Service to second-guess the directors by applying the accumulated earnings tax to a widely held corporation should not be the driving force behind a decision regarding dividend policy. Rather, the checks and balances of the marketplace should be allowed to have their natural and free effect on a widely held corporation's board of directors. As such widely held corporations are, by definition, publicly held by many shareholders, it is in the interest of the board to make dividend decisions based on the marketplace and the corporation's business needs. The repeal of section 532(c) will allow corporate directors to determine dividend policy without reference to an unnecessary and punitive application of the accumulated earnings tax.

TV JAZZ PROGRAMMING

HON. WILLIAM (BILL) CLAY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Friday, September 23, 1988

Mr. CLAY. Mr. Speaker, jazz is a unique American art form. I support the suggestion that jazz be given an opportunity to reach a wider audience by airing it on television on a regular basis. In the past, I have encouraged the major television networks to consider jazz television programming. Although this issue has attracted nationwide attention over the years, the networks continue to disregard the potential for jazz television programming.

Recently I received a letter from Mr. Joel Dorham who has worked very hard to promote opportunities for the performance of jazz on prime time television. I would like to share an excerpt from Mr. Dorham's recent letter to the major television networks which outlines some of the reasons for airing jazz on nationwide TV.

In 1977, eleven years ago, Congressman William (Bill) Clay (Dem-Mo), the Subcom-

mittee Chair on Communications, asked your respective networks to give jazz a chance by airing it on a regular basis. This request by the Congressional Black Caucus was initiated by an ad hoc committee that included singer Nancy Wilson, trumpeter Freddy Hubbard, and saxophonists Jackie McLean and John Handy. The issue attracted nationwide attention and we made history as a result.

I will not go into lengthy explanations of your responses (which are enclosed). Briefly, you stated that there were no audience for jazz. That was not true then and it is even less true now.

With the advent of the movie "Round Midnight"—a hit by the way—and the resurgence of jazz nationally, it is even more incumbent upon the networks to find out at least whether or not there is an audience. What may not have occurred to you is that the network that tries jazz first and discovers it is a hit will be way ahead of the others who will later attempt to capture the viewing audience.

With the number of programs failing in 13-week trials, with no assurance that the program will work in the first place, it strikes me as completely dishonest to use the argument against jazz programming, for which we know an audience exists.

Congressman John Conyers (Dem-Mich) contacted President Jimmy Carter's office on the jazz issue. The President made note of this valiant attempt by five Black musicians to get jazz on TV.

I am aware that it is your prerogative to air what you think the public wants. But, at no time in American musical history has a cultural issue attracted so much attention by so many people—George Wein (Newport Jazz Festival), March Fong Eu (Secretary of State, California), the Congressional Black Caucus, National Public Radio, Jimmy Lyons (Monterey Jazz Festival), Dihanne Caroll, Bill Cosby, Willie Brown (Speaker of the California Assembly), and Elihu Harris (California State Assembly).

A regular jazz series on television is eleven years overdue. It is important to acknowledge the millions of Americans who want to see jazz on television.

Mr. Speaker, I continue to encourage the major television networks to include a jazz show in their prime time formats.

THE 250TH ANNIVERSARY OF CHURCHVILLE PRESBYTERIAN CHURCH

HON. HELEN DELICH BENTLEY

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Friday, September 23, 1988

Mrs. BENTLEY. Mr. Speaker, just over 1 year ago we had the great fortune to celebrate the bicentennial of our great Constitution. It was a special day, one which many brave men fought and died that we might see. That document—now yellowed and fading—is our greatest national treasure, born of the words of heroes and the blood of martyrs.

The ideals embodied in that document, however, loom larger than even the Constitution itself. Freedom of assembly, freedom of speech—these things are the backbone of our society. Recently I sponsored a bill which would establish a "Religious Freedom Week." The true importance of this last liberty really hit home for me recently when I was invited to attend an anniversary function at the Churchville Presbyterian Church.

I've had the chance to appear at such functions before, yet this one is truly special. Churchville Presbyterian Church will be 250 years old in October, making it one of the oldest churches in both my district and the State. It predates the Constitution by 50 years. For a quarter of a millenium the various pastors and congregations of the church have exercised the principles of freedom of religion in Maryland—even before there was a United States of America. Though the faces and locations have changed the message of the church has remained steadfast. It gives me great pleasure to honor this church and its venerable vision here.

Churchville Presbyterian Church had its origins at a preaching place called Deer Creek in 1738. A year later the English evangelist George Whitefield journeyed through the area, organizing the followers into a more cohesive unit. By 1759, under the leadership of the Reverend Andrew Bay, the church had moved to its present location. The building itself was without heating or a proper ceiling, yet what it lacked in structure it made up for through the richness of its message.

Over the next two decades the church fell on hard times. Membership was dwindling as families moved away. Funds were limited, and for 25 years the congregation was without a pastor. Yet happier times arrived, and the church grew and prospered under a series of different pastors.

Today the Reverend J. William Kokie serves as pastor. Under his guidance the Churchville Presbyterian Church began such programs as sermons for children, pastoral care, and a campaign to build a new administrative wing. The church has now become one of the backbones of its community spiritually as well as in other ways, and I can say with certainty that the State of Maryland is a much better place as a result of its contributions.

Mr. Speaker, I urge you to join with me in celebrating the pastor and congregation of the Churchville Presbyterian Church on the occasion of this special anniversary. May they have many more in the years to come.

DUKAKIS ON MIA-POW

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, September 23, 1988

Mr. SOLOMON. Mr. Speaker, in order to bring further information to the American public regarding Michael Dukakis' voting history on certain veterans' issues, I would like to insert these facts into today's RECORD.

The Solomon amendment—This controversial Federal Law prohibits federal benefits to individuals who refuse to register with Selective Service. Sixteen states have approved laws similar to the National Solomon Amendment Statute. In 1983, Michael Dukakis vetoed the Massachusetts Solomon Amendment. Under threat of an override, Governor Dukakis allowed the bill to become law the next year, but just like the "Pledge Bill", he refused to sign the legislation into law.

The December 22, 1983, "Boston Herald" editorial entitled "The Duke errs" states, "Gov. Michael S. Dukakis is wrong. The bill making registration for the draft a pre-condition for students applying for state scholarship aid or loans is neither unfair nor an imposition. Though he says so, it might not be unconstitutional either, and in any case, he is not the final authority on that point. So, on several counts, his veto of it was unjustified. All the bill does is require that young men seeking one of the benefits of residency in Massachusetts live up to one of the basic responsibilities of citizenship—to realize that we are a society of laws, and that all of us either obey those laws or accept the consequences of disobedience."

Amnesty Week/MIAs—In 1976, Governor Dukakis signed a bill proclaiming February 22-29, 1976, as Amnesty Week in the Commonwealth of Massachusetts. A provision of the proclamation states, "Many hundreds of thousands of Americans and their families still suffer the effects of that war either by separations or social stigma." The proclamation does not acknowledge the sacrifices of Americans who fought and died in the Vietnam War or the sacrifices of their loved ones. America's veteran's service organizations strongly opposed the measure and a letter dated Feb. 24, 1976, to Governor Dukakis from the State of Massachusetts American Legion states, ". . . we are aghast at your lack of concern for the homes, families and friends of the 50,000 men who have paid the supreme price of patriotism and another 302,600 who have been wounded and the over 1,600 prisoners or those Missing in Action who are still unaccounted for."

Massachusetts "Anti-Vietnam Law"—In 1970, then state legislator, Michael Dukakis voted in favor of legislation (House bill 5165) which declared that inhabitants of Massachusetts in the military forces were not required to serve outside the territorial limits of the U.S. in hostilities not initially authorized by a formal declaration of war (Vietnam). In referring to the bill, Clarence Raymond, then Massachusetts State Commander of the Veterans of Foreign Wars, said, "It is a bit disappointing to see Massachusetts writing headlines for Hanoi newspapers." (Boston Globe, April 3, 1970, p. 18)

It is important for the people of this country to know where Gov. Michael Dukakis stands on these issues.

PHILIPPINE BASE RIGHTS

HON. TOBY ROTH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Friday, September 23, 1988

Mr. ROTH. Mr. Speaker, the Philippines' Foreign Minister Raul Manglapus has made it clear that his preferred approach in renegotiating United States base rights in the Philippines is blackmail. Essentially, he wants the American taxpayer to ante up $1.2 billion to the Aquino government for the privilege of defending the Filipino people and preserving stability in the Pacific region. That's an eightfold increase in the already overly generous payments the United States gives to the Philippines in exchange for base rights for Clark and Subic Bay Bases. This is the gratitude we get for the enormous American generosity toward the Aquino government.

In her excellent article printed in Monday's Washington Post, Jeane Kirkpatrick asks the critical question: How much should the United States have to pay for the privilege of helping to preserve stability in the Pacific region? I urge my colleagues to read Kirkpatrick's insightful analysis of the situation.

[From the Washington Post, Sept. 19, 1988]

THE HIGH PRICE OF PROTECTING OTHERS

(By Jeane Kirkpatrick)

How much should the United States be willing to pay for the privilege of helping to preserve stability in the Pacific region?

Deadlocked talks between the U.S. and Philippine governments should be viewed as an opportunity as well as a problem—an opportunity that gives Americans the chance to rethink what we should do in the Pacific, what we *can* do, and how much we are willing to pay to maintain military bases in regions so remote from our shores.

Although the United States has been extremely supportive of the Aquino government—which it helped bring to power—and although the U.S.-Philippine Military Bases Agreement is not due to be renegotiated until 1991, the Manila government has raised one difficulty after another concerning the Clark Air and Subic naval bases.

Under the guise of a "five-year review," the Philippines is demanding $1.2 billion for continued U.S. use of the bases. The Reagan administration has offered less than half that amount.

The U.S. offer to double its current aid commitment (which is $180 million per year) was brusquely rejected by Philippine Foreign Minister Raul Manglapus, despite the manifest importance of the bases to the Philippines' security and economy and to the stability of the area.

That the Philippine government should pursue a course of confrontation and deadlock against its major benefactor at a time when the country is wracked by civil war and chronic economic depression testifies to the unrealistic expectations of that government and perhaps to the anti-American feelings of its foreign minister.

It is clear that American withdrawal from the bases would have a devastating effect on the morale of Philippine military forces and strengthen its adversary, the revolutionary New People's Army, whose power has spread during the last two years. The Philippine economy, which derives thousands of jobs and more than $500 million in direct income from the bases (and many millions more in intangible benefits from the American presence), can ill afford a U.S. withdrawal.

Why then has Manglapus forced a confrontation and deadlock?

There are several possible explanations for his flat rejection of the U.S. offer.

It may be that Manglapus' nationalism and anti-Americanism blind him to the benefits the Clark and Subic bases bring to the Philippines. This would also explain his outraged rejection of Secretary of State George Shultz's proposal that the Philippines count as "compensation" the $500 million that flows into its economy from base operations.

It may be that Manglapus and Aquino believe the bases are so important to the United States, or that we are such a soft touch, that the American government will finally pay any price demanded in order to maintain them.

It may be that Manglapus finds the American presence so distasteful he is ready to eliminate it regardless of its cost to Philippine society.

The foreign minister's departure for Washington to work with Congress on the mini-Marshall Plan immediately following a stormy session with U.S. Ambassador Nicholas Platt demonstrates his feeling that Washington need not be taken seriously, and that aid will be forthcoming regardless of the disagreement.

Any or all of these motives may be present. For the United States, however, the motives of Manglapus and Aquino are less important than our own. Why do we really want those bases?

The answer is clear. In the Pacific, as elsewhere, the United States seeks not empire or hegemony but to nuture a world of independent, self-governing nations. We do not want any other country to be able to dominate and intimidate the nations of the region. We note that the Soviets today possess the naval base at Vietnam's Cam Ranh Bay that was once ours.

Presumably, the U.S. goal of a Pacific region of independent nations is shared by almost all of the governments in the region. If it is the case that Japan, South Korea and the ASEAN countries share our goal, why should they not join us in collective security arrangements for the region, including maintenance of the Clark and Subic bases?

It is true they would resist such a course. It is true they would rather save their money. But so, of course, would most Americans. It is true they would rather offer economic than military assistance to protect the stability of the region. But so would most Americans.

U.S. bases are not really welcome to the present Philippine government. We should face that fact. Perhaps representatives of a collective security association would be more welcome.

Philippine reluctance has created an excellent opportunity for Japan and other interested, prosperous countries to join together with the United States to provide the security shield and stability America has provided alone since World War II.

Such a regionally based, collective security organization would solve many problems, including the responsible use of Japan's great power.

Our Asian friends can afford to take a larger responsibility for their region. They should do so. It would be good for them and good for us.

HONORING JUSTICE WILLIAM J. BRENNAN, JR.

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, September 23, 1988

Mr. RODINO. Mr. Speaker, last week a very special event took place in my own State of New Jersey. On September 16, Hudson County's historic courthouse was rededicated as the William J. Brennan, Jr., Courthouse. This fitting tribute to Justice Brennan honors the longest serving Justice in the history of the Supreme Court and one of our Nation's most outstanding jurists. It also recognizes an individual who has been a source of great pride to his home State of New Jersey.

Justice Brennan began his long and distinguished tenure on the bench as a superior court judge in Hudson County before his elevation to the New Jersey Supreme Court. In 1956, President Eisenhower appointed Justice Brennan to the U.S. Supreme Court.

Throughout his remarkable career, Bill Brennan has been a dedicated and ardent guardian of the Constitution. His hallmark has been fairness, decency, and an unwavering commitment to justice. In the areas of civil liberties, voting rights, civil rights, and freedom of the press, Bill Brennan has left an indelible mark upon our Nation and in the process, he changed the course of history.

I am privileged to call Bill Brennan my good and longtime friend. We share the same roots as natives of Newark, NJ, and graduates of Barringer High School. I want to join in paying tribute to this great American. The William J. Brennan, Jr., Courthouse will stand as a testimony to Bill's many contributions to our Nation and it will serve as a reminder of his enduring legacy as a protector and defender of the Constitution.

Mr. Speaker, I would like to include in my remarks the following article from the Star Ledger:

[From the Star Ledger, Sept. 17, 1988]

JUSTICE SERVED: HUDSON COURTHOUSE NAMED FOR BRENNAN

(By Patricia Cappon)

Supreme Court Justice William J. Brennan Jr., an ardent guardian of civil rights and civil liberties, was honored in Jersey City yesterday as a jurist whose legal convictions reflected a vision of America at its best.

In the hushed grandeur of Hudson County's historic courthouse rotunda, some 100 lawyers, public officials and fellow jurists gathered for the rededication of the 82-year-old building as Justice William J. Brennan Jr. Courthouse.

Brennan, a former Superior Court judge in Hudson County and a former New Jersey Supreme Court justice, was praised for defending the rights of accused criminals and minorities, securing greater protections for a free press and championing an America of "compassion and dignity for all people."

"It reflects a vision of what America should be and what any society should be," said New Jersey Chief Justice Robert Wilentz.

"It is a vision that has breathed new life into the Constitution, a vision often unpopular, a vision always clear," Wilentz said. "Even his critics must concede that no outside voices controlled or influenced him except the voice of his conscience and the voice of justice."

At 82, Brennan is the court's oldest and longest-serving justice, and one of two remaining liberal voices, along with Justice Thurgood Marshall.

Brennan said he was more than "overwhelmed" by the honor of having his name attached to the courthouse in which he once presided, built the same year he was born.

"I was terribly proud to sit on the New Jersey courts and I'm prouder today than when I did," he said. "All I can say from my heart, it's a great honor and I'm not sure really that I'm deserving of it. Thank you, thank you, thank you very much."

Brennan, a Democrat, recalled his three years as a Superior Court judge in Hudson County, noting his appointments to that court, to the Appellate Division, the state's Supreme Court and to the U.S. Supreme Court were all made by Republicans.

"I leave it to you," he said, as the crowd broke into laughter. "What do I owe the Democrats?"

As those there to honor the justice sang "God Bless America" and hailed Brennan's accomplishments, a few Right to Life advocates and some 75 Hudson county employees demonstrated at the foot of the courthouse steps.

As demonstrators shouted "First-class county, second-class pay," Jack Butranavagh, president of Local 36, which represents 126 sheriff's department, said the union wanted to draw attention to the fact that employees have been working without a contract for nine months.

John Tomicki, executive director of the New Jersey Right to Life Committee, said his group opposed the dedication of the building in Brennan's name because the justice supported the court's landmark decision legalizing abortion.

"This building, which was built for justice, is now dedicated to an injustice," he said.

Inside, Hudson County Executive Robert C. Janiszewski hailed Brennan for his "long and meritorious service" and welcomed him home. He noted that the demonstrators were exercising a right Brennan had helped protect.

"I wonder if those who are parading outside realize that the right to do so was challenged in this country's history and there was a man who stood up to protect their right to peaceably demonstrate."

Janiszewski also lauded the dedication of a coterie of private citizens and others who helped save the courthouse from destruction.

President Dwight Eisenhower appointed Brennan an associate justice of the Supreme Court in 1956.

His liberal views in matters of individual rights helped shape an activist and controversial court majority under the late Chief Justice Earl Warren in the 1950s and 1960s.

Brennan, a native of Newark, received his bachelor of science degree from the University of Pennsylvania and his law degree from Harvard University in 1931.

In 1949, he was appointed by Gov. Alfred Driscoll as a trial judge on the New Jersey Superior Court.

Three years later, he was named an associate justice of the New Jersey Supreme Court.

On the nation's highest court, he has played a pivotal role in defining legal doctrines on racial equality, the protection of First Amendment guarantees, the rights of criminal defendants and voting rights.

Janiszewski traced the history of the building, from its construction at a cost of $3 million in 1906 to its near destruction in the mid 1960s.

In 1966, a small citizens group, Save Our Courthouse, began a campaign to save the courthouse from the ravages of a bleak economy and vandalism. The group lobbied the public and private sector, eventually securing the building a place on the National Register of Historic Places. Restoration began in 1974.

JOHN E. O'MALLEY'S TRIBUTE TO LABOR

HON. JOSEPH D. EARLY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, September 23, 1988

Mr. EARLY. Mr. Speaker, with the celebration of the Labor Day Holiday still fresh in our memories I wanted to share a special poetic piece written by a distinguished and talented writer, Mr. John E. O'Malley. Mr. O'Malley is no longer with us, but he was a well known journalist and longtime resident of Clinton, MA. This piece entitled "Labor Day" illustrates an aspect of the character of this man who many people knew for the column he wrote about the town he loved.

Some may remember this creative piece which pays tribute to the working men and women for it was presented on the Lawrence Welk Television show on September 3, 1966. A copy of John's work was once before printed in the CONGRESSIONAL RECORD along with a warm statement of praise from his friend and neighbor, the late honorable Philip Philbin.

As a tribute to America's working people and to John O'Malley's family and friends, I though it would be fitting to share his words with you again 20 years after his death for they are as appropriate today as they were in 1966.

RECITATION—"LABOR DAY"

(By John E. O'Malley)

The first Monday in September is a holiday! It does not memorialize a battle, nor honor a statesman. It glorifies no particular man or event. It has been set aside for you and me . . . and a hundred million others . . . in a land that's free . . .

Labor Day is just what its name says it is—a day to honor labor—to give honor and recognition to the men and women, who, from the day the Pilgrims landed, have earned their living from the sweat of their brow. Their names are lost in the great book of time, but the fruits of their labor have made a nation subline.

Labor is the motive power of America. Labor has been the steam, the electricity, and the atom power of progress through all of our history. It is the canvas on which has been printed, in glorious color, the future of many races, into a nation of one great ideal—the freedom of man.

Labor was the magic key that unlocked the golden wealth from the hills of California, to sustain this Nation in a dark hour—the key that has nourished this Nation with wheat from the mid-west—the key that cut, and milled, the lumber from the great northwest, to build a million homes—and the key that has clothed rich and poor alike, with the cotton from the south, for the mills of New England.

So it is that our minds go back, on this day, to the hardy adventurers that first landed on our shores—to the hardy frontiersmen who first set a plow in the virgin prairies—to the hard-handed men who laid the first keel for an American ship . . .

What does this memory teach us? It's a lesson for all Americans that must never be lost. We know how great our Nation is—Let us continue to labor to keep it great!

JIM WRIGHT'S DEFENSE OF THE AMERICAN PEOPLE

HON. NORMAN Y. MINETA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 23, 1988

Mr. MINETA. Mr. Speaker, once again the Reagan-Bush administration has resorted, in a fit of red-faced embarrassment, to attacking the Honorable Speaker of the House, JIM WRIGHT, for carrying out his duty as an American and his responsibilities as a Member of this body.

In the absence of either any coherent administration policies or any good faith efforts by the Reagan-Bush administration to seek peace in Central America, Speaker WRIGHT has acted lawfully and in the spirit of our democracy to speak out and seek out a just and lasting peace in that region.

This is in sharp contrast with the Reagan-Bush approach: an approach which has been hell-bent on maintaining a covert, often illegal, military cast of characters which—and make no mistake about it—the American people are overwhelmingly against.

When Speaker WRIGHT learned that the CIA had been trying to subvert the peace process, he did what any American patriot would do: he reported to the American people.

Speaker WRIGHT expressed his shock and anger that the CIA would deliberately cause unrest in order to force the Sandanistas to repress the Nicaraguan people. Such a CIA action would undermine the peace process—which is what the Reagan-Bush administration has wanted all along.

Can the Reagan-Bush administration now be serious in suggesting that Speaker WRIGHT should have covered up the truth about White House and CIA policy?

Didn't Watergate and the Iran-Contra scandal teach the president and vice-president anything about their responsibility to the Constitution and to the American people?

Mr. Speaker, the American people do not want a president or vice-president to play off both sides against the middle for some obscure ideological end while ignoring the desire for a just and lasting peace.

That's how wars get started.

RESOURCE-BASED RELATIVE VALUE SCALE

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, September 23, 1988

Mr. CRANE. Mr. Speaker, in terms of health care, we must work to maintain a high quality as well as a high quantity of service. However, Federal price control over health care, as is discussed in this article about the resource-based relative value scale report [RBRVS], would work in opposition to this goal. Market regulation would only further distort the problems within the industry.

The failings of such a program are apparent. Excellent physicians would not receive

any extra reward for their excellence, thus reducing their incentive to keep up their high standards and hard work. Furthermore, doctors attending to patients who need extra care as a result of the severity of their illness will also not be rewarded. Neither of these two qualifications have a place in the RVS equations. Thus, such a system of Federal control will be detrimental to a system which would be better off left to the normal market controls of supply and demand.

The following article shows the ever-increasing likelihood of federal price control in the health-care industry and discusses the pros and cons of such involvement.

[From the Wall Street Journal, Sept. 9, 1988]

BIG CHANGES PROPOSED FOR DOCTORS' FEES—SURGEONS COULD GET MUCH LESS; GP'S MORE

(By Glenn Ruffenach)

One doctor thinks "all hell will break loose." A second says a "bloodbath" may occur. A third expects nothing less than a civil war pitting "physician against physician."

The event that is supposed to trigger this medical mayhem is scheduled for later this month, when researchers at Harvard University publish the results of a three-year study that may radically alter the way doctors are paid.

Known as the RBRVS study—for Resource-Based Relative Value Scale—the 1,000-page report, which was commissioned by Congress, will show how Medicare might reimburse physicians based on the amount of work or "resources" they expend on a given task. Currently, Medicare payments are based primarily on what physicians have charged for their services in the past.

With doctors' fees now totaling about $110 billion a year and rising 15 percent annually, some health officials and insurers see relative-valued scales as an equitable way to help contain health-care costs.

AN OBJECTIVE APPROACH?

The Harvard study "takes into account the resources that the physician brings to the table," says Dan Dragalin, a doctor and vice president of group medical care at Prudential Insurance Co. of America. "It's the first approach with any degree of objectivity."

The medical community, however, is deeply divided over just how objective that approach might really be. Traditionally, physicians have been paid more for specific medical procedures than for general medical services. For instance, a doctor who detects a stomach ulcer by spending about 30 minutes inserting a tube in a patient might receive $350; a doctor who arrives at the same diagnosis following a 45-minute physical exam might receive $75.

A relative-value system would reduce those disparities by focusing on the time and effort involved—and rewarding doctors accordingly. The result: Some doctors would make less money than they do now; some would make more. Last March, the director of the Harvard study, William C. Hsiao, an economist at the university's School of Public Health, reported that the new system could reduce Medicare payments to some specialists—including surgeons and pathologists—by as much as 20% to 30% and increase payments to other doctors—primarily family physicians and internists—by a similar amount.

Predictably, many doctors in the former group vehemently oppose the Harvard study, while their colleagues in the latter group enthusiastically support it. Taking the middle ground, the American Medical Association says it supports the concept of a relative-value scale, although it hasn't specifically endorsed the work of Prof. Hsiao and his colleagues.

There is no guarantee that the Harvard report will be adopted by Medicare. Both the White House and top federal officials in the Health Care Financing Administration, which administers Medicare, oppose relative-value scales. However, the idea appears to have strong backing in Congress and has been supported by the Physician Payment Review Commission, an independent advisory panel created by Congress in 1985. (The commission and the Department of Health and Human Services are required to submit recommendations to Congress next year on how best to reform physician reimbursement. And whatever their differences, legislators, doctors and third-party payers agree that the current payment system has become unworkable.

Ever since it was set up in 1966, Medicare has based payment to physicians on the lowest of three things: the bill charged: the physician's customary charge (the median of individual charges for the same type of visit or procedure over the previous year); or the prevailing charge in the doctor's locale.

But critics say that this "customary, prevailing and reasonable" method—known as CPR—is difficult to administer and often unfair. "The current system is very complex," says Prof. Hsiao, "and the payments made to physicians are often unpredictable." New doctors, for instance, are sometimes paid more than experienced physicians for the same service; this reflects a history of lower charges among older doctors.

Worst of all—from the viewpoint of Medicare and insurers—the system is inflationary. By linking payments to what a doctor has charged in the past, CPR gives doctors an incentive to boost their fees.

"It's very easy for a group of physicians in a given city to raise" their prices, says Dr. Dragalin at Prudential. "I'm not saying they do it on purpose or sit down and decide. But if you're a physician charging $250 for a procedure, and a physician a mile away is getting away with charging $500, then you're gradually going to raise your fee to $500."

The Harvard proposal attempts to solve these problems by tying doctors' Medicare payments to the amount of work they perform on any given task. To measure work, the researchers developed an equation with four variables: time, mental effort, technical skill and stress. (A doctor's length of training and the cost of his practice—including rent and staff salaries—are also factored into the equation.)

The Harvard researchers then asked more than 3,000 physicians to judge the relative amount of time, mental effort, skill and stress involved in hundreds of procedures. These values would be multiplied by a conversion factor—a fixed dollar amount to be set by Medicare—to determine a doctor's compensation.

Thus, says Prof. Hsiao, If an appendectomy is calculated to be worth 300 units of work, and if Medicare decides one unit is worth $1.50, a surgeon performing such an operation would receive $450.

Proponents say this system could have several advantages. If compensation is reduced for certain procedures—say, bypass surgery—surgeons may have less economic incentive to operate when alternative and less-expensive treatments may be equally effective.

Moreover, by improving pay for primary services—office visits, for example—an RVS "will encourage physicians to spend more time with patients," says Robert B. Doherty, a spokesman for the American Society of Internal Medicine. "That's patients' No. 1 complaint: that physicians don't spend enough time with them."

PERPETUATED FAILINGS

Despite these advantages, linking doctors' income to the relative value of their work perpetuates some of the failings of the current reimbursement system. The new system doesn't account for differences in competency among physicians, and doctors who provide higher quality care won't get paid for it. Severity of illness isn't part of the RVS equation either; doctors who have to work harder because their patients are sicker won't receive more money.

Critics also accuse the Harvard study of being biased. For years, they say, Prof. Hsiao has argued that income should be shifted from so-called proceduralists to primary-care physicians—"and the study just happens to work out that way," says James Moorefield, chairman of the economics commission of the American College of Radiology, a national association of radiologists. "That leads me to be cynical and suspicious about the process."

Will such problems and opposition scuttle a resource-based pay scale? Not entirely, say health experts, a number of whom predict that Congress eventually will adopt a modified version of the Harvard study. "They would use it as a starting point," says Robert J. Becker, a physician and chairman of HealthCare Compare Corp., a cost-management company in Chicago. "It's not a final answer to the problem of physician reimbursement. But there's a desire to see it brought into place."

HOW MUCH DOCTORS CHARGE—AND WHO PAYS

Typical physician charges for selected services and procedures, with approximate times for each task:

Procedure	Time	Charge
Reading a chest x ray	1 minute	$10–15
Office visit with family practitioner.	15 minutes	$25
Office visit with internist	15 minutes	$30
Office visit with psychiatrist.	50 minutes	$100–150
Removing a lipoma [1]	20 minutes	$300
Administering anesthesia during surgery.	1 hour	$400–500
Hernia repair	30 min.–1 hour	$750
Caesarean section	30 min.–1 hour	$1,500
Hip replacement	3 hours	$3,000

[1] A benign tumor under the skin made of fat tissue.

Source: Prudential Insurance Co. of America.

Breakdown of the U.S. health dollar where the money comes from and where it goes, in cents:

	Percent
Who pays:	
Private health insurance	31
Other private	3
Medicaid	10
Other government	14
Medicare	17
Direct payment	25
Where it goes:	
Nursing homes	8
Research, administration	13
Miscellaneous personal health care	20

Physicians' services	20
Hospital care	39

Source: Health Care Financing Administration.

MINORITY ENTERPRISE DEVELOPMENT WEEK

HON. GARY L. ACKERMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, September 23, 1988

Mr. ACKERMAN. Mr. Speaker, the first full week of October has been proclaimed as Minority Enterprise Development Week by President Reagan. I am pleased to congratulate minority businessespeople in Queens County, NY, and across America as they prepare to celebrate this well deserved honor.

My congressional district in Queens County is an unrivaled example of successful minority businesses. Virtually every commercial block in the Seventh District boasts a vibrant, minority-owned business.

Mr. Speaker, the success of the minority-owned businesses in Queens is in part due to the tireless work of Julio Rojas and the staff of the Minority Business Development Center. I thank them for an outstanding job of promoting minority-owned businesses in the Queens County area. Their unwavering commitment to minority-owned businesses is an example to community leaders nationwide.

The Minority Business Center has successfully fulfilled its goal to assist minority businesses in Queens County. Rudy Washington of F.J. Washington Construction and Sonny Parker, president of Tri-Way Securities are successful area businesses and shining examples of the invaluable help the Minority Business Center offers.

Mr. Speaker, I have worked closely with the center over the years and I am proud of its innumerable successes. All businesses in Queens County have benefited from the invaluable help of the Minority Business Development Center.

I ask my colleagues to join me in wishing minority-owned businesses from New York to Hawaii many more profitable years.

ERNEST E. TOTH, ALLENTOWN FIRE CHIEF RETIRES

HON. DON RITTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 23, 1988

Mr. RITTER. Mr. Speaker, Ernie Toth represents something sterling in the American character. He has served his country and his community throughout his long career. Ernie not only served, he trained. For example, he attended the New York Aquatic School which provided Ernie with the background to obtain certification as a life guard and first aid instructor. In addition to rugged training as a firefighter, he always sought additional education and a broader experience to prepare himself to make greater contributions in his service—a service that was literally live-saving for the citizens of the Lehigh Valley.

In the military service, Ernie enlisted in the Marine Corps during World War II and was assigned as a machine gunner in the South Pacific and China. His record includes an outstanding commendation from his commanding general as well as the China War Medal.

Ernie joined the Allentown, PA Fire Department on October 30, 1950 as a firefighter, a position he held until 1957. Subsequently, he worked as an inspector for 2 years and then was appointed one of the first lieutenants authorized under the new civil service program.

He served in that key role for 14 years after which he was appointed as the assistant fire chief in 1974. Ernie retired in 1978 and after feeling the urge to return to public service, in 1980 ran for and was elected to the city council. While on the council he chaired the Public Safety Committee and served on the Legal and Legislative Committee. Upon completion of his 2-year term, Allentown Mayor Joe Daddona appointed Ernie fire chief where he served until this year.

He was a member of the Fire Marshals' Association of North America, Eastern Fire Chiefs, International Fire Chiefs, NFPA, the New York Chiefs' Association and the Lehigh County Emergency Team.

Mr. Speaker, it has been a most pleasurable experience for me to know and work with Ernie and his very special wife Irene. During his years as chief, the fire department moved ahead not only in training and equipment, but most important in rescue operations. Ernie also made considerable progress in establishing a qualified team for hazardous materials response.

He always had time and a listening ear on public safety issues which was his top priority. Therefore, it is fitting and proper for my colleagues to lend an ear today as I pay tribute to Ernie Toth as one who embodies a quiet, faithful dedication to his fellow man. I will miss our working relationship but I know that Ernie and Irene will continue to do all they can, even in retirement, to promote public good will and safety.

Mr. Speaker, at this point I include an editorial from the July 3, 1988 issue of the Allentown Morning Call in honor of Ernie Toth.

SO LONG, ERNIE, AND THANKS A LOT

"I believe this city is losing what will be recorded in history as the best chief the city's ever had."—Allentown Mayor Joseph S. Daddona.

Ernie Toth has been a firefighter for half of his life. He has been as aggressive in the political and adminstrative fights of his 34-year career as he has been on the fire scene. His official retirement on Saturday from the city family will leave a void big enough to drive a ladder truck through. His engery, his dedication to the public and his mountain of expertise will be sorely missed by the city and the people of Allentown.

Allentown Fire Chief Ernest E. Toth surprised the community last month when he announced he was stepping down. It just seems that there has always been an Ernie Toth in a firefighter's gear of some kind. He began in 1950 as a firefighter, a tailboard jockey. He moved up the ladder to fire inspector, lieutenant, assistant chief and then chief—twice. Following a short-lived retirement in 1978—and a brief term on Allentown City Council—Ernie Toth signed back on for another term as chief, answering the call of Mayor Daddona.

The term "public servant" is one that is misused, misinterpreted and all too often used disparagingly. Ernie Toth has been a genuine public servant for three and a half decades. His constituency is his firefighters, for whom he has worked diligently during his career, and the people of this city, whose welfare he has helped protect. He has directed his share of fights—general alarms fires and political brush fires—with equal skill, He's respected by those who work for him and with him, and by those who occasionally find themselves in opposition to him.

It will be a loss to Allentown when Chief Toth pulls his helmet and bunker gear from the rack for the final time. But he has earned a break. Ernie, you gave Allentown your best. Now, Allentown gives you its best.

DALE ADAMS: DUTY, HONOR, COMMITMENT PERSONIFIED

HON. G.V. (SONNY) MONTGOMERY

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Friday, September 23, 1988

Mr. MONTGOMERY. Mr. Speaker, on September 15, it was my privilege to attend a testimonial reception in honor of Denvel D. Adams, the retiring national adjutant of one of our most outstanding veterans' service organizations, the Disabled American Veterans. Never have I witnessed a more stirring nor more deserved tribute to an individual and his career.

Dale Adams has served as national adjutant of the DAV for the past 25 years. In this position, he has managed the day-to-day operations of the organization of wartime disabled veterans which, under his leadership has quadrupled in membership to more than 1 million.

Dale enlisted in the U.S. Army in 1938 and served in the South Pacific during world War II with the 82d Field Artillery, 1st Cavalry Division, including 8 months in Australia. He was discharged due to service-connected disability in 1944.

Dale joined the DAV professional staff as a national service officer in Detroit following his 1945 graduation from American University here in Washington, where he studied veterans' programs. After gaining on-the-job experience in the DAV's Cincinnati and Detroit National Service Offices, Dale was promoted to supervisor of the organization's office in Albuquerque, NM, in 1946.

Dale returned to the Detroit office in 1949 and assumed the position of assistant supervisor in 1958. He was promoted to national service director at the DAV Washington, DC headquarters in 1960 and moved the following year to DAV National Headquarters in Cincinnati with a promotion to assistant national adjutant. In 1962, he was appointed national adjutant.

Mr. Speaker, it should be obvious to anyone after reviewing this very abbreviated version of

Dale Adams' biography that he is special in his understanding of war and the significance of caring for those who serve their country in military service. He has incorporated this personal insight into a brand of leadership that is not likely to be seen again in any organization in our lifetimes.

If there were ever an individual within the arena of veterans' affairs who should be labeled "hero," it is Dale Adams.

Dale Adams pulled the DAV—and I am very tempted to say "singlehandedly"—from a cauldron of troubles that had plagued the organization in the fifties and sixties and he shaped it into one of the finest, most effective, most respected service organizations in the country. His mark on that turnaround is bold and indelible.

I doubt that all DAV members, or many other veterans for that matter, truly realize the strength of Dale Adams' advocacy or the magnitude of his accomplishments. Nor is it likely that they fully understand the extent to which they should be indebted to Dale for the benefits and services they may utilize. This isn't due to a lack of gratitude on their part but, rather, because of a strong leader's modesty and behind-the-scenes approach to managing. It says a great deal about a man when it is sufficient honor to him just to have served rather than to have served in the limelight. Dale Adams is that type of quiet performer. Improved services and service outreach, legislative involvement, administrative excellence, membership growth—he has achieved it all with immeasurable success.

I believe former DAV National Commander Gene Murphy put it best when he called Dale "a fiercely loyal, no-nonsense kind of guy, who expects the best out of the people around him and isn't afraid of a fight."

Dale's working relationship with the Committee on Veterans' Affairs and with me personally has been more than just cooperative; it goes well beyond that. It has been a relationship upon which I have depended heavily for direction and sage counsel. But even more important is what I consider to be the close and lasting friendship that has developed.

In April 1987, I had the pleasure of traveling with Dale Adams and other DAV officials to the Philippine island of Corregidor to investigate reports that the Pacific War Memorial to American and Filipino veterans lay near complete ruin. I believe that trip and the important restoration project that ensured, both instigated by the DAV, are indicative of the type of organization Dale built and the mission he served so well.

Dale Adams is a remarkable man, not so much for his wisdom and expertise and experiences, though they are impressive, but because of his fervent commitment to share them for the benefit of his fellow man.

Mr. Speaker, I know my colleagues will want to join me in wishing for Dale Adams a healthy, happy retirement and extending to him our high commendation for the caliber of his lifelong work.

IN HONOR OF THE MENTAL HEALTH REFERRAL SERVICE OF SOUTHERN CALIFORNIA

HON. MEL LEVINE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 23, 1988

Mr. LEVINE of California. Mr. Speaker, I rise today to ask my colleagues in the U.S. House of Representatives to join me in saluting a unique and vital organization, the Mental Health Referral Service of Southern California as it celebrates its 10th anniversary. Our community is indeed fortunate that this organization, under the leadership of Dr. L. James Grold, is willing to devote its time, energy and enthusiasm, working to improve the lives and well-being of others. The innumerable benefits derived from the Service's dedication has earned it the highest respect and admiration of the entire community.

Approximately 10 years ago, Dr. L. James Grold and several psychiatrists, social workers, and psychologists, got together at his home in Malibu to attempt to develop a program which would help those individuals in southern California who are at a loss as to the type of therapist or agency that would best fit with their mental health problems or needs.

From this small beginning, and with a minimal budget, Dr. Grold and the other referral resource counselors now help three to 4,000 people per year. These callers are often desperate individuals who do not know the differences between psychologists, psychiatrists, M.F.C.C.'s and social workers. Many are confused and bewildered, and are very grateful for this fine community service.

A referral resource counselor is available 24 hours a day, 7 days a week, to help the individual find either an agency or a therapist in his or her area. The potential therapist's credentials have been checked out by the Service and they have been screened and interviewed.

Each therapist on the panel in the southern California area has agreed to help the individual callers and is willing to work on a sliding fee scale, according to a person's financial situation.

The Mental Health Referral Service extends to include all of southern California and it does receive calls from the northern part of the State. It frequently assists individuals from California to find therapists in other states when they are relocating.

I would like to extend my heartiest congratulations to the Mental Health Referral Service of Southern California and its members as they celebrate their 10th anniversary.

THE FIGHT FOR FREEDOM IN NICARAGUA

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, September 23, 1988

Mr. COURTER. Mr. Speaker, in the long and often acrimonious debate over Nicaragua and United States policy toward the Sandinista dictatorship, there has been almost complete agreement on one political factor. That is the need to support Nicaragua's civic opposition—the democratic political parties and labor unions which have fought, protested, suffered and lost lives in the struggle for democracy.

European governments and political parties support the civic opposition. So do Latin neighbors. Democrats and Republicans in Congress support this movement, as does the National Endowment for Democracy and its component institutions.

Only the Communist Government of Nicaragua—the Sandinista Party—opposes this movement. The Sandinistas, as totalitarians, claim to represent all of Nicaragua, so they accuse political opponents of being tools of foreign powers such as the United States. Opposition becomes tantamount to treason.

Tensions are high in Nicaragua today. The Sandinistas joined their Central American neighbors in a regional accord and clearly pledged to open their political system. The civic opposition has demanded compliance. How is the peace process doing? A demonstration in Nandaime, Nicaragua on July 10, a cry for democracy, landed 39 members of the opposition in jail.

With the Communists riding high and Nicaraguan democrats intimidated or in jail, Speaker JIM WRIGHT saw fit to state on September 20 that "clear testimony from CIA people" shows that "agents of our Government have assisted in organizing the kinds of anti-Government demonstrations that have been calculated to stimulate and provoke arrests."

No statement could be more injurious to democratic political parties or free trade unions in Nicaragua or more directly suited to the interests of the Communist government. No statement could be more irresponsible coming from this high elected official of the Democratic Party.

I don't serve on the Intelligence Committee, so I don't know if the Speaker's statement is true or not.

However, if the CIA is supporting Nicaragua's democratic opposition movement, the Speaker has the prerogative to oppose this policy through the legislative process.

If it is untrue that "testimony" attests to these CIA activities, then the Speaker's statement is all the more appalling for its falsehood. And it may indeed be false: the Speaker and his staff deny that he leaked Intelligence Committee testimony, yet they produce no evidence that this testimony occurred in any other place.

The Speaker prides himself on his knowledge of Spanish and his deep understanding of Central American politics. Surely he understood what he was doing when tied Nicaraguan democrats to the CIA. He played the Sandinista game, as we see from the reception his statement got in Nicaragua. The Communist press headlined the Speaker's statement as confirmation that the democratic opposition is a tool of the U.S. Embassy.

I support the call for the Committee on Standards of Official Conduct and the Intelligence Committee to determine whether the Speaker has violated House rules by disclosing classified information.

More important, however, are the consequences of the Speaker's actions in Nicaragua. It is probably impossible to undo the damage done. The Communists are clearly overjoyed while their democratic opponents wonder why an American parliamentary leader sides with their oppressors.

The Speaker's reprehensible statement puts a special burden on members of the Democratic Party to show that they disagree with their elected leader. The Speaker has added his weight and prestige to the Sandinista side of Nicarguan politics. I call on my colleagues to repudiate the Speaker's statement and demonstrate that a bipartisan majority of the United States Congress recognizes that the desire for democracy is the driving force behind the Nicaraguan opposition. To imply that these Nicaraguan patriots are tools of the CIA is an insult and a betrayal of the democratic cause which our Speaker claims to support.

CONGRATULATE KENTUCKY EDUCATION TELEVISION

HON. LARRY J. HOPKINS

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Friday, September 23, 1988

Mr. HOPKINS. Mr. Speaker, I rise today to congratulate Kentucky Educational Television [KET].

Started as the largest and most functional State-owned educational television network in the world, the vision that gave it such an auspicious beginning continues today as it celebrates its 20th anniversary.

The citizens of Kentucky have a current commitment to build a statewide satellite television network, which they are today celebrating with a groundbreaking for a new telecommunications center. This satellite television network will far surpass any other State's effort in using technology to improve education. The Federal Government should recognize and support this effort as it directly supports the intent of the Federal legislation.

KET has been a pioneer and leader in educational television for 20 years. Currently 44 States, the Federal Corrections System, and the Armed Forces use KET's GED on TV series. More than 500,000 adults in the United States have benefited directly from our series since it was first released in 1975, resulting in an economic impact of increased income of over $1 billion dollars annually.

In addition, Kentucky is the founding member of the Satellite Educational Resources Consortium [SERC], which so far has 20 States as members. Through SERC, Kentucky will share its courseware and expertise nationally.

Through its nationally acclaimed GED, "Adult Literacy and Dropout Prevention" series, KET is making a positive difference, as indicated by the fact that thousands of adults have begun working toward high school equivalency degrees. They reached beyond their dreams to achieve what they once thought was an elusive idea, an impossible dream—an education.

And for a whole new generation of youngsters, the network's in-school programming represents a dramatic extension of the daily curriculum in 98 percent of Kentucky's public and private elementary and secondary schools.

KET has provided educational opportunities and the fulfillment of dreams for thousands of adults. KET continues to be one of the truly bright spots in our State's public learning system. Their 20th anniversary is only the first of many which will continue to bring progress and pride to Kentucky.

SIKH MASSACRE

HON. DAN BURTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 23, 1988

Mr. BURTON of Indiana. Mr. Speaker, I am placing this press release in the RECORD to help draw attention to the lack of respect for human rights by the Indian Government toward the Sikh people living in India. It is sad that the Indian people will not have an opportunity to read about this tragedy because the Indian Government has placed so many Draconian restrictions on the Indian press. It appears that Prime Minister Gandhi is trying to emulate his ally, the Soviet Union, in every repressive way possible. I call on the Indian Government to issue a full report on this alleged massacre.

SIKH STUDENTS MASSACRED IN INDIA

News was relayed from India that Sikh students at an engineering college in western India have been the victims of violence which was suspected to be politically organized. The incident took place at the Guru Nanak Engineering College in the city of Bider, Maharashtra, which is ruled by the Congress-I party. This is India's ruling party of which Prime Minister Rajiv Gandhi is head.

Thirty bodies have reportedly been found dead so far, with another one hundred-fifty missing. All of the victims were Sikh students in their early twenties. This is a repetition of the Delhi genocide of November 1984, in which 20,000 were killed by Congress-I organized death squads. Not surprisingly, some of the organizers of these death squads were later rewarded cabinet level positions in the Indian government.

This latest incident went unreported in India, as the Indian government has again failed to report the mass murders which afflict the Sikh people. This again signals the complete control of the media and press by the Indian government.

The reported number of Sikhs killed this year in India is around 1,500, with many more missing. Over 80,000 Sikhs have been killed since the attack on the Golden Temple in 1984.—Dr. Gurmit Singh Aulakh, President, Council of Khalistan.

THE FAMILY

HON. NANCY PELOSI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 23, 1988

Ms. PELOSI. Mr. Speaker, today I rise in support of American families.

We have pending several bills that would assist all Americans. One important bill, to raise the minimum wage, would help families make ends meet. Another bill, the Family and Medical Leave Act, would make employment more secure for working parents and expand family rights.

Mr. Speaker, we have heard much talk and many promises during the past months from Mr. BUSH regarding our families and how he will work for our families. Is Mr. BUSH encouraging his colleagues to act on any of these bills? No.

Election year rhetoric is one thing and action is another. It is time for congressional action on bills such as the minimum wage bill, the Family and Medical Leave Act, and the act for better child care, so that we can make a difference in people's lives and show that we care about American families.

ESTABLISHING THE DE ANZA NATIONAL HISTORIC TRAIL

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 23, 1988

Mr. MILLER of California. Mr. Speaker, today I am introducing legislation to designate the Juan Bautista De Anza Trail as part of the National Historic Trail System. Joining me as cosponsors of this important bill are 24 of my colleagues from Arizona and California.

The De Anza Trail would follow a route of approximately 1,200 miles, beginning in Nogales, AZ, and extending to the San Francisco Bay area. The trail follows the approximate route that De Anza followed in his 1775–1776 expedition.

The De Anza expedition helped make possible an overland route from Mexico to the then unsettled portion of California, and it led to the settlement of northern California. Carried out under adverse conditions and in virtually unknown territory, the De Anza expedition was a truly remarkable achievement.

There is a great deal of support among local citizens groups all along the trail's route for incorporating the trail into the National Historic Trail System. George Cardinet, one of my constituents and the executive director of the Heritage Trails Fund, has been a key force in organizing citizen support for the trail and in helping groups delineate the trail's route. There is a true grassroots movement advocating designation of the De Anza Trail.

The administration has done a study of the De Anza Trail proposal and supports incorporating it into the National Trail System as well.

I recognize there is little time to enact legislation this Congress. I am, therefore, inviting your support for this measure so that we may move quickly on this bill during the 101st Congress.

THE CONTROLLER PERFORMANCE RESEARCH ACT

HON. MARGE ROUKEMA

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, September 23, 1988

Mrs. ROUKEMA. Mr. Speaker, this week the House of Representatives passed H.R. 3779, the Controller Performance Research Act. As a cosponsor of this legislation, I am pleased that this body has taken another important step to improve air safety.

Since deregulation of the airline industry in 1978, our Nation's airspace has become increasingly crowded, complex, and modernized. As air traffic controllers continue to be put under enormous stress due to a dramatic increase in air travel, it has proved difficult for many of them to receive the proper training and research needed to interface with an increasingly automated air traffic control system. This situation is particularly unsettling to my constituents in northern New Jersey. The airspace over my district is among the busiest in the world.

We need additional air traffic controllers, but we also need the increased commitment to research and training, as provided in H.R. 3779. We must realize that the air traffic controllers of 1988 will meet technological challenges which their counterparts did not face in 1978. This bill is an important element in the Federal Government's commitment to air safety. With the staggering number of near-misses in the skies over our communities during the last year, this legislation is particularly timely.

I hope all of my colleagues will join me in urging the Senate to pass this legislation. Congress must continue to respond to the challenge to improve air safety.

IN RECOGNITION OF LEON TRANSEAU FOR HIS EFFORTS IN BEHALF OF BUSINESS IN AMERICA

HON. TOM DeLAY

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, September 23, 1988

Mr. DELAY. Mr. Speaker, today I would like to commend Dr. Leon Transeau for his diligent efforts on behalf of business in America. Dr. Transeau is the Division Chief for Directives and Regulatory Management in the Department of the Interior.

Mr. Speaker, Lee Transeau is a unique individual because he has taken it upon himself to fight the bureaucracy even though he is a bureaucrat. Although his job is dependent upon the perpetuation of the bureaucracy, he has continually fought to reduce the bureaucratic burden on businesses that must fill out Government paperwork.

His most recent accomplishment has been a recently implemented proposal requiring that all Federal forms include a "burden statement" printed on the front of the form. The burden statement states the amount of time the Government estimates it will take to fill out the form. It also includes instructions for submitting public comments to the Federal Government if the estimate is inaccurate.

When Lee first proposed this idea, the comments around the Government were overwhelmingly negative. The only exceptions to this were from the Small Business Administration, which strongly supported the idea, and from the Department of Education, that stated that they had no objection. The objections heard from the other departments and agencies were uniformly absurd and negative. Some were concerned that it would involve additional work for the bureaucracy, that it would take up space on the form in which respondents could doodle, that the forms would have to be redesigned, and that the public already had the opportunity to object by reading and responding to regulations printed in the Federal Register. How many American citizens do you think read the Federal Register? Some of the most adamant opposition to the burden statement came from the Internal Revenue Service. Apparently, they will suffer the greatest embarrassment when the public discovers how little time the IRS thinks Americans spend on tax compliance.

Indeed, the IRS has just released a study in which they admit that they have been underestimating the time required to fill out income tax forms by a factor of seven. There is little doubt that the diligent efforts of Mr. Transeau forced this confession by the IRS.

Unfortunately, many bureaucrats feel that the American people should jump through any and every hoop that is placed before them by the Federal Government. Unfortunately, they have it backward. Lee Transeau is doing more than his part to reduce the government burden on the American public. Unfortunately, he has gotten little recognition for his efforts. Although he may have few friends in the bureaucracy, he certainly has my friendship and that of thousands of businesses across the land trying to compete and provide real jobs for thousands of Americans. I commend Lee for his public service and dedication to principles rather than shortsighted self interests. I hope that others will recognize his efforts and support him in his lonesome endeavor.

A STEP BACKWARD FOR TAIWAN

HON. JOHN EDWARD PORTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, September 23, 1988

Mr. PORTER. Mr. Speaker, I am disturbed by a recent incident which unfortunately signifies a step backward in Taiwan's progress toward the development of full democracy.

On August 29, police in Taipei forcefully arrested Dr. Hung Chi-chang, a member of the national assembly and a strong supporter of human rights. The police entered his home, used tear gas against his wife and elderly parents, damaged his property, and severly cut his right hand.

Dr. Hung was indicted with two other members of the Democratic People's Party in connection with a demonstration held on June 12, 1987 to protest the national security law and to call for a reelection of the national legislative bodies. State Department and nonpartisan human rights organizations report that the three defendants did not support, participate, or promote any violence. It appears that they were indicted solely for the peaceful expression of their political views.

Mr. Speaker, as cochairman of the 160-member Congressional Human Rights Caucus, I encourage the Government of the Republic of China to reconsider their prosecution and to condemn the use of violence against Dr. Hung and his family.

DR. WILLIAM SIMMONS HONORED BY AMERICAN ASSOCIATION OF SCHOOL ADMINISTRATORS

HON. SANDER M. LEVIN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, September 23, 1988

Mr. LEVIN of Michigan. Mr. Speaker, on Monday, September 26, there will be a reception honoring Dr. William Simmons marking his receipt of the James R. Kirkpatrick Governmental Relations Award from the American Association of School Administrators.

No one could be more deserving. By recognizing Bill Simmons, society is commending hard work and dedication. It is saying to our citizenry that it is honorable, indeed essential, for talented people to join in the training of our next generation and to use those talents to climb up the ladder of responsibility.

Bill has surely made that climb successfully, and as he has risen he has shown unswerving dedication to opening up opportunities for those who have found barriers to their aspirations.

I knew Bill first when he was the unusually effective Detroit assistant superintendent for Federal and State relations. He was a leader in Lansing in efforts to reform how elementary and secondary education is financed and structured.

Today, I see him in Washington, working on behalf of the general and particular needs of the 380,000 students and the staff of the Wayne County Intermediate School District. Like so many others, when I need expertise, I call Bill Simmons.

Most recently, he has spread his activities to the field of higher education through his service as chairman of the Eastern Michigan Board of Regents. That greater institution is certainly richer for his leadership.

In a word, kids have a best friend in Bill Simmons. He has cared deeply about their education and acted on that commitment for more than 40 years. Hundreds of thousands of young lives have been directly benefited by his efforts. What greater fulfillment could anyone ask of a career?

TAIWAN'S NATIONAL DAY

HON. CHARLES ROSE

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 23, 1988

Mr. ROSE. Mr. Speaker, I would like to call attention to the upcoming celebration of Taiwan's National Day, the 77th anniversary of the Republic of China, on Monday, October 10. The President of Taiwan, the Honorable Lee Teng-hui, and Taiwan's new Ambassador to the United States, the Honorable Ding Mou-shih, deserve our admiration, praise and, above all, our support during the economic and political challenges to come. I do not exaggerage in listing the following accomplishments attained by Taiwan:

First. Economic growth rates over the last three decades have averaged nearly 9 percent annually;

Second. Per capita income for 1988 is estimated to be U.S. dollars 6,000;

Third. Taiwan is currently our fifth largest trading partner;

Fourth. Taiwan is democratizing rapidly and is liberalizing its trade and financial regulations;

Fifth. Taiwan has one of the highest standards of living in all of Asia.

Taiwan, like the United States, is truly a land of opportunity and deserves our continued support and cooperation in the years to come. Many of us in the Congress strongly affirm Taiwan's liberalization policies and its economic stature, and we proclaim our intention to continue developing the United States' long relationship with Taiwan.