SENATE—*Tuesday, June 13, 1989*

(Legislative day of Tuesday, January 3, 1989)

The Senate met at 11:30 a.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. BYRD].

The PRESIDENT pro tempore. Today's prayer will be offered by guest chaplain, Rabbi Stephen Pinsky, Temple Israel, Minneapolis, MN.

PRAYER

Rabbi Stephen Pinsky, Temple Israel, Minneapolis, MN, offered the following prayer:

Let us pray:

Our G-d and the G-d who links us generation to generation, soul to soul, heart to heart:

As we begin this day's session of this Senate, let us pause to reflect upon our lives and upon our Nation—upon its dreams and its promise.

We are thankful for this new day and for this season of the year as the days grow longer and the pace of our lives slow just a bit as the Earth warms and cares seem softened by the Sun's lengthening rays.

And we are grateful for the lives we lead, for our homes which offer us safe havens from life's inevitable storms, for our families which give life purpose and meaning, for our Nation, this Republic with its "amber waves of grain," its "purple mountain majesty," its patriot's dream, its alabaster cities, its citizens proud and free, its institutions democratic and open.

And although this Nation celebrates a vision of "one nation under G-d," we know all too well that our society, being a creation of men and women, does not yet reflect that which a nation under G-d must reflect.

Our streets are too often filled with violence and a spreading sense of valuelessness and despair. Our people are not yet one nor do all share equally Your gifts to our Nation and our land. There is hunger, there is fear, there is poverty of the body and of the spirit.

Give us, O G-d, the ability to feel the pain of others, to reach out to them, to share our blessings with them. Help us to build a society based on equity and justice, on righteousness and peace. Give us that wisdom, that breadth of vision, which shall enable us to understand that if the cost of turning our land into a garden seems high to some, the price of making it a desert is higher still.

Grant the men and women of this Senate the strength and the courage to do what must be done so that this Nation, this blessed land, may represent the very finest and the very best, that it may, indeed, become "one nation under G-d." Bless the work of their hands, the Nation which we love so deeply and of which we are so proud so that all G-d's children will some day sit at His table and drink the wine of deliverance and eat the bread of freedom.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The majority leader is recognized.

THE JOURNAL

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

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

Mr. MITCHELL. Mr. President, on behalf of the Members of the Senate, I thank Rabbi Pinsky for his presence here today and for this thoughtful and inspirational message. I now yield to the distinguished Senator from Minnesota [Mr. BOSCHWITZ].

THE VISITING CHAPLAIN'S PRAYER

Mr. BOSCHWITZ. I thank the majority leader, Mr. President. I also found the rabbi's prayer inspirational, as I so often do. I am a member of his congregation in Minneapolis, and I am proud to say that he is my rabbi and that he is here today to open the Senate. We look forward to today visiting together here in the Senate, and we look forward to having him again here in Washington. I yield the floor.

ORDER OF PROCEDURE

Mr. MITCHELL. Mr. President, following the time for the two leaders, there will be a period for the transaction of morning business not to extend beyond 12:30 p.m., with Senators permitted to speak therein for up to 5 minutes each.

The Senate will recess today from 12:30 to 2:15 p.m. to accommodate the party conferences.

Mr. President, following consultation with the distinguished Republican leader, I will shortly propound a unanimous-consent agreement, which if agreed to, would provide that the vote on the motion to invoke cloture on the natural gas deregulation bill be vitiated; that all remaining amendments to this bill, except the Bradley amendment, be disposed of today; and that final passage occur tomorrow following disposition of the Bradley amendment and after 2 additional hours of debate on the bill.

The agreement would also provide for the consideration of the nomination of Richard Burt to be Ambassador to the START talks following disposition of the natural gas bill, and also that the Senate then proceed to the consideration of S. 5, the child care bill, following the disposition of the Burt nomination.

UNANIMOUS-CONSENT REQUEST

Mr. MITCHELL. Mr. President, I ask unanimous consent that the cloture vote on H.R. 1722 be vitiated; that at 2:15 p.m. today, when the Senate resumes consideration of the bill, the committee amendments be agreed to without debate; that Senator METZENBAUM then be permitted to offer up to four amendments described as follows, on each of which there will be 1 hour equally divided: First, an amendment described as take or pay. It declares that take-or-pay liabilities may not legally be passed through to consumers by the pipeline unless the Federal Energy Regulatory Commission finds those liabilities to be just and reasonable.

Second, an amendment described as indefinite price escalators. It declares that indefinite escalator liabilities may not legally be passed through to consumers by the pipeline unless the Federal Energy Regulatory Commission finds those liabilities to be just and reasonable.

Third, an amendment to prevent the passthrough of costs incurred by pipelines that resulted from violations of environmental law.

And fourth, an amendment to require the decontrol of certain high-priced gas immediately.

I further ask unanimous consent that Senator BRADLEY be permitted to offer one amendment regarding gas transportation authority on which there be 1 hour equally divided.

I further ask unanimous consent that all these amendments, except the Bradley amendment, be considered and disposed of during the Senate session on Tuesday and that no other amendments, motions to recommit, or other motions, except motions to table and motions to reconsider, be in order with respect to this bill; that the

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

AUTHENTICATED U.S. GOVERNMENT INFORMATION GPO

agreement be in the usual form with respect to control and division of time.

ORDERS FOR WEDNESDAY

I further ask unanimous consent that when the Senate recesses at the conclusion of Tuesday's session, it stand in recess until 9 a.m. on Wednesday; that following the conclusion of the leaders' time, there be a period of morning business not to extend beyond 9:30 a.m. with Senators permitted to speak therein for not to exceed 5 minutes each, and that at 9:30, the Senate resume consideration of the pending business, H.R. 1722; that Senator BRADLEY be recognized to offer his amendment, and that following the disposition of the Bradley amendment, there be up to 2 hours allocated for debate only equally divided and controlled between Senators JOHNSTON and METZENBAUM with a rollcall vote expected to occur on final passage of the bill at the conclusion or yielding back of the time.

I further ask unanimous consent, as in executive session, that following the disposition of the natural gas bill, the Senate turn to the consideration of the nomination of Richard R. Burt to serve as head of the delegation on nuclear and space talks and chief negotiator on strategic nuclear arms; that there be 2 hours of debate to be equally divided between the chairman and ranking member of the Committee on Foreign Relations or their designees, and that at the conclusion or yielding back of the time, the Senate proceed without any intervening business to a vote on the nomination, that the President be immediately notified of the Senate's action, and that the Senate then return to legislative business.

Finally, Mr. President, I further ask unanimous consent that following the disposition of the Burt nomination, the Senate proceed to consideration of Calendar item No. 43, S. 5, a bill to provide for a Federal program for the improvement of child care.

The PRESIDENT pro tempore. Is there objection to the agreement as propounded by the majority leader?

Mr. DOLE. Mr. President, I have indicated to the majority leader that I would be constrained to object on behalf of a Member at this time. I hopefully do not see any problem with the first two parts of the agreement. I am not certain I can accommodate the leader with reference to child care. I do not believe there will be a problem taking that up, but since the Finance Committee has not yet marked up what could become in part a substitute, I do not believe I could enter into that part of the agreement. But I have yet to be able to contact Senator HELMS with reference to the Burt nomination. He has indicated to the Secretary of State, Jim Baker, that he would not hold it up. He may want to debate; he may want a rollcall on the nomination; and I hope to get back to the majority leader before the policy luncheon recess on those provisions.

The PRESIDENT pro tempore. Does the Chair hear an objection?

Mr. DOLE. I object.

The PRESIDENT pro tempore. Objection is heard.

UNANIMOUS-CONSENT REQUEST, AS MODIFIED

Mr. MITCHELL. Mr. President, since the Republican leader's objections relate to those portions of the proposed agreement which involve the disposition of the Burt nomination and then proceeding to S. 5, I would like to inquire of the distinguished Republican leader whether he would in fact agree to the remaining portion of the agreement which deals with the disposition of the Natural Gas Decontrol Act, and that if we might not now get agreement on that so then Senators who at the present time anticipate a cloture vote at or about 2:45 could be aware of the sequence of events with respect to that and we would take care of disposition of that. So I inquire of the distinguished Republican leader whether or not he might agree to that, and then I would therefore propose the agreement limited to the Natural Gas Act.

Mr. DOLE. Mr. President, if the majority leader will yield, I have no objection. In fact, I agree with the distinguished majority leader it would be helpful if we could get the agreement on the natural gas portion of the proposed consent agreement. Certainly I share the concerns of the majority leader. We need to notify Members, and this will put all Members on notice, including the managers. So I agree.

Mr. MITCHELL. Accordingly, Mr. President, I renew my request for unanimous consent regarding the disposition of the Natural Gas Decontrol Act as previously stated.

The PRESIDENT pro tempore. Is there objection to the modified agreement as proposed by the majority leader, Mr. MITCHELL?

Hearing no objection, that will be the order of the Senate.

Mr. MITCHELL. Mr. President, I thank the Republican leader. Therefore, Senators should be aware that there will not be a cloture vote at 2:45 today, as previously scheduled, but there will be up to four votes on amendments to be offered by Senator METZENBAUM which I have identified in general terms in the agreement, and I would expect those votes to occur between the period of approximately 3:30 and 6:30 this evening, depending upon how much time is taken with respect to those amendments.

Then tomorrow morning there will be the possibility of two rollcall votes, one on the Bradley amendment and one on final passage of the Natural Gas Decontrol Act. I hope, before we break for the party conferences today, we will be able to get back with the Republican leader and deal with the disposition of the Burt nomination at that time.

Mr. DOLE. Will the majority leader yield?

Mr. MITCHELL. Yes.

Mr. DOLE. I believe it is tomorrow morning that we have another important bicentennial event. I believe it starts at 10 a.m., if I might ask the Presiding Officer. 10:30?

The PRESIDENT pro tempore. That is my understanding.

Mr. DOLE. I hope during that time, if we are going to have a good attendance, there is some way we could discourage committee meetings. If there are committee meetings, Members feel compelled to go. It is a rather historic event that is going to be happening, and, if there were some way to persuade our colleagues to have their committee meetings in the afternoon, I would try to get consent to do that.

Mr. MITCHELL. Let me consider that and perhaps get back to the Republican leader shortly after the party caucuses today.

The PRESIDENT pro tempore. The Chair should state to the Republican leader that the Chair is not sure as to when the program to which the Republican leader has referred begins on tomorrow.

Mr. DOLE. We have rechecked the information, and it is our information it does start at 10:30.

Mr. MITCHELL. Mr. President, I am now advised that the distinguished leader is prepared to agree to a unanimous-consent request regarding the nomination of Richard Burt, and I therefore now will propound an agreement with respect to that subject.

UNANIMOUS-CONSENT AGREEMENT

Mr. MITCHELL. Mr. President, as in executive session, I ask unanimous consent that at such time as the Senate considers the nomination of Richard R. Burt to serve as Head of Delegation on Nuclear and Space Talks and Chief Negotiator on Strategic Nuclear Arms there be 1 hour of debate to be equally divided between the chairman and ranking member of the Committee on Foreign Relations or their designees, and that at conclusion or yielding back of time the Senate proceed without any intervening business to a vote on the nomination; that the President be immediately notified of the Senate's action; and that the Senate then return to legislative session.

The PRESIDENT pro tempore. Is there objection to the proposal as submitted by the majority leader, Mr. MITCHELL, as in executive session? The Chair hears none, and that will be the order of the Senate.

Mr. DOLE. If the majority leader will yield, there could be a request for a rollcall vote on that nomination. I assume there may be.

Mr. MITCHELL. Yes. I anticipate that. Has the request been approved, Mr. President?

The PRESIDENT pro tempore. It has been approved.

Mr. MITCHELL. I thank the Chair.

I should state to the distinguished Republican leader that it is my intention to proceed to that nomination tomorrow afternoon after completion of the Natural Gas Decontrol Act. That is not included in the agreement. As I understand it, there was some concern expressed on that, and I hope to discuss it further with the Republican leader and other interested Senators prior thereto. That is my present intention.

We will, Mr. President, discuss ways and means by which we can encourage attendance at the ceremony tomorrow morning, and hope to announce them at a later point during the day, including the scheduling of votes tomorrow morning, in such a way as to not detract from the participation at the ceremony.

Mr. President, I reserve the remainder of my leader time, and I yield to the distinguished Republican leader.

RECOGNITION OF THE REPUBLICAN LEADER

The PRESIDENT pro tempore. The Republican leader, Mr. DOLE, is recognized.

WICHITA STATE WINS COLLEGE WORLD SERIES

Mr. DOLE. Mr. President, this past weekend a Kansas tornado roared through Omaha, NE. The good news is, it didn't do any damage, except to the competition at the College World Series.

The tornado was the Wichita State University baseball team which won the NCAA championship on Saturday with a dramatic 5 to 3 victory over a tough Texas Longhorn squad.

Today, the team is being honored with a joyous parade through downtown Wichita. No doubt about it, the Shockers earned it.

I would like to add to the celebration by announcing that President Bush has just extended an invitation to the Shocker team to come visit him in the White House this Friday. I have a feeling the team will be able to make it.

They have earned it, and I certainly look forward to it, and I know my colleague, Senator KASSEBAUM, who made the request, is pleased also.

Despite injuries, the haunting memories of tournament elimination last year, and some rugged competition this year, our Wheat Shockers from Wichita refused to settle for anything less than the world series title; and they proved it, fighting off elimination six times.

Well, mission accomplished—call them national champions.

I want to congratulate coach Gene Stephenson and the entire Shocker team for an inspirational victory. Kansas is enjoying every minute on our field of dreams.

Our State is especially proud that the national baseball crown now rests in the Midwest; for the first time in 23 years it is not in the Sunbelt. And we are also extremely proud that the Shockers are mainly a homegrown product: six of the nine players on the field at clinching-time were Kansans.

Looks like we play some pretty good ball back home, and I believe America agrees.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point stories about their championship and their victory, and I also say that following a visit with President Bush—and I want to thank President Bush for agreeing to see members of the Shocker team and their coaches—it is the hope of Senator KASSEBAUM and myself to bring them to the Nation's Capitol to honor them with a reception.

We invite all of our colleagues to come by and say hello to these outstanding young men.

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

[From USA Today, June 12, 1989]

WINSLOW INSPIRES GRITTY WICHITA WIN

(By John Bannon)

OMAHA.—Two hours earlier, first baseman Bryant Winslow had tried something silly. He had tried to keep playing baseball on a freshly fractured leg.

Now, Winslow was in line to get his reward—a memento of Wichita State's College World Series title.

Winslow, left wrist bandaged tightly, right leg in an inflatable cast, used a crutch to limp forward when his turn came in the awards ceremony.

He is a properly gritty symbol for a plucky Wichita State team that won the school's first national title in any sport with Saturday's 5-3 victory against Texas.

This was a team that arrived in Omaha with two of its top players out with injuries. Center fielder Jim Audley limped around with a sore Achilles tendon. Winslow was playing with a stress fracture in his right leg.

"We're just a competitive bunch," coach Gene Stephenson said. "We were going to keep playing even if we could only put eight guys out there."

The Shockers played seven postseason games in which a loss would have eliminated them. They found a way to win them all.

In the top of the fifth Saturday, Winslow and Texas' Lance Jones collided at first base. The exchange left Winslow with two broken bones in his leg. Still, he wanted to play.

"How many chances are you going to get to play for a title at the College World Series?" he said.

"He just wouldn't come out," Stephenson said. "He refused."

The bravery ended one pitch later when Winslow realized he couldn't put any weight on his leg.

"If you had known Bryant a year ago, you never would have thought he was capable of this," Stephenson said. "He was pampered, sheltered, spoiled. He had to learn dedication."

As Winslow limped out of the game, he had a message for catcher Eric Wedge and pitcher Greg Brummett.

Wedge said, "He told us: 'You guys have got to win this thing. Don't you dare lose this game.' "

Brummett, a Wichita native, was listening.

"Sure, he was an inspiration to us," Brummett said. "You had to be moved by that. I know it put a lump in my throat."

Brummett, a right-handed sinkerball pitcher who won three games and was the tournament's MVP, did his job.

In the final game, Wichita State was just hoping Brummett could last long enough for reliever Jim Newin to take over.

But Newlin, who had saved the Shockers' previous four victories, ended up watching from the bullpen.

Brummett retired the last eight batters in order, wanting to finish what he had started—"more than anything I've ever wanted in my entire life."

That's desire his buddy Winslow fully understood.

[From the Wichita Eagle-Beacon, June 11, 1989]

Team of Destiny.—WSU Shocks: Our National Champs

Against all the odds, the Wichita State University Shockers baseball team is the College World Series national champions. Twice before, the Shocks had fought their way to the series. Over the past 10 years, the Shocks have averaged more wins each season than any other U.S. college team. Still, to get to where they were Saturday afternoon, they had to beat the powerful University of Michigan Wolverines—twice—and the top-ranked Florida State University Seminoles—twice. Finally, they had to face the University of Texas Longhorns, who hadn't lost a game all the way to this year's championship match-up.

Then the Longhorns met the Shockers.

The Shocker victory came despite injuries, fatigue, rain and other adversities that had hampered the team most of the season. Yet the Shocks kept winning, moving almost inexorably, it sometimes seemed, toward Omaha's Rosenblatt Stadium and the College World Series. It was enough to make Coach Gene Stephenson speculate his was a "team of destiny." The feeling must have grown Saturday as the Shockers displayed the grit that had driven the team all season long, and captured the first national sports championship in WSU history.

The victory was all the sweeter because Wichita State's baseball players have their priorities straight: They are scholars first and athletes second. Team members consistently place high on the Athletic Director's Honor Roll, maintaining a 3.0 grade point average or better. This is partly because Coach Stephenson, to his credit, insists that it be so; but it's primarily because the players know the importance of getting an education—that a diploma is worth even more than a College World Series title.

The Shockers' win isn't Wichita's alone; the players come from throughout the

state, representing the strength that comes from diversity. WSU team members are the embodiment, in fact, of the Kansas state motto: "To the stars through difficulties." The Shockers reached the stars in Omaha, and the entire state of Kansas is proud.

The 1989 Wichita State Shockers

Player	Position	Year	Hometown (School)
Pat Meares	88-3B	So.	Salina (Sacred Heart).
Mike Jones	0-3B	So.	Wichita (East).
Jim Audley	OF	So.	Overland Park (SM North).
Mike Lansing	88-2B	Jr.	Casper, Wyo. (Natron Co.).
Mike McDonald	OF-1B	Sr.	Vici, Okla. (Viol).
Jay Haffley	3B-C	Fr.	Hutchinson, Minn. (Hutchinson).
Jeff Bonacquista	OF	Sr.	Pueblo, Colo. (South).
P.J. Forbes	2B-3B	Jr.	Pittsburg (Colgan).
Joey Wilson	OF	Sr.	Anderson, Ind. (Anderson).
Bryant Winslow	1B	So.	Littleton, Colo. (Columbine).
Jeff Williams	P	So.	Wichita (North).
Charlie Glaudrone	P	Fr.	McAlester, Ok. (McAlester).
Todd Dreifort	OF-3B	Fr.	Wichita (Heights).
Greg Brummett	P	Sr.	Wichita (Northwest).
Eric Wedge	C	Jr.	Fort Wayne, Ind. (Northrop).
Mike Wentworth	C	Sr.	Canton, N.Y. (Hugh Williams).
Jeff Bluma	P	Jr.	Duncan, Okla. (Duncan).
Tyler Green	P	Fr.	Denver (Thomas Jefferson).
Darrin Paxton	P	Fr.	Wichita (East).
Brian Buzard	P	Fr.	Neodesha (Neodesha).
Pat Cedeno	P	Sr.	Pittsburg (Pittsburg).
Jim Newlin	P	Jr.	Overland Park (SM South).
Morgan LeClair	P	So.	Mulvane (Mulvane).

Coaches: Gene Stephenson, head coach (Missouri, 1955); Brent Kemnitz, pitching coach (Phillips, 1978); Loren Hibbs, assistant coach (Wichita State, 1984); Gregg Miller, graduate assistant coach (Phillips, 1988); Randy Fox, baseball trainer.

[From the Washington Post, June 11, 1989]

SHOCKERS WIN WORLD SERIES OVER LONGHORNS

OMAHA, June 10.—Wichita State won its first NCAA baseball title today as Greg Brummett tied a record with his third College World Series triumph and Pat Meares hit a two-run homer in a 5-3 victory over error-plagued Texas.

Brummett, 18-2 for the season, allowed six hits and one earned run in becoming the seventh pitcher to get three tournament victories. Brummett, who beat Arkansas by 3-1 and 8-4 earlier in the tournament, struck out six and walked four.

"I had my best stuff probably of the whole series," said Brummett, chosen the tournament's most valuable player. "Three days rest was not enough. I was throwing on guts out there."

Meares' second homer of the tournament and ninth of the year with one on in the fifth broke a 3-3 tie.

"These kids, they tried so hard," Wichita State Coach Gene Stephenson said. "To overcome everything we had to overcome—[outfielder Jeff] Bonacquista out for the season and [shortshop Mike] Lansing out for the season—it was just incredible. I'll be numb for weeks."

Texas ended its season 53-18.

"We didn't play well but you have to credit Brummett for a fine job," Texas Coach Cliff Gustafson said. "The best team is the winner. They did it the hard way."

Wichita State lost to Miami in its only other title game, in 1982. It was the eighth title game for Texas, which has won four times.

Brummett started the game slowly, walking Lance Jones and giving up a single to David Tollison that put runners on first and third. But he picked off Tollison and struck out Scott Bryant and Arthur Butcher.

Bryant, Texas's starting pitcher, was plagued by control troubles, leaving after two-thirds of an inning trailing, 1-0.

COLLEGE WORLD SERIES

AT OMAHA

Double elimination

East Division

Game 1—Florida State 4, North Carolina 2
Game 2—Wichita State 3, Arkansas 1

West Division

Game 3—Texas 7, Long Beach State 1
Game 4—Miami 5, Lousiana State 2

Sundays results

Game 5—Arkansas 7, N. Carolina 3
Game 6—Florida St. 4, Wichita St. 2

Monday's results

Game 7—LSU 8, Long Beach St. 5
Game 8—Texas 12, Miami 2

Tuesday's results

Game 9—Wichita St. 8, Arkansas 4
Game 10—LSU 6, Miami 3

Wednesday's result

Game 11—Wichita State 7, Florida State 4

Thursday's result

Game 12—Texas 12, LSU 7

Friday's result

Game 13—Wichita State 12, Florida St. 9

Saturday's result

Championship

Game 14—Wichita St. 5, Texas 3

Jim Audley walked to lead off for Wichita State, but was caught stealing. Bryant then walked P.J. Forbes, got Mike McDonald to fly out and walked Eric Wedge. Bryant Winslow, playing on a stress fracture in his right leg, followed with a single to left that scored Forbes. It was the first hit in two series games off Bryant.

Wichita made it 3-0 in the second with the help of three Texas errors.

Lance Jones led off with a bunt for Texas in the fifth and collided with Winslow at first, reinjuring Winslow's stress fracture and forcing him to leave the game.

Mike Wilson, Winslow's sub, singled with one out in the fifth and scored when Meares homered.

Texas	ab	r	h	rbi
Jones cf	2	0	1	0
Tollison 2b	4	0	1	0
Bryant dh/p	4	1	1	0
Butcher lf	4	1	1	0
Newkirk 3b	3	1	1	0
Lowery 1b	3	0	1	1
Shults rf	3	0	0	1
Bethea ss	4	0	0	0
Prather c	3	0	0	0
Pate ph	1	0	0	0
Dare p	0	0	0	0
Total	31	3	6	2

Wichita St.	ab	r	h	rbi
Audley cf	3	0	0	0
Forbes 2b	3	1	0	0
McDonald lf	4	0	0	0
Wedge c	3	0	0	0
Winslow 1b	2	0	1	1
Wilson lf	2	1	1	0
Meares ss	3	1	1	2
Dreifort rf	4	0	1	0
Jones 3b	4	1	1	0
Wentworth dh	4	1	2	0
Total	32	5	7	3

Texas	000	201	000	3
Wichita State	120	020	00x	5

E. Newkirk 2, Tollison, Dreifort, Winslow, Bethea. DP: Wichita St. 1. LOB: Texas 6, Wichita St. 8. HR: Meares (9). S: Audley. SF: Lowery.

	IP	H	R	ER	BB	SO
Aggies						
Bryant (L, 1-1)	⅔	1	1	1	4	0
Dare	7⅓	6	4	2	0	7
Shockers						
Brummett (W, 18-2)	9	6	3	1	4	6

WP: Bryant. PB: Wedge.

Umpires: Home, Williams; First, Steiner; Second, Jones; Third, Graham; Left, Raven, Right, Roberts.

Time: 2:59. Attendance: 13,701

[From the Wichita Eagle-Beacon]

STEPHENSON COMPLETES CLIMB TO THE TOP

(By Lauretta McMillen)

Paula Stephenson crouched behind the home-plate screen Saturday with tears of joy squeezing out of the corners of her eyes.

As soon as Greg Brummtt threw the final strike past Texas' Kevin Pate, wife Paula and daughter Ginny were poised to join Gene Stephenson in a celebration of something he has wanted for a long, long time: a College World Series title.

"I just can't believe it," said Paula Stephenson, dabbing at her tears with her yellow Shocker Homer Hankie. "I just never thought we'd get this far."

Gene Stephenson may not have thought so, either, but he certainly wanted to.

"I've been waiting about 11 or 12 years for this," he said, tears of joy lining the laugh lines around his eyes. "I didn't know what I'd do, how I'd react.

"We thought we had it last year, we thought we had it in '82. But we somehow just found a way to get it done this year."

In doing so, the Shocker baseball team took Stephenson to the pinnacle of an already highly successful career.

The victories in the CWS lifted Stephenson's career record to 681-216-3. His .759 winning percentage is third among active coaches behind only Cliff Gustafson of Texas and Gary Ward of Oklahoma State.

After Stephenson's Shocker team eliminated Florida State from the College World Series Friday night, FSU coach Mike Martin did not mince words about his counterpart.

"Gene Stephenson should be bronzed for the job he's done," Martin said after the 12-0 Shocker victory."

"With the stuff he's lost: two starters, plus the guy with the stress fracture on first base, they were still a very good baseball team."

Originally from Guthrie, Okla., Stephenson came to WSU in February 1977 to revive the Shocker program that had been dormant since 1970. Stephenson had been an assistant coach at Oklahoma, where he served under Enos Semore for five years.

When Stephenson was at OU, the Sooners earned four Big Eight Conference titles and five trips to the CWS. They have not been back to Omaha since Stephenson left.

It has been rumored that Stephenson could be Semore's replacement because the Oklahoma coach has come under fire this season. On Saturday, that was the least thing Gene Stephenson wanted to talk about.

"Right now, this is the most important thing to me and I want to savor today," he said.

With WSU's CWS title, the Shockers became the first team outside of the so-called Sun Belt to win the national championship since Ohio State in 1986.

"We've tried for so many years to run a great program and do it in such a way that it would make people proud around the

country," Stephenson said. "Now, it finally happened and we're not going to be second fiddle to anybody."

SALUTE TO THE COLLEGE WORLD SERIES CHAMPIONS

Mrs. KASSEBAUM. Mr. President, today the Shockers of Wichita State University reign as the best college baseball team in America. On Saturday, before a nationwide television audience, the Shockers won the 1989 College World Series, defeating the University of Texas 5 to 3.

Wichita State was not the best known or most highly favored team in the series. They had suffered enough injuries and disappointments the last two seasons to sink many a lesser team. In fact, to follow their fortunes this year you might have thought "backs against the wall" was part of their official name.

By one account, on six different occasions during the postseason, the Shockers were on the verge of elimination. But in the never-say-die tradition for which Kansans, and all champions, are known, Wichita State University fought its way to the top.

Much of the credit goes to the team's coach, Gene Stephenson, who set the example of hard work and dedication for which this team became known. The on-field heroes include pitcher Greg Brummett, who added his name to the record books by winning three games in the series, including the championship game on Saturday.

But this was, in the best sense of the term, a "team effort." I salute the Wichita State University Shockers as a team of heroes who have brought great pride to their school, the city of Wichita, and the State of Kansas. I salute them for their championship season.

NOMINATION OF WILLIAM LUCAS

Mr. DOLE. Mr. President, something is wrong with the nominations process when nominees are treated more like suspects on trial than the considered choices of elected Presidents. We saw it happen to Robert Bork. We saw it happen to John Tower. I hope we are not going to see it happen to Bill Lucas, President Bush's outstanding choice to head up the Justice Department's Civil Rights Division.

On June 1, the Judiciary Committee asked the Justice Department to release documents relating to Bill Lucas's background. Such a request is not unusual—particularly for Justice nominees. But what is unusual is the incredibly broad scope of the request. The request covers employment records, court documents, personal documents, campaign filings—everything but Bill Lucas's fifth grade report card.

Even worse, the documents could total between 100,000 and 150,000 pages of reading material. We will know for certain when the Justice Department releases most of the documents later this week.

But whatever the number, we can be certain of one thing: Unless the Judiciary Committee staff enrolls itself in the Evelyn Wood speed-reading course, it will take at least a month—perhaps 2 months—for the staff to review all these documents. And it will take even longer for the Judiciary Committee to hold its hearing and act on the Lucas nomination.

Now, I am not going to second-guess the motives behind such a voluminous document request. I am not going to suggest that the purpose of the request is to stall the nomination—or to find something—no matter how trivial—that could be taken out of context.

But I can hear the rumor mill churning already. And the last thing this institution needs is another Tower debacle. I hope that Bill Lucas—or anyone else for that matter, Republican or Democrat—will never have to endure the kind of character assassination that John Tower suffered. We do not need any more rejections by innuendo, defeat by appearances and perception, and career destruction by leaks and irresponsible reporting.

BILL LUCAS: A HISTORY OF PUBLIC SERVICE

Now, let us forget about documents for a moment. Let's talk about the man—Bill Lucas.

Here is a son of immigrant parents—orphaned at age 14—the victim himself of racial discrimination and racial stereotyping—Bill Lucas has managed to climb out of poverty, educate himself, and raise a lovely family of five children. And somehow Bill Lucas has found the time to dedicate more than 35 years of his life to public service: As a schoolteacher, social worker, policeman, FBI agent, lawyer, sheriff, and as an elected official for one of the Nation's largest counties.

Most importantly, Bill Lucas has risen to the challenges that life has offered him. The principle of equality of opportunity has real-life meaning for him.

To those who say that Bill Lucas is technically unqualified, let me say this: I cannot think of anyone who is more technically qualified. More technically qualified to know the real-life effects of the evils of discrimination. And more technically qualified to know what it takes to be a tough enforcer of our Nation's laws—and particularly its civil rights laws.

SPEED UP THE PROCESS

So, I just hope that the Judiciary Committee will finish up its review, hold a hearing, and report out the nomination. Perhaps the committee could pare down the scope of its document request.

We have to speed up the process so that Bill Lucas—who has been a fine public servant—can now be a fine Assistant Attorney General.

Yesterday's Wall Street Journal contains an editorial entitled "Sandbag Watch" that makes some of the points that I have tried to make here this morning.

Mr. President, I ask unanimous consent that the text of the editorial be printed in the RECORD.

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

SANDBAG WATCH

President Bush has nominated William Lucas, a former county executive and sheriff from the Detroit area for the Justice Department's top civil-rights job. But the honor is turning into an ordeal, as the staff of the Senate Judiciary Committee subjects him to an amazing investigation.

Chief committee counsel Diana Huffman and her staff are bombing Justice with requests for tens of thousands of documents relating to Mr. Lucas's past, perhaps as many as 200,000 pages. They're seeking employment records, court documents and other material that may have been filed in cases when, as a public official, Mr. Lucas was a defendant in legal actions. The committee has also mau-maued the White House into turning over files from FBI background checks. No other Justice nominee has received the same going over.

His nomination has infuriated Ralph Neas and others in the Washington civil-rights establishment, because Mr. Lucas isn't part of their club. But because Mr. Lucas is black and capable—supported by Jesse Jackson, Congressman John Conyers and other prominent blacks—his opponents probably can't win on the merits.

Unless, of course, they can dig up enough allegations and innuendo to "raise doubts," as they say in Washington, about his personal character. This tactic was used brilliantly against John Tower, complete with leaks of unproven allegations from raw FBI files made available to the Senate Armed Services Committee. Former Defense Secretary Donald Rumsfeld was so disgusted by the leaks that he informed FBI chief William Sessions that he wouldn't any longer be interviewed for background checks.

Everyone's now moaning about Washington's "poisonous" atmosphere. We'll believe it's more than hypocrisy when Senate committees start treating nominees less like suspects to be investigated and more like the choices of elected presidents.

Mr. DOLE. I reserve any time I might have remaining.

The PRESIDENT pro tempore. Without objection, the Republican leader's time is reserved.

MORNING BUSINESS

The PRESIDENT pro tempore. Under the order, there will now be a period for the transaction of morning business. The Chair understands that no provisions have been made permitting Senators to speak during the period of the transaction of morning business.

Mr. REID addressed the Chair.

The PRESIDENT pro tempore. The Senator from Nevada [Mr. REID].

Mr. REID. I ask unanimous consent that there be a period for morning business not to extend beyond the hour of 12:30 p.m. this day, with Senators permitted to speak therein for a period of time not to exceed 5 minutes each.

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

Mr. REID addressed the Chair.

The PRESIDENT pro tempore. The senior Senator from Nevada is recognized for not to exceed 5 minutes.

TRAGEDY IN ISRAEL

Mr. REID. A Las Vegas newspaper this past Sunday reported a small boy had been killed in rioting in Israel. What a terrible tragedy—the loss of a young life. And yet that death, half a world a way, has been noted in every reputable paper in the civilized world. Why is that?

I would submit to you that, in part, at least, it is because of the inherent difficulties with which a nation steeped in democratic ideals; indeed a country whose very foundations are the ideals of the 18th-century enlightenment and 19th-century humanism, faces attack by those who are willing to sacrifice their children for a political motive.

Because that tiny democracy, that ancient nation, stands alone among peoples to whom the concept of individual liberty is as foreign and repulsive as the plague, Israel alone is the focus of our attention. Only in Israel do the courts act as a bulwark against repression. Only in Israel can the citizenry openly disagree with the government and with each other. Only in Israel is the press free to tell the world of the death of one boy.

On the same page of Sunday's paper, there was another story. An item about continued shelling by the Syrian Army and its Lebanese Moslem allies of Christian areas in and around Beirut. "Continued shelling"—what a nice summation. So simple; so easy to say. What does it mean?

We do not know what it means. We can not know.

Because in Lebanon the free press, due to kidnapings and repression, dares not tread. Instead of rubber bullets and tear gas, for day after ceaseless day, the artillery roars and anonymous civilians suffer. How many small boys die not because they were sent by their elders to riot in the streets, but because, as they lay huddled in basements with their mothers and sisters, a shell landed indiscriminately.

They die, not because of what they do, or because of the stones they throw, but because they made the mistake of being born to a family of the wrong religion.

We do not know—we may never know—how many will die because their water supplies are cut off, their sewage systems destroyed, their medical facilities eliminated by year after year of shelling by Russian-supplied Syrian artillery.

We do not know—we may never know—how many small boys and girls have lost limbs, how many have been orphaned, how many have succumbed to the same blank horror of shellshock that our trained soldiers experienced in the First World War. It is time that we, and the American people, and the world press look away for a moment from the mote in the Israeli eye and turn to the beam in the eye of its neighbor.

Mr. President, in 1860, a new doctrine entered the field of international law. The concept of humanitarian intervention, the right of a nation to intervene in what would normally be the internal affairs of another country to prevent crimes against humanity this doctrine was promulgated by the French Government.

That idea arose because of the strong revulsion of the French people, Europe as a whole, and the entire civilized world at the wicked and heartless manner in which the Turkish Empire ruled Lebanon, and at the way in which they allowed their Christian minority to be oppressed. The French have a saying:

> The more things change, the more things stay the same.

In Lebanon, some things have not changed. It is time that they do.

We have tried, as a nation, to do the job through military force or with our European allies. It did not work and we lost a terrible number of our young men in the attempt.

Let us take another approach to the concept of humanitarian intervention. The Soviet Union, under Mr. Gorbachev, has indicated its desire to join the community of civilized nations.

Let them speak to that desire by cutting off the Syrian shelling of the Christian community.

I think that the Soviets are beginning, in their own republics with minority populations, to recognize the fruits of the mischief they have sowed in the Moslem world. Let them begin to rectify that error.

We all know that there is no easy answer in Lebanon. But we also know—at least those of us who are students of history—that there once was an oasis of peace in the Middle East.

Once there was a spot where Moslem and Christian, Greek, and Armenian, Arab and Jew, could sit side-by-side in peaceful discussion of their rivalries.

Once there was a place called Lebanon. Let it be so again. Let it be so.

Today I call upon the State Department and upon all our allies among the Western democracies to put the utmost pressure on the Soviets and their Syrian allies to take a first step, to stop the shelling of innocent civilians in the Christian enclaves.

It is not peace when the shelling stops; it is not peace, but it is a necessary precursor to peace.

Let the world recognize that fact and perhaps the death of small boys will again be a fact and a tragedy as important when it occurs in the basements of Beirut as when it happens in the streets of the West Bank and Gaza.

I yield the floor.

The PRESIDENT pro tempore. The senior Senator from South Carolina [Mr. THURMOND] is recognized for not to exceed 5 minutes.

Mr. THURMOND. Mr. President, I ask unanimous consent for 8 minutes.

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

The distinguished Senator from South Carolina [Mr. THURMOND] is recognized for not to exceed 8 minutes.

CONSTITUTIONALITY OF THE CHILD PROTECTION AND OBSCENITY ENFORCEMENT ACT OF 1988

Mr. THURMOND. Mr. President, on May 16, 1989, in the case of American Library Association versus Dick Thornburgh, Attorney General of the United States, a Federal district court struck down key provisions of the recently enacted Child Protection and Obscenity Enforcement Act of 1988. This important legislation, which I introduced, was carefully drafted to give government a strong weapon for fighting child pornography and obscenity.

Regarding the decision, the court declared unconstitutional and enjoined enforcement of the recordkeeping and criminal presumption provisions, and declared unconstitutional certain key aspects of the statute's forfeiture provisions. These provisions were strong, effective ones, useful in the fight against pornography. For this reason, I find the decision troubling. The strong public policy against and the evils associated with child pornography and obscenity justify the burdens this legislation places upon the pornography industry.

With respect to its growth, pornography is rampant in our society today. It has increasingly made its way into existing and new media of communication and has become an enormously profitable business as well. The Department of Justice has estimated that the pornography industry reaps an astonishing $4 billion annually.

On January 25, 1989, Ted Bundy was executed in the electric chair at Florida State Prison. Prior to his execution he gave one last interview in which he discussed how hardcore pornography had an addictive, progressive, and de-

structive nature in his own life. In discussing pornography's role in shaping his life, Mr. Bundy said, "Pornography can reach out and snatch a kid out of any house. * * * It snatched me out of my home 30 years ago." He went on to say that Americans walk past magazine racks "full of the very kinds of things that send young kids down the road to be Ted Bundys." Such a statement is truly alarming.

The Child Protection and Obscenity Enforcement Act of 1988 was introduced to protect our children and to enhance enforcement procedures in current obscenity law. The bill was fully debated in both Houses of Congress and represents what we, as Federal legislators, believe to be a fair, reasonable, and constitutional weapon against child pornographers and obscenity producers and distributors. It provides the additional tools to current law which are critically necessary for vigorous enforcement. This is mandatory if we are to rid our Nation of obscenity and child pornography. Careful consideration was taken to insure that the act met constitutional requirements.

I would like to briefly discuss the provisions in controversy and the reasons for their inclusion in the Child Protection and Obscenity Enforcement Act of 1988. One such provision is the recordkeeping requirement. This provision requires producers of sexually explicit material to keep records pertaining to every person portrayed in such material. These records must include the age and other identifying information of all the performers engaging in the explicit conduct. By requiring this information, it will assure that minors are not used in the production of pornography. This provision serves the legitimate governmental interest of protecting children from sexual exploitation.

Additionally, the court concluded that certain key provisions relating to criminal and civil forfeiture are unconstitutional. The forfeiture provisions included in the act allow for forfeiture of obscene material, child pornography, the profits from their sale, and property used to produce or distribute this material. It is clear that forfeiture is a powerful weapon. Under the act, the Government can seize these items prior to filing of a forfeiture action or a formal adversarial hearing. However, the Government must possess a search warrant issued by a judicial officer only after a showing of probable cause. In addition, the Government must show that a restraining order would be insufficient to insure preservation of a pornographer's forfeitable assets. The court concluded that such pretrial seizures are unconstitutional if undertaken without a prior adversarial hearing in court. However, I believe these provisions are constitutionally acceptable and necessary to preserve evidence in these cases. If prior notice is given to child pornographers and obscenity peddlers, they will dispose of assets and hide their profits. The Government has a compelling interest in preserving evidence necessary to successfully prosecute and put out of business those who produce obscene material and sexually exploit children.

Another conclusion of the court relating to forfeiture limits the application of the criminal forfeiture provisions to only those cases involving patterns of criminal behavior. The court decided that it would be inappropriate to impose criminal forfeiture upon a person convicted of only a single violation if no pattern of criminal behavior has been proven. Therefore, before the Government could utilize these powerful forfeiture provisions, there would have to be two or more criminal convictions. The provision as drafted only requires a single conviction before forfeiture is allowed. To require otherwise would only serve to give these criminals a second chance to break the law.

In summary, the decision that I have discussed today is that of a single district court. I believe a higher court should examine the complicated legal issues this opinion raises. For this reason, I have urged Attorney General Thornburgh to appeal this decision. The Government's duty and responsibility to our children may well merit appealing this decision all the way to the Supreme Court of the United States, if necessary. If this decision is permitted to stand, it will operate as an unacceptable precedent.

In closing, we, as a nation, must take every reasonable step necessary to ensure the protection of our society and our most precious resource, our children. Unless we continue to strengthen our laws, the progress we have made in recent years could be easily eroded. The interests of our children and those who are the victims of child pornography and obscenity demand our sincere attention and endless efforts.

Mr. SHELBY addressed the Chair.

The PRESIDING OFFICER (Mr. KERRY). The Senator from Alabama is recognized.

(The remarks of Mr. SHELBY pertaining to the introduction of S. 1161 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. GLENN addressed the Chair.

The PRESIDING OFFICER. The Senator from Ohio is recognized.

(The remarks of Mr. GLENN pertaining to the introduction of S. 1165 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

The PRESIDING OFFICER. The Senator from Wisconsin is recognized.

Mr. KOHL. I thank the Chair.

(The remarks of Mr. KOHL pertaining to the introduction of S. 1162 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

THE CLEAN AIR ACT

Mr. BAUCUS. Mr. President, yesterday President Bush outlined his proposal for cleaning up our Nation's dirty air. I congratulate the President for his leadership. After 8 long years of congressional work and 8 long years of opposition by the Reagan-Bush administration, the President's proposal is in fact a breath of fresh air.

Over the past 8 years, Congress has tried to enact strong progressive air legislation that we stop the degradation of our air; that will assure that everyone has clean, healthy air to breathe; that will assure our children no longer have to play in air so dirty that it would be illegal to work in; that will assure that ozone levels go down and not up as they did last summer, when ozone levels were the highest levels of the decade—in some areas the highest level ever recorded; that will stop the hemorrhaging of life from our lakes, streams, and forests.

For almost a decade, many of us in Congress have tried to enact legislation to fix what was wrong with the Clean Air Act. We tried to address acid rain, to control releases of toxic chemicals, and to stop our cities' skies from resembling sewers.

But each time we tried to move forward, we have been stymied by the previous administration that placed cost of controls above cost to human health.

We now have an opportunity to move forward. I know my colleagues will join me in welcoming the President aboard. We look forward to seeing his legislative proposal. And we look forward to working with him.

I am encouraged to see that many of the solutions that the President has proposed were contained in the Senate's clean air legislation during the last Congress.

And I am encouraged that both Congress and the administration share the goal of clean, healthful air for everyone.

The President's outline holds out the promise of dramatic improvement in air quality. We will have to review the details to determine if the legislation matches up to the rhetoric.

The details are important. The President's proposal suggests that clean fuels in autos will enable us to continue the luxury of not having to think about getting to work in car pools or by mass transit. These are very rosy assumptions.

The President's proposal mentions tighter tailpipe standards, but only for

hydrocarbons and no date is mentioned.

The proposal makes only passing and confused reference to the important problem of transport of air pollution, which is particularly serious from Virginia to Maine.

The toxics proposal suggests the best available control measures will be used on categories of toxic emitters: but we do not know which emitters, and it appears that not all sources will be required to control their emissions.

The best news is the clearest news: the President has committed himself to a 10-million-ton reduction in sulfur dioxide emissions below 1980 levels, taking growth into account. It is of tremendous relief to no longer have to struggle with the amount of the reduction. While I have supported a 12-million-ton reduction in the past, I am willing to act in good faith and support, as I have indicated to the President, a 10-million-ton option.

The flexibility of the proposal is especially encouraging, as this can reduce ratepayers' costs and does not shut out opportunities for low-sulfur coal.

Everyone is for clean air. I hope that his proposal, the President's proposal, is not only a breath of fresh air, but more importantly, a breath of clean air. Unless we enact good, strong legislation our air quality will only deteriorate. This option is within our grasp, we must not forgo this rare opportunity.

We must not squander this opportunity, the unique opportunity now, with the convergence of the President's interest and that of the Congress, to in fact pass strong clean air legislation. It is our duty to do so.

WARREN GRANT MAGNUSON

Mr. MITCHELL. Mr. President, earlier this week I heard with great interest and sympathy our colleague, Senator ADAMS of Washington, give an extended eulogy for a man who was a giant in his home State, former Senator Warren Magnuson, of Washington.

And although I only had the privilege of serving with Senator Magnuson for a very short 8 months in 1980, I was reminded of the stature of Senator Magnuson, and I wanted to add my voice to the many others on the sad occasion of his death.

Warren Magnuson's life spanned decades that changed the face of our Nation and our world. From 1904, when he was born, and America was a nation of small towns to the year of his death, he played a role in the tumultous events of our century.

He was in China during the period of the warlords in the 1920's, when the leaders of modern China were unknown students.

He served his nation in World War II, both at sea and in the Senate.

In the depths of the Depression, legislation he conceived laid the groundwork for the Nation's first workmen's compensation system.

Magnuson is a famous name in coastal Maine, as it is in every State with a commercial fishery, for one of Senator Magnuson's abiding concerns was to nurture and preserve the commercial fisheries of our Nation. His legislative legacy in that field will endure, enhancing the livelihoods of fishermen from Alaska to Maine to the Mexican coast.

His work in the Senate ranged from the practical works of construction essential to economic growth to the great research centers essential to a better future for our people. He was instrumental in the construction of Grand Coulee Dam and the National Cancer Institute. Neither his interests nor his sympathies were limited or narrow.

The Senate lost a part of its history and a man of vision on his departure in 1981. The State of Washington and the Nation lost an unparalleled public servant on his departure from this life last weekend.

INTERNATIONAL CONFERENCE ON INDOCHINESE REFUGEES

Mr. KENNEDY. Mr. President, today in Geneva the U.N. Secretary-General, in cooperation with the U.N. High Commissioner for Refugees, will convene the Second International Conference on Indochinese Refugees to set the stage for more effective international action to deal with the continuing problem of refugees from Indochina.

Ten years ago, representatives from over 60 countries met in Geneva to consider for the first time at a major conference the plight of hundreds of thousands of refugees in Southeast Asia. After 2 days of intensive diplomatic activity, and after a great deal of preparatory work by the U.N. High Commissioner for Refugees, the meeting concluded with a coordinated, international response to the Indochinese refugee problem.

That first meeting served as a catalyst for the world's original effort to address the urgent humanitarian needs of refugees scattered throughout Southeast Asia—many unable at the time to even find temporary safe haven, their leaky boats being pushed out to sea, all facing uncertain futures with few or no prospects for resettlement elsewhere.

The 1979 Geneva conference dealt with this crisis by doubling the resources made available to provide emergency care and assistance. It secured agreement by the countries of first asylum that they would provide temporary safe haven if they were assured of international support. It also saw a new commitment by third countries, including the United States, to provide permanent resettlement opportunities for refugees outside the region. Finally, and perhaps most important, it set the stage for the first initiative to deal with the problem at its source—the Orderly Departure Program—to provide an alternative to forcing tens of thousands of refugees to flee by boat with great risk and loss of human life.

During the decade since, the pact agreed upon in Geneva in 1979 has worked—although it was limited in scope, and there have clearly been serious lapses and more than a few broken promises. Despite this, the basic understandings between the countries of first asylum that they would provide protection for refugees if the countries outside the region provided assistance and opportunities for resettlement, has held for most of the decade. That is, until recent months.

Impatience with the continuing flow has grown; there seems to be no end in sight. The spectre of a large, unanticipated residue of refugees left in Southeast Asia has increasingly alarmed the countries of first asylum. Finally, the continued high demand for third country resettlement has, after a decade, taxed the resources and patience of outside countries as well. The lack of any real management or control of the flow through the Orderly Departure Program, has also brought despair. To many observers, the program is on the brink of breakdown.

For some months, Mr. President, it has been clear that if the world is to avoid a tragic ending to what has been until now, an extraordinarily humane international effort, new and urgent action must be undertaken to deal more effectively with the continued movement of Indochinese. New approaches are required to cope with this flow into Southeast Asia, while more realistic steps are taken to deal with the problem at its source.

Critically important in this process will be efforts by all nations, within the region and outside, to improve the political climate in Southeast Asia—by ending years of conflict in Cambodia, by negotiating the end to other longstanding differences, and by assisting countries to deal with problems that contribute to the desperate movement of peoples throughout the region. As always, the fate of refugees is linked to the larger questions of war and peace and economic stability—of diplomacy instead of conflict. To this end, the United States can best contribute to this peaceful process by taking the necessary steps to normalize relations with Vietnam. That is one of the most realistic ways for us to deal with these humanitarian problems at their source.

Finally, the office of the U.N. High Commissioner for Refugees must begin to adjust its programs of humanitarian assistance—taking steps to screen refugees from nonrefugees; securing greater protection for bona fide refugees; establishing programs to help the countries of origin; and providing new procedures, consistent with international humanitarian law, to facilitate both the repatriation as well as the resettlement of Indochinese.

That will be the agenda before the international community at this week's conference in Geneva. It is a critical time—a watershed point—for the Indochinese program. New diplomatic approaches must be reviewed; international responsibilities delineated; and old obligations reestablished.

Mr. President, I am hopeful the United States will assume its traditional leadership—as we did in Geneva in 1979—and support these new international efforts to address the root causes behind the continued refugee flow, as well as promote more durable solutions for the future. The broad outlines of the program are there—again, thanks to the preparatory work of the High Commissioner, Jean-Pierre Hocke, and the staff of the UNHCR.

What is needed now is a commitment to act upon the draft "Comprehensive Plan of Action" adopted last March in Kuala Lumpur, Malaysia. It provides the framework for the international community to respond to the new situation in Southeast Asia by:

Providing for more regular, and legal, departures from the countries of Indochina;

Reestablishing the principle of refugee protection and first asylum;

Protecting the integrity of the refugee process by screening out nonrefugees; and

Supporting new efforts to promote safe return and voluntary repatriation, as well as continued third country resettlement.

These undertakings are all interrelated, and the task in Geneva will be to assure that each receives balanced attention and support. More important still, the diplomats in Geneva must not allow-short term objectives, some fueled by current frustrations and admittedly difficult problems, to distract us from our longer term obligations under the United Nations Convention and Protocol Relating to the Status of Refugees. These principles remain paramount, not only in what is said in Geneva, but what is done by member nations in the weeks and months to come. Only then will history judge this, the Second Conference on Indochinese Refugees, to have been a success.

Again, Mr. President, I commend the Secretary-General for his action in convening the conference, and the High Commissioner for his diligent work in preparing for its successful conclusion.

Given the importance this meeting will likely have upon future U.S. refugee programs in the area, senior staff from our Immigration and Refugees Subcommittee will be attending the Geneva conference this week. For the information of my colleagues and the readers of the RECORD, I ask that the draft text of the Comprehensive Plan of Action prepared for Geneva by the UNHCR be printed at this point in the RECORD.

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

DRAFT DECLARATION AND COMPREHENSIVE PLAN OF ACTION APPROVED BY THE PREPARATORY MEETING FOR THE INTERNATIONAL CONFERENCE ON INDOCHINESE REFUGEES ON MARCH 8, 1989

NOTE BY THE SECRETARY-GENERAL

1. The Preparatory Meeting for the International Conference on Indo-Chinese Refugees, convened by the Government of Malaysia, was held at Kuala Lumpur from 7 to 9 March 1989. It approved by consensus the text of a draft Declaration and Comprehensive Plan of Action.

2. In accordance with a request contained in a letter dated 24 March 1989 from the Chairman of the Preparatory Meeting to the Secretary-General, the above-mentioned text is being brought to the attention of the Conference.

DRAFT DECLARATION AND COMPREHENSIVE PLAN OF ACTION

I. DECLARATION

Having reviewed the problems of Indo-China asylum-seekers in the South-East Asian region,

Noting that, since 1975, over 2 million persons have left their countries of origin in Indo-China and that the flow of asylum-seekers still continues,

Aware that the movement of asylum-seekers across frontiers in the South-East Asian region remains a subject of intense humanitarian concern to the international community,

Recalling United Nations General Assembly resolution 3455 (XXX) and the first Meeting on Refugees and Displaced Persons in South-East Asia convened at Geneva in July 1979 under the auspices of the United Nations to address the problem,

Recalling further the 1951 Convention relating to the Status of Refugees and its 1967 Protocol, and related instruments,

Noting with satisfaction that, as a result of combined efforts on the part of Governments and international organizations concerned, a durable solution has been found for over 1.6 million Indo-Chinese,

Preoccupied however by the burden imposed, particularly on the neighbouring countries and territories, as a result of the continuation of the outflow and the presence of large numbers of asylum-seekers still in camps,

Alarmed by indications that the current arrangements designed to find solutions for asylum-seekers and resolve problems stemming from the outflow may no longer be responsive to the size, tenacity and complexity of the problems in the region,

Recognizing that the resolution of the problem of asylum-seekers in the region could contribute positively to a climate of peace, harmony and good neighbourliness,

Satisfied that the international community, and in particular the countries directly involved, have responded positively to the call for a new international conference made by the States members of the Association of South-East Asian Nations and endorsed by the Executive Committee of the Programme of the United Nations High Commissioner for Refugees at its thirty-ninth session and by the General Assembly of the United Nations at its forty-third session,

Noting the progress achieved towards a solution of this issue by the various bilateral and multilateral meetings held between the parties concerned prior to the International Conference on Indo-Chinese Refugees,

Noting that the issues arising from the presence of Khmer refugees and displaced persons are being discussed, among the parties directly involved, within a different framework and as such have not been included in the deliberations of the Conference,

Noting with satisfaction the positive results of the Preparatory Meeting for the Conference, held in Kuala Lumpur from 7 to 9 March 1989,

Realizing that the complex problem at hand necessitates the co-operation and understanding of all concerned and that a comprehensive set of mutually re-enforcing humanitarian undertakings, which must be carried out in its totality rather than selectively, is the only realistic approach towards achieving a durable solution to the problem,

Acknowledging that such a solution must be developed in the context of national laws and regulations as well as of international standards,

Have solemnly resolved to adopt the attached Comprehensive Plan of Action.

II. COMPREHENSIVE PLAN OF ACTION

A. Clandestine departures

1. Extreme human suffering and hardship, often resulting in loss of lives, have accompanied organized clandestine departures. It is therefore imperative that humane measures be implemented to deter such departures, which should include the following:

(a) Continuation of official measures directed against those organizing clandestine departures, including clear guidelines on these measures from the central government to the provincial and local authorities.

(b) Mass media activities at both local and international level, focusing on:

(i) The dangers and hardship involved in clandestine departures;

(ii) The institution of a status-determination mechanism under which those determined not to be refugees shall have no opportunity for resettlement;

(iii) Absence of any advantage, real or perceived, particularly in relation to third-country resettlement, of clandestine and unsafe departures;

(iv) Encouragement of the use of the regular departure and other migration programmes;

(v) Discouragement of activities leading to clandestine departures.

(c) In the spirit of mutual co-operation, the countries concerned shall consult regularly to ensure effective implementation and co-ordination of the above measures.

B. Regular departure programmes

2. In order to offer a preferable alternative to clandestine departures, emigration

from Viet-Nam through regular departure procedures and migration programmes, such as the current Orderly Departure Programme, should be fully encouraged and promoted.

3. Emigration through regular departure procedures and migration programmes should be accelerated and expanded with a view to making such programmes the primary and eventually the sole modes of departure.

4. In order to achieve this goal, the following measures will be undertaken:

(a) There will be a continuous and widely publicized media campaign to increase awareness of regular departure procedures and migration programmes for departure from Viet-Nam.

(b) All persons eligible under regular third-country migration programmes, Amerasians and former re-education centre detainees will have full access to regular departure procedures and migration programmes. The problem of former re-education centre detainees will be further discussed separately by the parties concerned.

(c) Exit permits and other resettlement requirements will be facilitated for all persons eligible under regular departure procedures and migration programmes.

(d) Viet-Nam will fully co-operate with the United Nations High Commissioner for Refugees (UNHCR) and the Intergovernmental Committee for Migration (ICM) in expediting and improving processing, including medical processing, for departures under regular departure procedures and migration programmes and will ensure that medical records of those departing comply with standards acceptable to receiving countries.

(e) Viet-Nam UNHCR, ICM and resettlement countries will co-operate to ensure that air transportation and logistics are sufficient to move expeditiously all those accepted under regular departure procedures and migration programmes.

(f) If necessary, countries in South-East Asia through which people emigrating under regular departure procedures and migration programmes must transit will, with external financial support as appropriate, expand transit facilities and expedite exit and entry procedures in order to help facilitate increased departures under such programmes.

C. Reception of new arrivals

5. All those seeking asylum will be given the opportunity to do so through the implementation of the following measures:

(a) Temporary refuge will be given to all asylum-seekers, who will be treated identically regardless of their mode of arrival until the status-determination process is completed.

(b) UNHCR will be given full and early access to new arrivals and will retain access, following the determination of their status.

(c) New arrivals will be transferred, as soon as possible, to a temporary asylum centre where they would be provided assistance and full access to the refugee status-determination process.

D. Refugee status

6. The early establishment of a consistent region-wide refugee status-determination process is required and will take place in accordance with national legislation and internationally accepted practice. It will make specific provision, inter alia, for the following:

(a) Within a prescribed period, the status of the asylum-seeker will be determined by a qualified and competent national authority or body, in accordance with established refugee criteria and procedures. UNHCR will participate in the process in an observer and advisory capacity. In the course of that period, UNHCR shall advise in writing each individual of the nature of the procedure, of the implications for rejected cases and of the right to appeal the first-level determination.

(b) The criteria will be those recognized in the 1951 Convention relating to the Status of Refugees and its 1967 Protocol, bearing in mind, to the extent appropriate, the 1948 Universal Declaration of Human Rights and other relevant international instruments concerning refugees, and will be applied in a humanitarian spirit taking into account the special situation of the asylum-seekers concerned and the need to respect the family unit. A uniform questionnaire developed in consultation with UNHCR will be the basis for interviews and shall reflect the element of such criteria.

(c) The Handbook on Procedures and Criteria for Determining Refugee Status issued by UNHCR will serve as an authoritative and interpretative guide in developing and applying the criteria.

(d) The procedures to be followed will be in accordance with those endorsed by the Executive Committee of the Programme of the United Nations High Commissioner for Refugees in this area. Such procedures will include, inter alia:

(i) The provision of information to the asylum-seekers about the procedures, the criteria and the presentation of their cases;

(ii) Prompt advice of the decision in writing within a prescribed period;

(iii) A right of appeal against negative decisions and proper appeals procedures for this purpose, based upon the existing laws and procedures of the individual place of asylum, with the asylum-seeker entitled to advice, if required, to be provided under UNHCR auspices.

7. UNHCR will institute, in co-operation with the Governments concerned, a comprehensive regional training programme for officials involved in the determination process with a view to ensuring the proper and consistent functioning of the procedures and application of the criteria, taking full advantage of the experience gained in Hong Kong.

E. Resettlement

8. Continued resettlement of Vietnamese refugees benefiting from temporary refuge in South-East Asia is a vital component of the Comprehensive Plan of Action.

1. Long-Stayers Resettlement Programme

9. The Long-Stayers Resettlement Programme includes all individuals who arrived in temporary asylum camps prior to the appropriate cut-off date and would contain the following elements:

(a) A call to the international community to respond to the need for resettlement, in particular through the participation by an expanded number of countries, beyond those few currently active in refugee resettlement. The expanded number of countries could include, among others, the following: Australia, Austria, Belgium, Canada, Denmark, Germany, Federal Republic of, Finland, France, Ireland, Italy, Japan, Luxembourg, Netherlands, New Zealand, Norway, Spain, Sweden, Switzerland, United Kingdom and United States of America.

(b) A multi-year commitment to resettle all the Vietnamese who have arrived in temporary asylum camps prior to an agreed date, except those persons already found not to be refugees under established status-determination procedure and those who express the wish to return to Viet-Nam. Refugees will be advised that they do not have the option of refusing offers of resettlement, as this would exclude them from further resettlement consideration.

2. Resettlement Programme for Newly-Determined Refugees

10. The Resettlement Programme for Newly-Determined Refugees will accommodate all those who arrive after the introduction of status determination procedures and are determined to be refugees. Within a designated period after their transfer to the resettlement area, those determined to be refugees shall receive an orientation briefing from a UNHCR representative that explains the third-country resettlement programme, the length of time current arrivals may be expected to spend in camp awaiting resettlement, and the necessity of adhering to the rules and regulations of the camp.

11. Wherever possible, a pledge shall be sought from the resettlement countries to place all those determined to be refugees, except those expressing the wish to return to Viet-Nam, within a prescribed period. It shall be the responsibility of UNHCR, with the full support of all the resettlement countries and countries of asylum, to co-ordinate efforts to ensure that departures are effected within that time.

F. Repatriation/Plan of Repatriation

12. Persons determined not to be refugees should return to their country of origin in accordance with international practices reflecting the responsibilities of States towards their own citizens. In the first instance, every effort will be made to encourage the voluntary return of such persons.

13. In order to allow this process to develop momentum, the following measures will be implemented:

(a) Widely publicized assurances by the country of origin that returnees will be allowed to return in conditions of safety and dignity and will not be subject to persecution.

(b) The procedure for readmission will be such that the applicants would be readmitted within the shortest possible time.

(c) Returns will be administered in accordance with the above principles by UNHCR and ICM, and internationally funded reintegration assistance will be channeled through UNHCR, according to the terms of the Memorandum of Understanding signed with Viet-Nam on 13 December 1988.

14. If, after the passage of reasonable time, it becomes clear that voluntary repatriation is not making sufficient progress towards the desired objective, alternatives recognized as being acceptable under international practices would be examined. A regional holding centre under the auspices of UNHCR may be considered as an interim measure for housing persons determined not to be refugees pending their eventual return to the country of origin.

15. Persons determined not to be refugees shall be provided humane care and assistance by UNHCR and international agencies pending their return to the country of origin. Such assistance would include educational and orientation programmes designed to encourage return and reduce re-integration problems.

G. Laotian asylum-seekers

16. In dealing with Laotian asylum-seekers, future measures are to be worked out through intensified trilateral negotiation

between UNHCR, the Lao People's Democratic Republic and Thailand, with the active support and co-operation of all parties concerned. These measures should be aimed at:

(a) Maintaining safe arrival and access to the Lao screening process;

(b) Accelerating and simplifying the process for both the return of the screened out and voluntary repatriation to the Lao People's Democratic Republic under safe, humane and UNHCR-monitored conditions.

17. Together with other durable solutions, third-country resettlement continues to play an important role with regard to the present camp populations of the Laotians.

H. Implementation and review procedures

18. Implementation of the Comprehensive Plan of Action is a dynamic process that will require continued co-ordination and possible adaptation to respond to changing situations. In order to ensure effective implementation of the Plan, the following mechanisms shall be established:

(a) UNHCR, with the financial support of the donor community, will be in charge of continuing liaison and co-ordination with concerned Governments and intergovernmental as well as non-governmental organizations to implement the Comprehensive Plan of Action.

(b) A Steering Committee based in South-East Asia will be established. It will consist of representatives of all Governments making specific commitments under the Comprehensive Plan of Action. The Steering Committee will meet periodically under the chairmanship of UNHCR to discuss implementation of the Comprehensive Plan of Action. The Steering Committee may establish sub-committees as necessary to deal with specific aspects of the implementation of the Plan, particularly with regard to status determination, return and resettlement.

(c) A regular review arrangement will be devised by UNHCR, preferably in conjunction with the annual Executive Committee session, to assess progress in implementation of the Comprehensive Plan of Action and consider additional measures to improve the Plan's effectiveness in meeting its objectives.

SENATOR WARREN MAGNUSON

Mr. BRADLEY. Mr. President, with the death of Senator Magnuson, we lost one of the 20th century's great statesmen. I join my colleagues in paying tribute to a man whose outstanding public service career has left an important mark on history.

Senator Magnuson was a man of integrity, a true statesman who showed wisdom and skill throughout his 44 years on Capitol Hill. As chairman of the Appropriations Committee and President pro tem, he was able to channel his influence toward vitally important issues. He was a leader in the effort to strengthen our National Institutes of Health, and it is appropriate that a NIH hospital and research center bears his name. Senator Magnuson was at the forefront of consumer advocacy—pushing through legislation on auto safety, regulation of flammable fabrics and truth in packaging. I am particularly grateful for his work on cigarette labeling.

Besides his legislative accomplishments, Senator Magnuson contributed greatly to the life of the Senate. He believed in stating things simply and fairly. But behind every simple saying were years of legislative experience that his colleagues listened to and respected. Senator Magnuson also understood that the Senate worked best without animosity and retribution—that however we felt about a course of action, our goals were similar.

America has lost a powerful political leader, whose dedication, hard work, and unbending pride in the principles of democracy have made our country a better place to live.

FORMER SECRETARY OF THE NAVY WILLIAM L. BALL III

Mr. NUNN. Mr. President, I want to take a few moments to pay tribute to William L. Ball III, who resigned as Secretary of the Navy last month. At the age of only 41, Will Ball has already had a distinguished career of both military and civilian service in both the executive and legislative branches of the Federal Government.

Will Ball spent 6 years in the U.S. Navy. He served 3 years aboard the guided missile destroyer U.S.S. *Sellers*, and then had a tour of duty in the Navy's Office of Legislative Affairs in the Senate where I first came to know him.

From 1975 until 1986, Will worked on the staffs of Senator Herman Talmadge and Senator John Tower, as well as on the staff of the Armed Services Committee. For the last 3½ years of this period, he served as Senator Tower's administrative assistant.

In 1985, Will was nominated by President Reagan to be the Assistant Secretary of State for Legislative and Intergovernmental Affairs, and a year later President Reagan put him on the White House staff as Assistant to the President for Legislative Affairs. In these two jobs, Will quickly earned an excellent reputation on Capitol Hill as a knowledgeable, articulate, and effective spokesman for the administration's policies.

In March 1987, President Reagan nominated Will Ball to be Secretary of the Navy. With less than a year to go in the second term of an administration, a lesser appointee might have been satisfied to coast through the remaining months in office, leaving the tough decisions to his successor in the new administration. Not Will Ball. Will brought the same thoughtful, steady and energetic approach to his responsibilities as Secretary of the Navy that have been the hallmark of his whole career in public service. He established a special rapport with the men and women throughout the sea services, that quickly won him their confidence and respect. His strong leadership and sense of compassion in the wake of the recent tragedy aboard the U.S.S. *Iowa* helped the Navy community and a grieving nation get through this very difficult period.

As Secretary of the Navy, Will Ball also played a key role in helping former Defense Secretary Frank Carlucci put together the last 5-year defense plan of the Reagan administration.

As Will steps down as Secretary of the Navy, I want to congratulate him for his outstanding service to the men and women in uniform and to the Nation. I want to extend to Will and his family my best wishes for continued success in the future.

TERRY ANDERSON'S 1,550TH DAY OF CAPTIVITY

Mr. MOYNIHAN. Mr. President, for 1,550 days, Terry Anderson has been held in captivity in Beirut.

I ask unanimous consent that the following piece, which appeared in Newsweek on October 20, 1986, and which provides a chilling description of this captivity, be printed in the RECORD.

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

AMERICA'S FORGOTTEN HOSTAGES

(By Rod Nordland)

Terry Anderson spent the first three weeks of his captivity lying chained to a bed—threatened with death if he uttered a single word. The Associated Press Beirut bureau chief had been a Marine; he had fought in Vietnam. As his nerves steadied, he got mad, replying to the mixed threats and blandishments of his captors with two words: "—— you." For the next six months, he was beaten, kicked and tormented with taunts that his family and his government had abandoned him. Still, he kept a private faith, refusing to make the scripted appearances his kidnappers demanded again and again. But when the kidnappers let him read about the Daniloff deal, he went on camera. The administration believes the kidnappers forced him to make the videotape. His family doesn't think so. "How can any official justify the interest and attention and action given that case—and the inattention given ours?" he asked.

This cry of pain out of Lebanon cannot be wished away. Since 1984, when kidnappers in Beirut declared open season on Americans, they have seized journalist Anderson, agriculturist Thomas Sutherland and David Jacobsen, a hospital administrator—along with a priest and a Presbyterian minister, an accountant, an engineer, librarian, school director, broadcaster and a diplomat they believed to be the CIA station chief. Two have been released. One managed to flee, one was rescued—and two have been killed. Five remain.

Over periods of captivity that range from 490 to 575 days, Anderson, Jacobsen and Sutherland, crammed into their tiny room with no furniture or light, have been beaten—sometimes for months on end. Pressure from the Syrians did force the kidnappers to move their prisoners from the dangerous reaches of the Bekaa Valley to the sprawling suburbs of Beirut, where they

have been kept in the basement of a half-finished apartment block. The administration has identified many of the exact places where the hostages have been held, but they've been moved often and undoubtedly will be moved again. That hasn't been easy. From time to time they have been stuffed into the trunk of a car, bound like mummies with packing tape and shuttled from hiding place to hiding place in wooden coffins and ambulances.

Real names: No one is certain who is holding the two newest hostages—Joseph Cicippio, the accountant, and Frank Reed, the school director—who were seized just last month. But the kidnappers of Anderson, Jacobsen and Sutherland sign their communiqués Islamic Jihad. They have real names too. They belong to a family called the Mugniyahs, part of the Musawi clan, led by Hussein Musawi from the Bekaa. They are Shiite Muslims, admirers of Iran's relentless style of Islamic fundamentalism. They call the Reagan administration the Great Satan, denounce imperialism and praise Ayatollah Ruhollah Khomeini. Ostensibly they snatched their victims to trade for 17 confreres-in-terror jailed in Kuwait. But intelligence sources believe that they might settle for springing just the three Lebanese Shiites among them, who have been sentenced to death. They particularly want to free a ringleader and bomb maker, Mustafa Yousef, who also goes by the Christian alias of Elias Fuad Saab. Strip away their fancy religious and ideological trappings and it comes down to this: he's their cousin and they want him back. All of this has been established by U.S. intelligence—and is well known to the hostage families.

The situation presents the families with an agonizing choice: to remain quiet in the long-faded hope that silence might protect the hostages and hasten their release; or to speak out, counting on exposure and public pressure to work as it did in the Teheran hostage crisis, in the TWA Flight 847 hijacking and in the Daniloff affair. "My prayer from Day One has been to do nothing that would hurt my brother," says Peggy Say, Terry Anderson's sister. She began her ordeal as the most cooperative of hostage relatives. At first, she says, all the hostage families accepted a terrifying warning from the State Department about their loved ones' plight: be quiet or you will kill them. At State Department meetings, she bitterly denounced others who didn't trust the government's advice.

Then came the TWA hijacking, which—it is now known—involved some of the same kidnappers who now hold the forgotten hostages in Beirut. "They called me and said, 'Don't even ask for Terry and the others, don't say anything to connect your hostages to the TWA ones'," she said. "I was stunned." Other potential sources of help also left these particular hostages in the lurch. The country has not been bombarded with gun-to-neck images; even the media seem to have forgotten them.

Although Mrs. Say began criticizing the Reagan administration after the TWA affair, she has been careful; she still had hope. But the Daniloff deal, then her brother's haggard look and pained, videotaped call for help were the last straws. "Only by letting all the facts be known can we help them now," she says. With many of the others, she now believes that remaining quiet is what can kill them. Father Lawrence Jenco, a Roman Catholic priest released by the kidnappers last July, and the Rev. Benjamin Weir, a Presbyterian minister set free in September 1985, have both refused to talk about their ordeal. But with information gathered from the families—supplemented by reports from intelligence and diplomatic sources and sounding in Beirut—it is now possible to piece together a wrenching study in human misery.

The growing breach with the hostage families confronts the administration with its own agonizing problem. Ronald Reagan came to office vowing that America would never again be held hostage by terrorists. According to basic U.S. policy, negotiating with terrorists can only encourage them; and bargaining will only prompt them to take more Americans hostage elsewhere.

Ready to talk: Behind the scenes, the administration has used private go-betweens and secret emissaries like Vernon Walters, U.S. ambassador to the United Nations, and CIA chief William Casey, who have gone to Syria and other countries to try to win the release of the hostages. "Just as the president said, there hasn't been a day since this whole affair began where we haven't been trying to find out where these people are and who's holding them," said one White House official last week. "We've said in every way that we can, publicly, privately, on the street, that we're ready to talk to these people about the safety and release of the hostages, and we are willing to do it directly, anyplace, anytime, with anyone."

But so far, according to administration hands, all leads have proved tenuous, imprecise and contradictory. "It's a maddening situation," said the president's official. "There's no place to vent one's rage. You simply have to keep plugging away at it, using all the resources that you have." Given the lack of results, however, the argument leaves most hostage relatives cold. "The president keeps saying there is no comparison" with Daniloff, says Jacobsen's son Eric, a cardiac researcher from Huntington Beach, Calif. "He's right. In our case I see a complete lack of commitment . . . a lack of urgency and a prolonging of his suffering." If nothing is done to break the impasse, the plight of the captives will grow worse. And with the families breaking silence, an administration that has so successfully avoided the fate of Jimmy Carter in Iran could finally face its own hostage crisis.

The first months of Terry Anderson's captivity were by far the worst. Anderson's anger, and his stubborn streak, marked him out for especially brutal treatment. Whenever the kidnappers insisted on looking down his undershorts for contraband, he struggled and tried to stop them—and was beaten for it. In June of 1985, Terry and Madeleine Anderson expected their first child; not knowing if they had a son or a daughter drove him to distraction, and he never stopped demanding to be told. "You've been forgotten by everyone," the captors taunted during beatings. He was a muscular man with a sturdy constitution—probably that helped to save him, but he lost his hearing in one ear. Back in his seafront apartment on the corniche in West Beirut, he had lifted weights every night while Madeleine did sit-ups and stretches on the floor nearby. One such night a week before his kidnapping, they told a visitor that they weren't worried about being kidnapped. "People in Lebanon know that I care about them," Anderson said. "I'd be the last one they would take."

Weird irony: By one of Lebanon's weird ironies, the men standing guard over Anderson, Jacobsen and Sutherland are devout Muslims who pray five times a day. The guard Said, a Shiite in his early 20s, earns 1,200 Lebanese pounds ($27) a month for his work. He has three children; following the death of his wife, he has often seemed depressed. On one occasion Lebanese TV was about to play a videotape from Anderson's family; Said found out and brought a TV set into the cell. There on television, Anderson finally saw his child for the first time and learned he and Madeleine had a healthy daughter named Sulome Teresa. But in February of this year, Anderson's father, Glenn, died of cancer. And on June 7, Sulome's first birthday, Anderson's brother also died of cancer. On his deathbed, Glenn Anderson Jr. delivered a videotaped plea to the captors. "I wish to see him one more time," he said. The appeal was broadcast in Beirut. The captors were in no mood to grant the request. They sympathized enough, though, not to tell Anderson his brother and father were dead. They were afraid it would break him.

Peggy Say called the hostages' life in close quarters "the odd couple in quintuple." Living together 24 hours a day, seven days a week, they struggle to fend off the double affliction of fear and boredom. They exercise regularly, doing push-ups and calisthenics. When the exercises wore out their socks, Anderson began knitting new ones from accumulated bits of cloth and string pulled from mats. At one point, the captors gave their prisoners an elaborate Mr. T puzzle. Anderson turned the offering into a test of mind and reflex; he can now do it in 30 minutes flat. He spends endless hours with Sutherland, quizzing the agriculturist on what he will have to do to start a farm on a piece of land he owns with his sister Peggy near her hometown of Batavia, N.Y. With tinfoil cheese wrappers and matchsticks he makes crucifixes, and he has devised a way to crochet rosaries from fuzz balls and string. Whenever he becomes depressed, he takes out his rosary and says his Hail Marys.

David Jacobsen sometimes loses patience with Anderson's incessant "jogging" around the tiny room. To fight boredom, Anderson likes to engage the guard Haj in political arguments, refusing to budge from his own positions. One verbal mismatch so angered the kidnappers that they dropped the bread from the hostages' meager ration of bread and cheese. "Terry," snapped Jacobsen, "you're always making us pay for your principles." Anderson, a liberal Democrat from Lorain, Ohio, sometimes has political fights with Jacobsen, a Republican fundamentalist from Orange County, Calif.; but the shared ordeal of captivity has drawn the two men closer. Jacobsen was touched the day Anderson made him a gift of a handmade rosary.

'Read this': Thomas Sutherland, from Ft. Collins, Colo., has had the bad luck to look suspicious to the kidnappers. Early on, they mistook him for a CIA agent. Their evidence was ridiculous. After they snatched him from his car on the airport road, they discovered an article on Islam tucked into his briefcase. A friend had written on it the notation, "You should read this." That was all. One day Haj and Said said they were taking Sutherland away to "another place." "Please, please don't take Tom; he's not a CIA agent," pleaded Father Jenco, a gentle Catholic priest. When Jenco started crying, the guards relented. They ought to know by now that Sutherland is no CIA agent; he came to the American University of Beirut (AUB) because he wanted to train Lebanese farmers to help restore the war-ravaged countryside. As Sutherland's captivity

stretches out, the danger remains, his captors will not believe this. He did not appear with Anderson and Jacobsen on the latest videotape.

William Buckley, a diplomat the kidnappers took to be a CIA agent, apparently did not survive. Privately, administration officials now believe that after 19 months of sustained torture he suffered pneumonia and other complications as the result of one especially brutal session and died early in October. The kidnappers told the remaining hostages about it and claimed they were upset that medical attention had not been available to save him. After that they seemed to pay closer attention to the health of their captives. Some U.S. officials cling to the hope that Buckley, who was a political officer at the U.S. Embassy, may have survived. His body has never been found. But the kidnappers did release a picture that appeared to show him dead. In an Islamic Jihad communiqué, the kidnappers boasted that they had tried Buckley, found him to be CIA station chief in Beirut—and executed him.

Sold to die: After the Reagan administration bombed Tripoli in a reprisal for Libyan-sponsored terrorism in April, another hostage was executed: Peter Kilburn, a librarian at AUB. A gentle man in frail health, he used to write long, loving letters about God and life to his favorite niece Patty Little of Watsonville, Calif. Kilburn was held for ransom by a group of kidnap-for-profit Lebanese who, U.S. officials told the family, had been demanding "many millions of dollars" for his release. Intelligence sources learned that, shortly after Kaddafi offered a million dollars if the hostages in Beirut were turned over to him, Kilburn's kidnappers sold him to a pro-Libyan, Abu Nidal faction, which promptly executed him, calling it a reprisal for the Libyan raid. The same group also tried to buy Anderson and the other hostages for the same purpose from the Mugniyah family, but they refused to sell.

Afterwards Patty Little wrote a bitter letter to President Reagan. "It is terribly sad to think he was worth more dead to them than alive to his own country," she said. And she accused the administration of failing to help her family find a way to negotiate or pay a ransom. National-security adviser John Poindexter wrote a long reply six weeks ago. "Unfortunately, those individuals holding your uncle were even more reprehensible, unscrupulous and unreasonable than the group holding separately the other Americans," he said. When Little appealed to Reagan not to let the same thing happen to the surviving hostages, to negotiate instead, Poindexter restated the administration's view "that any pressure on Kuwait to release their convicted prisoners or any payment of ransom subverts justice and establishes a new and dangerous precedent that would subject even greater numbers of Americans to the whims of terrorists anywhere in the world." "I can assure you," Poindexter concluded, "that President Reagan will never forget the hostages remaining in Lebanon." "It was a real good letter," Patty Little said last week. "But I'm not that stupid."

The accumulation of hard feelings that surround the hostage mess in Lebanon began on Feb. 10, 1984, when AUB engineering Prof. Frank Regier, 58, ventured into the dangerous streets of West Beirut. He wanted to find a friend and tell him about plans to evacuate Americans by helicopter. A husky Arab walked up and put his arm around Regier's shoulder; when the professor started to shrung off the squeeze, he felt a gun pressed to his temple. The sudden sequence of events would later become familiar in almost every kidnapping. Shoved into a car with three men, Regier was wrapped head to toe in wide, plastic packing tape, then jammed into the trunk of another car for the ride to a hiding place. There he was kept blindfolded, tied up and chained to a wall or radiator. Occasionally he was moved around town in an ambulance, some times in a wooden box made to order for a shorter man. That box was probably a Lebanese coffin.

Blind beating: The beatings started immediately. "I couldn't see what he wanted out of me," Regier recalls. "I was asked if I was CIA, but it was never asked seriously. I think he was just sadistic." He was told if he moved, he would be beaten, and hour after hour his tormentor watched for the slightest twitch. "He knows how hard to hit you without breaking any bones. He would hit my cheek, for instance, not my nose." Blindfolded, Regier developed a routine in the dark, terrifying world he lived in. "After a while you have to move," he says, working back to his thoughts at the time. "Do I move a lot and get in a new position so after the beating I'm more comfortable? Or do I move a little and hope he doesn't see me?" Either way, most times he would get a beating. When his tormentor left the room, he would tiptoe silently so Regier would still think he was there. But Regier had developed the acute hearing of the blind and usually knew when he was alone.

While Regier was being held, Cable News Network Beirut bureau chief Jerry Levin and then Buckley were seized. Regier was luckier by far. After two months some children playing outside his jail in the Shiite suburbs of southerh Beirut got a peek through the window of his cell and alerted Shiite Amal militiamen, who rescued him. "I kept thinking, 'how could I endure this for a whole year," and those poor guys now have endured it a lot longer," he says.

'Mean Mike': Levin and probably Buckley were first stashed in the town of Baalbek in the Bekaa Valley, held in an apartment block in the Sheik Abdallah barracks—an old Lebanese fort on the top of a hill that now is headquarters to the Musawi clan and the radical Hizbullah party and as many as 1,000 Revolutionary Guards from Iran. He knew none of this at the time; all he knew were the names he silently gave his tormentors: "Mad Mean Mike," "Angry Al" and "Sadistic Sam." Sadistic Sam was the worst. "He would come in and he wouldn't want me to say anything, and he'd say, 'Shut up, huh' and hit me anyway."

To keep occupied, Levin made mental lists of all the many operas he knew and tried to recite the names of all the players on his hometown team, the Detroit Tigers, when they won the 1945 World Series. During captivity, Levin, who is Jewish, also experienced a "spiritual awakening" after having been an atheist.

One day Levin's captors told him that his wife had shown up—probably referring to her trip to Damascus. Suddenly the food got better—there were even hot meals. Levin noticed that several times his captors had fastened his chain in a way that would enable him to slip out of it. "I kept thinking about it, but I kept chickening out, four times," he said. Finally, 11 months into captivity and almost too weak to walk, he did it. He knotted together his sheets, slid out the window and ran to the safety of the first Syrian Army post he could find. "I thought I escaped, but maybe they let me," he later said. Syrian officials were quick to claim responsibility for winning his release.

When Levin returned to the United States, President Reagan called him personally and, as the nation listened in, Reagan delivered a fatherly warning: "In the days ahead you'll no doubt be beset by those in your profession who want . . . to know your full story . . . Say only that which won't cause, even inadvertently, harm to those who are still held hostage." Levin didn't say so at the time, but he was furious that the president was hinting the administration somehow won his freedom. Now, critical at the administration's lack of action on behalf of the other hostages, Levin says, "I think that was the dirtiest, meanest thing [Reagan] ever did."

After Levin escaped, the captors shuttled their prisoners from the Bekka Valley to Beirut—just in case. President Assad of Syria had promised to help find them, thanks to U.S. pressure. U.S. officials believe the Syrians could easily find and free the hostages but are unable to make an all-out effort to do so without angering Iran, which helps finance both allies like Syria and extremist friends like the Musawi clan. Deprived of one journalist, the kidnappers went looking for another, grabbing Anderson on his way back from a tennis match with fellow AP staffer Don Mell, a photographer. "To this day, I'll never understand why they didn't take me, too," Mell says. Apparently they know whom they wanted. To Mell, Anderson seemed like a man who already knew he was doomed. Mell said he has been haunted ever since by a look in Anderson's eyes as he was pushed into the getaway car. The look seemed to plead "Help me," though Anderson must have kown Mell was no match for three gunmen on the lawless streets of West Beirut. For the first several weeks of his grueling captivity, Anderson lay down and sobbed. His first letter, a month later, related his captors' terms and ended, "I cannot take it anymore." Somehow he did.

In June of 1985 Sutherland, the dean of agriculture at the American University of Beirut, was kidnapped, too. Then a group of gunmen took over TWA Flight 847, shuttling it between Lebanon, Cyprus and Algeria, murdering one American and demanding the freedom of prisoners in Kuwait and Shiites in Israel. The Reagan administration had a larger hostage crisis, and it scrambled a team of ranking officials to deal with it. One of their first chores was to call Peggy Say and demand that she keep quiet. She didn't, and the public furor she raised about negotiating for the 39 remaining TWA hostages but not for the 7 others, forced the administration to change its position. Secretary Shultz publicly declared there were 46 hostages, including Anderson and the others. After all, the demands for the release of the Kuwait prisoners had been put forth for both groups of hostages. When word came that their release was immiment, Peggy Say flew to Washington to wait for them over the July 4 weekend, while State Department officials called other relatives of the hostages in Beirut to tell them to expect their loved ones to come out, too.

Heading home? Back in Beirut the captors put an end to the solitary confinement of the hostages, who called the break "Christmas in July." They already had individually requested a prayer meeting, and the request was granted. For most of them it was the

first time in many months that they had seen another man's face. As soon as they got over their fears of a trick, they poured out their stories in whispers. For several days they got full meals, beds and linens and reading materials. Anderson was allowed to be alone with Father Jenco briefly to take confession. The brutality seemed to be over.

Best of all, it seemed as if they would soon be heading home. TWA Flight 847 sat on the runway at Beirut International Airport surrounded by terrorists and radical demonstrators supporting them. According to one U.S. intelligence source, among the terrorists on the tarmac were Haj and Said, taking a leave from the tedium of prison duties. The accused mastermind of that hijacking was Imad Mugniyah, whom the United States narrowly missed catching in Paris later. The men who carried it out were from Hizbullah, a group closely linked with the Musawi clan to which the Mugniyah family belongs, intelligence sources say. Back at the secret prison, the hostages' captors could not disguise their jubilation that a deal was in sight.

Then everything fell apart. Peggy Say believes the administration was in too much of a hurry to settle the TWA crisis; she thinks it cut Anderson and the others off, rather than negotiate further. Or perhaps the captors were still holding out for the Kuwait prisoners. Administration officials argue they got the best deal possible at the time. Whatever the case, when a caravan of Shiite gunmen escorted a caravan of hostages over Mount Lebanon to Damascus, Anderson and the others were not on board. Back in their new quarters, the party was abruptly over.

Forgotten again: The hostages were forgotten once again, and life soon settled down to a tedium marked by occasional beatings, sparse food and poor ventilation in sealed rooms. Some good seemed to linger, however. By August the kidnappers decided to keep five of the hostages together. The desperate loneliness was over for everyone but Buckley. Little by little, some of the hostages and their captors began developing a rapport. Outsiders call it the Stockholm syndrome: Father Jenco considers it the result of an accumulation of mutual kindnesses and the growth of mutual respect. The captors even warmed to Anderson, although he still refused to do their bidding on videotape.

At this time, the families of the hostages were meeting regularly with administration officials, but usually only low-level messengers at State, who served mostly as a sounding board for their concerns—and a damper on their public activities. One high-ranking administration official acknowledged that the administration at first was "slow to focus" on the hostage families' concerns, failing to let them meet with high officials, for instance. Larry Speakes' repeated public statement that "the U.S. government does not negotiate with terrorists," in this official's view, may have gotten the terrorists' backs up. But at the time, he said, quiet contacts were well under way secretly.

A little over a year ago, after the kidnappers released Reverend Weir as a "goodwill gesture," the families met with Vice President George Bush, head of the administration's terrorism task force. They were still hopping mad about the outcome of the TWA hostage affair, and the meeting with the vice president degenerated into acrimony and shouting. Mrs. Say called him a cold fish. Stung, he shot back, "How can you accuse me, a Christian man, of being cold?" "Don't tell me you're Christian," Mrs. Say said. "Show me you're a Christian." The relatives complained to Bush of being kept in the dark. They accused the administration of withholding letters sent out by the hostages—including one that had a threat to hang the prisoners. After that meeting, the administration decided to begin sharing confidential intelligence and updates on negotiations with the families.

That fall the administration and the families put their greatest hope in Terry Waite, the special envoy of the archbishop of Canterbury who acted as a messenger between Washington and Beirut and actually met with the captors. The administration chose to stand by its refusal to pressure Kuwait to release Yousef and the others. "There is absolutely no way we'll do that," says one White House hand. "These people tried to blow up the French and American embassies," argues another administration insider. "They killed 6 and wounded 80, and Kuwait isn't going to release anyone." When Waite returned to the Middle East, the Kuwaitis made it clear that they wouldn't even grant him a visa. And on his return to Beirut over Christmas in 1985, the kidnappers were furious that he had returned empty-handed. "Don't come back or we'll kill you," they told him.

After the Libyan raid, when the kidnappers released Father Jenco, they vowed he would be the last prisoner they would let go. The death threats resumed. A letter that purported to be from Jacobsen was dropped off at a Western news agency in West Beirut. It was in scrawled handwriting, full of spelling errors that a man of Jacobsen's education would not be likely to make. "We fear the possible ending of our story," the letter said.

The administration says that statements made under duress cannot be taken at face value. That point offers no comfort, let alone hope, for the families of the hostages. "It is absolutely awful for someone to be held for 17 days," says Sutherland's daughter Kit. "It's unthinkable for 16 months." Peggy Say has quit work and school to campaign full time for her brother's release: "After six years in the Marine Corps and staying on in Beirut to bring that truth to the American people, he put his life on the line for both his country and his profession," she says. "He must feel a terrible abandonment by both of them." Nothing has happened so far to change her view.

MRS. ROBERT TOMPKINS HONORED FOR HER CONTRIBUTIONS TO PUBLIC EDUCATION IN SOUTH CAROLINA

Mr. THURMOND. Mr. President, Henry Brooks Adams once said, "a teacher affects eternity, he can never tell where his influence stops." It is with great pride that I stand before you today to pay tribute to Mrs. Mary Thurmond Tompkins, a woman who has influenced many of South Carolina's most distinguished citizens as a teacher in our State's public schools. Mrs. Tompkins was recently honored at the dedication of the Strom Thurmond Institute on the campus of Clemson University for her outstanding contributions to public education.

This tribute is especially meaningful for me. Not only have I admired the professional career of this exceptional woman for more than 50 years, but I have had the good fortune to have known her throughout her lifetime as she is my sister. It is rare that a man has the opportunity to acknowledge the accomplishments of a member of his own family in such a public way, however, I am sure that my colleagues will agree that Mary's dedication to the education of the children of South Carolina merits no less.

Born on May 31, 1909, Mary attended public school in Edgefield, SC, before entering Winthrop College in the fall of 1927. She majored in home economics and graduated in 1931. Later in that same year, she accepted a position teaching home economics at Clover High School in Clover, SC. She taught at Clover High School for the next 4 years.

In 1936, Mary returned to Edgefield County and began teaching home economics at her alma mater, Edgefield High School. She continued teaching until she married on August 25, 1938. At that time, South Carolina law forbade a married women to teach public school. In 1939, Mary and her husband J. Robert Tompkins, who is now deceased, celebrated the birth of their only daughter, Mary Thurmond Tompkins. Mary's interest in education, however, never diminished and she attended both the University of South Carolina and Columbia Unversity in New York to obtain certification to teach elementary school. When the law was amended, Mary returned to public education, teaching fifth grade until she retired in 1974.

Perhaps Mary's greatest strength as an educator was her ability to motivate her students to learn. There is an old Chinese proverb which reads, "I hear and I forget; I see and I remember; I do and I understand." In Mary Thurmond Tompkins fifth grade classes, the students did and they understood. Mary used innovative and enjoyable methods to teach her students some very basic principles. For instance, to teach the children fractions, Mary would make a pan of fudge and have the children cut it into specific proportions. To demonstrate the scientific principle of salt melting ice, Mary would bring an ice cream churn and make homemade ice cream for the class, and when the children studied South Carolina government, Mary led a field trip to the State capital. It is not hard to understand why Mary was loved by both her students and their parents.

As Members of the U.S. Senate, we often speak of the responsibility which will one day be shouldered by the youth of our Nation. Unfortunately, we often forget to mention the tremendous responsibility which is being shouldered daily by our Nation's teachers. They shape the future of this great country as they shape the

minds of our children. We must never forget to say thank you to those professionals who, like Mary Thurmond Tompkins, have dedicated their lives to educating our children.

I am pleased to commend Mary Thurmond Tompkins for the many contributions which she has made to the State of South Carolina. May God bless her, her daughter Mary T. Freeman, her son-in-law Ted Barron Freeman and her grandchildren Ted Barron II, Eloise Townsend, and Robert Tompkins Thurmond. May her dedication to education serve as a model for others who seek to teach the future leaders of our country.

I ask unanimous consent that a newspaper article from the Edgefield Citizen-News be printed in the RECORD.

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

[From the Edgefield (SC) Citizen-News, May 4, 1989]

MRS. TOMPKINS HONORED FOR SERVICE

(By Dana Bailey)

A very special lady was honored at the recent dedication of the Strom Thurmond Institute of Clemson University.

Mrs. Robert (Mary Thurmond) Tompkins, sister of Senator Strom Thurmond, was honored for her contributions to public education.

Although Mrs. Tompkins, a life long resident of Edgefield County, feels that she deserves no special recognition, her accomplishments are far too great to go unacknowledged.

After graduating from Edgefield High School, Mrs. Tompkins went to Winthrop College in Rock Hill to major in home economics. She also traveled extensively through Europe to get insight on other countries and to broaden her own education.

She began her teaching career at Clover High School in York County where she stayed for four years before returning to Edgefield in 1936.

Back at her own alma mater, she taught home economics until she gave up her job to get married. At that time the law stated that married women weren't allowed to teach.

When the law changed in 1938, Mrs. Tompkins took courses at the University of South Carolina and at Columbia University in New York so she could teach elementary grade students.

Mrs. Tompkins seen many changes through her years of teaching.

"When I first began teaching there was no such thing as integration," said Mrs. Tompkins, who taught the very first black student to attend Edgefield County public schools. "I couldn't have asked for a nicer student. He went on to become the vice-president of student government at the University of South Carolina."

Mrs. Tompkins also has seen many changes in the educational system in Edgefield County.

"Things have truly changed for the better," Mrs. Tompkins said. "Teachers are more qualified, the students have more access to equipment, and the students seem to realize the importance of a good education now much more than when I was teaching."

After Mrs. Tompkins retired in 1974, she continued to substitute two or three times a week.

"The thing I miss the most is the people. I enjoy students, I enjoy having contact with other teachers," said Mrs. Tompkins. "I always had a good time seeing the students advance themselves through the years."

Mrs. Tompkins recent recognition was not her first.

In 1936, she spoke at the S.C. Teachers Education Association before a crowd of 5,000-6,000 members, as County Chairman of the Beautification Project she received the county award, and she served as President of the Village Garden Club.

Mrs. Tompkins is also a member of the Daughters of the American Revolution, the Colonial Dames, the Edgefield Revitalization Committee, and has been a life long member of Edgefield First Baptist Church.

In spite of all these various honors, Mrs. Tompkins is most proud of the desk that was placed in the Senator's suite at the Strom Thurmond Institute. On the desk will be a brass plaque permanently displayed acknowledging her life-time services to the state and Edgefield County.

"This is definitely the biggest honor I've ever received," said Mrs. Tompkins. "When I found out I was overcome with joy!"

TRIBUTE TO SENATOR WARREN MAGNUSON

Mr. CRANSTON. Mr. President, throughout his life, Warren Magnuson toiled to give the people of Washington and the country the best, most honorable and diligent representation he could. The warm, loving, and deeply respectful tributes Maggie has received throughout this week are testimony to the outstanding success he had in his efforts and to the friendships he earned along the way.

It is a great pleasure to reflect on the two full Senate terms Maggie and I served together and on the many causes we undertook together. He had an abiding concern for justice and fairness. Maggie pioneered consumer protection legislation, he fought for civil rights, and he was a leader in getting voting rights for 18-year-olds. Compassion and caring were the foundation of his work.

The Senate is a better institution for having had his presence and guidance, and generations of Americans will benefit from all he did.

TRIBUTE TO MRS. EVELYN CAVE

Mr. HEFLIN. Mr. President, I rise today to pay tribute to a wonderful Alabamian—Mrs. Evelyn Cave from Mobile, AL. On May 14, 1989, Mrs. Cave reached an incredible milestone in her career. On that day she completed her 50th year of Federal service. I applaud her for her accomplishment and for her diligent service to her country.

Almost all of Evelyn Cave's 50-year career has been served in the Mobile District of the U.S. Army Corps of Engineers. Few offices are fortunate enough to have employees of Mrs. Cave's caliber stay for such an extended period. While she has been in the office, Mrs. Cave has served in numerous positions in personnel management and has helped shape this Corps of Engineers district.

For the past 16 years, Mrs. Cave has served as the district's Personnel Officer, which oversees about 2,000 employees. In addition to six States, her district also covers Central America. For this time, she has been responsible for the planning, implementation, and evaluation of all personnel programs in the district. Mrs. Cave has also served for 16 years as the Assistant Personnel Officer and for 15 years as Chief of the Employee Utilization and Development Section.

Throughout her career, Mrs. Cave has been recognized for her outstanding contributions to the Corps of Engineers. Her talents have provided her office with strong guidance through numerous projects. She was responsible for the staffing of the Tennessee-Tombigbee Waterway Corps of Engineers. She has been instrumental to the success of the waterway over the past few years. The staff of the waterway was brought into the spotlight during the summer of 1988 when the drought forced much of the barge traffic off the Mississsippi River onto the Tennessee-Tombigbee Waterway.

Mrs. Cave has also been instrumental in helping the Corps of Engineers compete against the private contractors. She played a key role in starting the Mobile District life cycle project management which has helped them compete in today's market.

Mr. President, these are just a few of the many accomplishments of Evelyn Cave. I cannot begin to list all of her awards, achievements, and special projects, but wanted to share these few examples of her leadership and managerial ability.

Mr. President, Evelyn Cave's devotion and talent should serve as a shining example to those of us who aspire to public service. She has provided an important service to her country and has devoted her life to the service of others.

Thank you, Mr. President.

TRIBUTE TO LEE GOLDMAN FOR HIS OUTSTANDING ROLE IN HEALTH POLICY

Mr. KENNEDY. Mr. President, it is a privilege to draw the Senate's attention to the appointment by Secretary Louis Sullivan of the Department of Health and Human Services of LeRoy Goldman to the Senior Executive Service.

Lee Goldman's productive career in public service now spans 25 years. In 1971, as the incoming chairman of the Senate Health Subcommittee, I was fortunate to persuade him to become

the subcommittee's staff director—a post he held until 1977.

During that period, he served with great distinction and was responsible for the enactment of numerous measures that have significantly enhanced the quality of health care in America. Among the principal bills that he guided expertly into law are the National Cancer Act, the National Heart Act, the Health Manpower Act, the President's Biomedical Research Panel, and the HMO legislation. In addition, Lee was tireless in our effort to provide decent health insurance protection for all Americans.

One of Lee's greatest assets, as subcommittee staff director, was his skill in working with Senators on both sides of the aisle to create the bipartisan coalitions essential to the successful passage of vital health legislation.

Upon his return to the executive branch, he has continued to serve in positions of increasing responsibility, including the Health Resources Administration, the National Institutes of Health, and, now, the National Institute of Mental Health, where he is the Director of the Office of Policy and Legislation. The NIMH is indeed fortunate to have the benefit of his energy, judgment, and vision.

I commend Lee Goldman for his distinguished career in public service and his extraordinary contributions to public health policy. I know that all of us in the Senate who have worked with Lee will be pleased to know of this latest honor, and I wish him every continued success in the years ahead.

SENATOR DOMENICI CALLS FOR WORLD ENERGY SUMMIT TO EXAMINE GLOBAL WARMING

Mr. DOLE. Mr. President, yesterday, President Bush announced his important initiatives to improve dramatically the air Americans breathe.

Not long before the President's action, our good friend, the distinguished Senator from New Mexico [Mr. DOMENICI], gave a major speech on clean air issues. He spoke at a meeting of environmental groups in Albuquerque, NM.

During that speech, Senator DOMENICI discussed a variety of air pollution issues: local, national, and international.

While all of his comments were interesting, I was particularly impressed with his review of the global climatic situation, as it relates to clean air and energy use.

Concern continues to grow over the "greenhouse effect"—global warming. Senator DOMENICI rightly notes that the danger of global warming as a result of pollution could be "a disaster unlike any this planet has experienced during mankind's tenure."

During the speech, Senator DOMENICI went on to discuss the huge increases that are forecast in the world's population, particularly in the Third World, and the accompanying increase that will occur in demand for energy, which Senator DOMENICI called the fundamental component of economic growth.

Senator DOMENICI told the Albuquerque meeting that the United States must take the lead in developing a comprehensive international energy policy, beginning with an International Energy Conference designed to lead to the greater use of nonfossil fuel sources, both here and among the developing nations.

Mr. President, Senator DOMENICI's speech was both wise and thoughtful. I ask unanimous consent that the portion of Senator DOMENICI's speech that addressed world energy issues and global warming be printed at this point in the RECORD.

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

GLOBAL ENVIRONMENTAL PROBLEMS

Now let me turn to the international front. The other day, I heard a private talk given by a former leader of one of the great European democracies.

He talked of many things, but during his talk he cited four overriding problems that confront mankind—problems for us, for our children, and for their children. Included in those concerns were: (1) Population growth, and (2) the world environment, in particular global warming.

I want to spend the remainder of my talk discussing those challenges, particularly the second one, the challenge facing a planet on which the median temperature seems likely to be rising, quite possibly at a dangerous rate.

We know that global warming—the Greenhouse Effect—could be a disaster, a disaster unlike any this planet has experienced during mankind's tenure.

Many scientists predict that the accumulation of CO_2 and other gases will raise the planet's mean temperature in the next 50 to 60 years by 3 to 4 degrees centigrade, the same increase that brought us out of the Ice Age 18,000 years ago.

Because this issue is so complex scientifically, it is not clear whether or not these forecasts are accurate.

But we do not have the luxury of waiting until we know for certain what increases might occur.

We must act, recognizing that a "Greenhouse" cataclysm is possible. We must do all that we reasonably can to build a global awareness—and action—while more data is developed.

While global warming—or the extent of warming—may not yet be conclusive, one thing that is absolutely certain is that the number of people on this planet will continue to increase at a startling rate.

In the year I was born, 1932, about 2 billion persons lived on this planet. Today, there are just over 5 billion of us. The United Nations Population Fund now predicts that by the year 2025—36 years from now—there will be between 8½ billion and 10 billion human beings living on the planet.

Human experience tells us that each of those individuals will be seeking material advancement, a better life for themselves, certainly, a better life than their parents experienced in 1989.

Our country's policy is to encourage prosperity. The hallmark of America's world leadership since World War II has been to foster democracy and economic growth.

What that means, of course, is that the world of the early 21st century will not only be a far more populated world, but it will almost certainly be a world of far greater consumption than exists today.

And of that huge increase in population, about 90 percent will occur in nations of the Third World.

These developing nations will demand—and justly demand—their fair share of the economic growth. They will very possibly experience a growth rate faster than our own.

Those billions of new humans will not sit gladly in mud huts, thankful that they are contributing to a better environment. They will demand a better life, and they will deserve it.

So with that framework, let me pose a question: What is the fundamental component of that economic growth, the growth after which billions of humans are—and will—be clamoring?

The answer is energy.

Without energy, our standard of living will collapse and mankind's survival is threatened.

That doesn't mean we can't be more efficient in our use of energy. But the combination of the twin growth in population and human expectations make it certain that energy will expand.

And since the burning of fossil fuels is tied so very closely to what appears to be a warming of the planet, we confront a situation we dare not avoid.

We—as individuals and as government officials—face a challenge that can only be called "staggering."

The risk of doing nothing is horrendous. We must act, and we must begin to act promptly to meet this challenge—not just the challenge of protecting our climate, but the challenge of ensuring that energy is available for mankind's progress.

We cannot wait until incontrovertible scientific proof appears to validate or invalidate the estimates on global warming.

With all this in mind, I have concluded that we will not suddenly scale down energy use. Such a change will be politically unsustainable in the United States and Europe. And other countries, the developing nations, simply will not accept the fact that they cannot improve their standard of living.

Because of what America is—the richest and most powerful nation, the nation that is responsible for about 25 percent of the man-produced carbon dioxide—we simply must take the lead in addressing the climatic situation that will affect all human beings.

Recognizing all of that means we must take the lead to develop a comprehensive international energy policy to meet the challenges ahead and to move toward energy sources that will not endanger our atmosphere.

If we don't, I can assure you that no one else will.

For millions of years, CO_2 was in balance on this planet. Nature produced—and consumed—about 100 billion tons of CO_2 a year through the natural cycle of photosynthesis and respiration.

Mankind upset that balance when we began to burn wood and later coal and oil in vast quantities. Even though man's activities produce just 6 billion tons of CO_2—

about 1 ton per person per year—much of that 6 billion tons has not been consumed in the environment, but accumulated in the atmosphere.

We can't eliminate the build-up, but I would like to suggest several steps that I believe are a pre-requisite to reducing the rate of future CO_2 accumulations. These are not magical solutions, but they will definitely move us forward.

First, President Bush is absolutely correct in calling for the negotiation of an international treaty on global warming. That has been done, and the conference will take place beginning this October in Washington, DC. Forty or so nations will examine the financial, economic, technical, and legal issues for responding to climate change.

Once those nations develop the framework for an international treaty, they will take that document to meetings of the Intergovernmental Panel on Climate Change next summer for further evaluation.

I can't begin to suggest to you what such a treaty will look like, but I am encouraged that we are moving forward.

More than a decade ago, Senator Dale Bumpers and I initiated the groundbreaking hearings that led to an international treaty reducing the use of CFCs—chlorofluorocarbons—by 50 percent in the industrialized nations by the end of the century. CFC gases are not only "greenhouse" gases, but they are the culprits for depletion of the ozone layer.

We are going back to the table to negotiate a total phase-out of CFCs. While the CFC issue was a far easier challenge that CO_2, we now have a history of global environmental co-operation.

Second, I recommend that the White House establish an inter-agency group to develop policy options on ways to reduce CO_2 emissions, and submit those proposals to the Congress. It would be appropriate if such a task force were led jointly by EPA Administrator Riley and Energy Secretary Watkins.

I must tell you that last fall I was able to work with Senator Leahy of Vermont to get $13 million so EPA could begin to study the policy implications of global warming. That was a good start.

A related concern is research into the basic science of global climatic change. Overall, in the current fiscal year, the Federal Government is spending $134 million for such research. Next year, in the Budget the Congress just approved, we will spend about $190 million.

That sounds great. I support it. But I warn you of one unfortunate fact: There really isn't much co-ordination in this spending, which is spread among half a dozen agencies.

We must find ways to focus that effort more effectively, to develop solutions to particular problems.

I certainly intend to work within the Senate's Energy Committee, on which both Senator Bingaman and I serve, to move us toward a coordinated effort.

And certainly, our national laboratories—including Los Alamos and Sandia—have the skills and knowledge to become leaders in this effort.

The list of worldwide science and policy issues regarding the climate is extensive.

What more can we learn about the methane cycle, since methane is believed to be the second most significant contributor to climatic change?

What is the role of clouds in climatic change, and the role of the oceans?

To what degree is the price of energy a factor in emission forecasts?

What do we do about Third World deforestation, which contributes an estimated 20 percent of the CO_2 mankind sends to the atmosphere? How do we reverse a situation where for every tree that is planted in the Third World, 10 are cut down?

My third and primary proposal is this: The United States should call for an International Energy Conference to encourage all nations to begin to address energy use and new sources that are compatible with our world environment. Our nation must take the lead in encouraging the use of sources of energy other than fossil fuels.

That doesn't mean our oil fields will be closed down. What it means is that we absolutely must increase our research into alternative, cleaner sources of energy.

Such a conference is valid, whatever the impact of global warming.

Right now, the Federal Government is spending just over $500 billion a year for research into high-temperature fusion.

We need a much stronger effort on solar energy.

And while many of you may disagree with me, I am convinced we must move toward greater use of nuclear energy, starting with a stepped-up effort to design fail-safe nuclear power plants.

We must move toward a long-term worldwide energy policy, particularly one that encourages technology transfer assisting the Third World.

And we certainly need to bring the industries and countries of the world into this dialogue.

Before closing, let me cite the example of China.

China today produces an estimated 10 percent of the man-made CO_2. And China, with its population exceeding 1 billion, is in the midst of its own Industrial Revolution.

China also happens to possess vast quantities of coal, the resource that could propel China into the First World. It is a resource that will obviously accelerate worldwide CO_2 emissions. And it is also high-sulfur coal, the kind that produces acid rain.

Do we tell China: Sorry, you can't use your coal?

And even if we did, would they listen?

I think the answer is obvious. It will only be through a coordinated international effort that countries such as China will be able to leap into the future without committing horrendous damage to this planet.

Mankind has probably never faced a more difficult challenge. It is one that will require our every skill—both scientifically and politically—even if the problem is only a fraction as bad as some forecast.

I guess there is no one in this room who doesn't know that I am an optimist. I believe we can meet that challenge. But we will only meet it if we recognize it for what it is—possibly the greatest challenge in the history of this beautiful planet.

TRIBUTE TO WARREN MAGNUSON

Mr. STEVENS. Mr. President, there is a special desk and a big green couch in my Senate office.

They were not chosen for beauty or contemporary style. The desk has some nicks and scratches, and the couch springs have seen better days.

But for years before I got them, they were Senator Warren Magnuson's. When he left the Senate he asked me to keep them. I promised him they would be with me for as long as I served as Senator from Alaska.

The vast body of legislation Warren Magnuson left as a legacy to the people of Washington and our Nation is a measure of his greatness.

When I came to the Senate 21 years ago, Senator Magnuson had already served in this Chamber for 24 years, following his 7 years in the House of Representatives.

From the beginning, he was more than a colleague. He was a mentor, a teacher, and a good friend. For nearly a decade, although we have been thousands of miles apart, I am proud to say that friendship remained.

News stories in Washington State recalled for some of Senator Magnuson's greatest accomplishments. The list is long.

He was ahead of his time in his concerns. From public television to marine mammal protection; from consumer protections to the Coastal Zone Management Act; from the public accommodations section of the Civil Rights Act to the National Cancer Institute and the National Institutes of Health to oil tanker safety laws; from the creation of the Department of Transportation to animal welfare, Maggie charted new courses that benefit us all.

He worked long and hard on the 200-mile-limit law, one of the most important pieces of legislation ever enacted, particularly for coastal States. It was my privilege to make the motion designating it the Magnuson Act—the Magnuson Fishery Conservation and Management Act.

Politics were immaterial in all the years I worked with Warren Magnuson. We sat on different sides of the aisle, but our mutual concerns, representing regions of the Pacific Northwest, put us on the same side of the fence more often than not.

Maggie understood my commitment to amateur sports. Even though I was in the minority then, as chairman of the Commerce Committee he gave me wide latitude to pursue the Amateur Sports Act of 1978. For 3 years, before the bill's final passage, his interest and his assistance were critical to its success.

The fear and anxiety the recent tragic oil spill in my State have generated, reminded me of Senator Magnuson's deep personal concern when Mount St. Helens erupted. With great passion on the Senate floor, he discussed the need for realistic disaster assistance to deal with the tremendous devastation resulting from the eruption.

Warren Magnuson never sought the limelight. Grandstanding was not his style. Hard work, attention to detail, endurance, and the ability to forget

yesterday's disagreements and move forward earned him the respect of all who worked with him.

As an Alaskan, I feel especially grateful for his support for Alaska statehood. "Let us vote for the 49th star on the flag," he said in an eloquent statement on the Senate floor detailing the reasons Alaska should be admitted to the Union.

He supported the construction of the Alaska highway, vital at first in the defense of our Nation, and more and more important now, as travelers come to explore Alaska.

Many times in our years together in the Senate—even on my 50th birthday—Maggie called me son. We were colleagues, but he had every right to call me son. I looked on him in many ways as a father.

I was fortunate to have had, for so long, a time, his counsel. He taught me a thing or two, that's for sure.

In his 44 years on Capitol Hill, Warren Magnuson never forgot who came first—the people of his State. In working for them he was a good steward of our resources and our environment, a careful planner for our health and safety, and a master at his craft.

His wit was equal to his wisdom. His tenacity was softened by his kindness and understanding. His legendary hard work was balanced by his ability to enjoy a good time. His loyalty was unmatched.

It's tough to see others say goodbye one final time to Warren Magnuson.

As an Alaskan and as a personal friend of his, I was at the farewell ceremony in Seattle.

But I did not really say goodbye. Maggie will be here in spirit as long as I sit at his desk in my office.

ADDITIONAL COSPONSOR—S. 1153

Mr. DASCHLE. Mr. President, last Thursday I introduced S. 1153, the Veterans' Agent Orange Exposure and Vietnam Service Benefits Act of 1989. In the rush to get the bill introduced in time for consideration at a June 22 Senate Veterans' Affairs Committee hearing, the name of one cosponsor of the bill, Senator HEINZ, was not added. As many of my colleagues are aware, Senator HEINZ has been a strong supporter of agent orange victims for many years, and he has played a key role in the ongoing struggle for compensation for those veterans. I want to acknowledge Senator HEINZ' cosponsorship and thank him for his support. Thank you, Mr. President. I yield the floor.

THE FIFTH INTERNATIONAL CONFERENCE ON AIDS

Mr. KENNEDY. Mr. President, I wish to take this opportunity to bring to the attention of the Senate some of the key findings reported last week in Montreal at the Fifth International AIDS Conference.

AIDS continues to escalate as a global public health catastrophy. Millions of people worldwide now infected with the HIV virus face catastrophic illness unless society moves swiftly to make available the therapeutic interventions which biomedical research is now producing. The world's leading AIDS researchers brought us both good news and bad last week in Montreal. Unfortunately, it appears that efforts to develop an effective vaccine that entirely prevents HIV infection in human beings are moving slowly. On the other hand, we are making steady progress in developing treatment strategies to slow the devastating effect of HIV. In particular, we now have effective means of preventing the pneumonia which has been the most frequent killer of people with HIV disease, and there is encouraging progress being made in the development of treatments directed at the AIDS virus itself.

According to Dr. Samuel Broder, Director of the National Cancer Institute:

> Our treatment technology is reaching the stage that a diagnosis of HIV infection might be regarded, not as a mandatory death sentence, but as a chronic illness that can be successfully managed over many years through clinical intervention.

If we take action to increase access to these treatment advances for the hundreds of thousands of HIV-infected Americans, who could benefit from them, we will not only save lives but also advance the Nation's public health campaign to halt the spread of HIV. Our ability to offer life-prolonging treatment could become a significant and realistic incentive to encourage individuals to volunteer for HIV testing and counseling. It is through counseling to achieve behavior change that we will arrest the continued spread of the epidemic. We cannot expect people to take advantage of expanded testing opportunities unless proper medical evaluation and necessary treatment are available as a follow up to testing. Today, that is not the case. Indeed, in some inner-city public hospitals, HIV positive individuals must wait up to 4 months for a clinic appointment that will provide necessary immune system evaluation.

An even greater threat to our public health effort against this virus is the continuance of HIV-related discrimination. That was considered the "linchpin of our ability to control this epidemic" in the opinion of the President's Commission of the HIV Epidemic. Unless we take action to bar senseless discrimination against HIV-infected people, we cannot expect them to step forward for counseling, testing, treatment or anything else. Our No. 1 policy priority on AIDS must be to send a clear signal that we will help, not punish, those who are infected.

We have learned the hard way the implications of discrimination and attempts at implementation of coercive measures in the name of contagion control. Such techniques have driven the epidemic underground and to unwarranted human suffering. I believe that the U.S. Congress has learned these lessons well and does not wish, at this juncture to, turn back on sound public health policy.

Our best and only option is to enlist the voluntary cooperation of those in need of counseling, testing, and possibly lifesaving treatment. In the months ahead, I will seek support for the adoption of a comprehensive Federal policy barring HIV-related discrimination in the context of protections against discrimination for all people with disabilities. In addition, I hope to design a program to make the fruits of AIDS research accessible to all who need them.

While hope is on the horizon we must keep our eye on the goal and maintain a policy in accord with sound public health principles.

THANKING TOM STALLMAN FOR 20 YEARS OF SERVICE

Mr. BURDICK. Mr. President, it is hard to believe that it has been 20 years since I talked Tom Stallman, a farmer from Barney, ND, into joining my staff. This week will be his last in my Fargo office, as he begins his retirement Saturday.

Tom Stallman has been a true and loyal assistant. He always put my needs and best interests first. I truly do not know what I could have done without him heading up my office in my home city of Fargo.

Stallman joined my staff in April 1969 as an agricultural assistant. Before joining my staff, he had served as a North Dakota committeeman for the Agricultural Stabilization and Conservation Service, a member of the North Dakota State Legislature, and a sergeant in the U.S. Marine Corps, one of the brave marines who landed at Iwo Jima during World War II. Tom's background, experience, and friendship have been a great help in my work for farmers, veterans, Federal employees, State and local officials, and other constituents in my State. Anyone who contacted my Fargo office for any reason knew they could count on Tom Stallman.

I could share hundreds of stories from our many trips across North Dakota. We have driven between boulders and flown into airports without paved runways or lights to get to meetings on time. We have shared countless church dinners and quick stops at the Dairy Queen. Tom has

kept floodwaters from my house and led friends to my door.

Although it is hard for me to understand why some people enjoy the thought of retirement, I know Tom wants more time to travel and enjoy life with his wife Lois. I wish him all the best in the future, and I thank him for all his help in the past.

TRIBUTE TO CONGRESSMAN CLAUDE PEPPER

Mr. SARBANES. Mr. President, I join in expressing my profound sadness at the death of Congressman Claude Pepper, a beloved friend and colleague and one of the Nation's most formidable and admired legislators. Rarely has a public figure served with such distinction and consistent vision. In his own words, Claude Pepper devoted his full energies "to helping to free people from fear of dictatorial oppression, from fear of illness and poverty, from fear of ignorance and from fear of opportunity foreclosed."

In his early childhood, amid the poverty of rural Alabama at the turn of the century, Claude Denson Pepper set his sights on service in the U.S. Congress. His intelligence, integrity, and hard work led him to the University of Alabama and, with veterans' benefits earned through service in World War I, he went on to graduate from Harvard Law School, finishing in the top six of the class of 1924. He later said that he felt "a lifelong obligation to the Government for his legal education, redoubling his commitment to public service.

By 1928, Claude Pepper had settled in Perry, FL, and won a seat in the Florida State Legislature. When the legislature passed a resolution condemning the invitation of a black Congressman to the White House, Pepper's dissenting vote cost him the seat in 1930. Six years later, he returned to public life, winning a 1936 special election to the U.S. Senate. He immediately became a strong and eloquent voice in support of President Roosevelt's New Deal legislation to revive an economy depressed by the Depression, restore hope in the Nation's future and create new opportunities for Americans where none had existed before.

Claude Pepper was a sponsor of the Nation's first minimum wage law and an early advocate of publicly assisted health care. He fought for the establishment of the Social Security system, making a life-time commitment to its effective functioning. This uncompromising advocacy of social welfare was the hallmark of his 14 years of distinguished service in the Senate, which ended with his defeat for reelection in 1950.

When he returned to Congress in 1962, this time in the House of Representatives, Congressman Claude Pepper simply continued the work begun by Senator Pepper. He was a steadfast supporter of President Johnson's Great Society programs and resumed his role as an outspoken friend of the disadvantaged.

In 1978, he assumed the chairmanship of the Special House Committee on Aging, where he continued his efforts on health care and became the Nation's leading spokesman in the drive to improve the lives of older Americans. Nearly 50 years after he first voted for Social Security, he remained its staunchest defender, fighting against the cuts proposed in the early eighties. His vigorous intellect and principled commitment to a just society remained undiminished to the end.

Most will remember Claude Pepper as the foremost champion of older Americans. Yet his effective advocacy on their behalf is but a part of his legacy. Claude Pepper was the champion of all Americans. Although we can no longer look to his courageous and unflagging leadership in the Congress, we will continue to draw inspiration from his example in the years to come.

Mr. President, I ask that the editorials on Congressman Pepper's career from the Baltimore Sun and the Baltimore Evening Sun be printed in the RECORD at this point.

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

[From the Baltimore Sun, June 1, 1989]

CLAUDE PEPPER

The story of Claude Pepper's career reads like a recitation of the New Deal, to which he always remained faithful. He began as a champion of the poor and downtrodden in the 1920s, and ended as a folk hero for the elderly. He was tireless in working for the liberal ideals in which he believed, whether or not those ideals were in vogue.

Mr. Pepper stuck to his beliefs even when they cost him dearly. As a state legislator in racially segregated Florida, he sided with Mrs. Herbert Hoover's decision to invite a black congressman to a White House reception. That cost him his seat, but he soon showed his political resilience. He ran for the U.S. Senate and won in 1936. He was instrumental in passage of the first minimum wage law, was an early supporter of health care insurance and favored outlawing the poll tax used to prevent blacks from voting in the South.

In 1940 after hearing Adolf Hitler address a crowd in Nuremberg, he warned against the rise of Nazism. He urged America to work with Joseph Stalin after World War II. For that, he was branded "Red Pepper," and lost his Senate seat in a nasty smear campaign.

But Mr. Pepper made another comeback at the age of 62, winning election to the House from a Miami district, where his pro-elderly positions and his largely elderly constituency gave him a safe seat for 27 years. His work on behalf of the elderly, and his chairmanship of the House Select Committee on Aging, catapulted him to the status of folk hero to millions of retirees. Indeed, he gained such popularity he was in great demand during the 1980s as a campaigner for other Democrats.

President Bush, in awarding Mr. Pepper the Medal of Freedom last week, said, "Those who agreed with him were proud to follow his banner. Those who disagreed with him always respected him. Claude Pepper was a gentleman, a noble human being." He also was the best argument against forced retirement. He remained energetic and hard working until he died Tuesday at age 88.

[From the Baltimore Evening Sun, May 31, 1989]

LEGACY OF LIBERALISM

Claude Pepper, the senior member of Congress who died yesterday, finished his legendary career as he began—as a "do-gooder" and proud of it. "There are many worse terms of derision," he wrote in his autobiography. "I am and shall remain a liberal. I intend to continue to devote my full energies to helping to free people from fear of dictatorial oppression, from fear of illness and poverty, from fear of discrimination, from fear of ignorance and from fear of opportunity foreclosed."

Those were lofty goals, but Claude Pepper's 88 years were filled with an impressive list of achievements that have made life better for millions of people. Pepper's political career is remarkable for the courage he showed on many important issues—from his early opposition to Hitler to his support for the first minimum wage bill and his early efforts to guarantee equal rights and equal pay for women. In recent years, he has been known largely as a champion of the elderly, but he wasn't new to that cause either. Pepper won passage of a law to ban mandatory retirement ages in the federal government and most private jobs, and helped protect the Social Security system from cuts—but those efforts came a full half century after he campaigned for the establishment of the retirement program that has largely ended poverty among this country's elderly. Pepper also wrote and sponsored legislation that helped create the Medicare and Medicaid, federal health-care programs for the poor and elderly.

It is not surprising that Pepper died in the middle of another long political fight—the unresolved issue of federal aid for long-term health care legislation. Pepper's long and remarkable career is likely never to be duplicated. But the best tribute to his memory would be for other members of Congress to embrace the ideals and causes that inspired Claude Pepper to make this country a better place to live.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

RECESS UNTIL 2:15 P.M.

The PRESIDING OFFICER. The Senate, under the previous order, will now recess until the hour of 2:15 p.m.

Thereupon, at 12:30 p.m., the Senate recessed until 2:15 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer [Mr. SANFORD].

NATURAL GAS WELLHEAD DECONTROL ACT

The PRESIDING OFFICER. The Senate will now resume consideration of H.R. 1722, which the clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 1722) to amend the Natural Gas Policy Act of 1978 to eliminate wellhead price and nonprice controls on the first sale of natural gas, and to make technical and conforming amendments to such act.

The Senate resumed consideration of the bill.

The PRESIDING OFFICER. Under the previous order, the two committee amendments will be considered without debate. The question occurs on agreeing to the first committee amendment.

The first committee amendment was agreed to.

The PRESIDING OFFICER. The question occurs now on agreeing to the second committee amendment.

The second committee amendment was agreed to.

Mr. McCLURE. Mr. President, I move to reconsider the vote by which the amendments were agreed to.

Mr. JOHNSTON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BINGAMAN. Mr. President, the time for complete decontrol of natural gas prices at the wellhead has come. I fully support the legislation that is before the Senate today to amend the Natural Gas Policy Act of 1978 to eliminate the remaining wellhead price controls by January 1, 1993.

Our experience with partial wellhead decontrol under the NGPA and with the total decontrol of crude oil prices has proven unquestionably that energy markets do respond favorably, both in terms of price and in terms of supply, to free market forces. Price controls at the well head are a regulatory anachronism, as proven by the fact that natural gas is the only commodity that remains subject to Federal price controls at its source.

The legislation which is before the Senate today will benefit consumers because the elimination of remaining wellhead price controls will increase competition in the natural gas industry that has been fostered by partial wellhead decontrol under the NGPA and by the Federal Energy Regulatory Commission's open access initiatives and by other procompetitive policies.

Looking ahead, removal of the distorting influences of the wellhead price controls is important, because fully responsive natural gas markets will be necessary to meet the demand for natural gas that is forecast for the decade ahead.

I hope and expect that this demand will be significant. Many have called natural gas the fuel of the future, and I believe this label is justified, especially as a result of the President's clean air plan announced yesterday for acid rain and ozone depletion.

We also, Mr. President, have a real opportunity to reduce our growing dependence on oil imports by converting our transportation fleets to alternative fuels such as natural gas. Natural gas also will be the key in reducing sulfur dioxide emissions which are major causes of acid rain. Decontrol will help ensure that we have sufficient supplies to meet this emerging demand.

Many of my constituents in New Mexico have expressed concern regarding the impact that this legislation would have on tight sands gas, a unique formation of natural gas found only in a few States, one of those being New Mexico. One unintended and unavoidable consequence of the decontrol legislation, because of the way the Tax Code is written, is to eliminate the tight sands credit. However, the legislation that we consider today in no way reflects an adverse judgment on the desirability of that credit, and I have hopes that the Finance Committee will take up the various legislative initiatives that have been put forward by myself as well as others to extend that tight sands credit as well as the credit for other nonconventional fuels.

I urge my colleagues to support the legislation and to pass it promptly.

Mr. President, I yield the floor.

Mr. JOHNSTON. 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. METZENBAUM. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 191

(Purpose: To declare indefinite price escalator clauses to be presumptively unjust and unreasonable)

Mr. METZENBAUM. Mr. President, on behalf of myself and Senator EXON, 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 Ohio [Mr. METZENBAUM], for himself and Mr. EXON, proposes an amendment numbered 191.

At the appropriate place, insert:

"SEC. 3. INDEFINITE PRICE ESCALATOR CLAUSES.

"An indefinite price escalator clause in a contract for the purchase of natural gas shall be held to be unjust and unreasonable under section 5 of the Natural Gas Act (15 U.S.C. 717d) unless the Federal Energy Regulatory Commission finds, on application of a party to the contract, that the clause is just and reasonable under the particular circumstances of the contract in question.".

The PRESIDING OFFICER. The Senator from Ohio.

Mr. METZENBAUM. Mr. President, this is not a complicated amendment. It is a pretty simple amendment. It would simply shift the burden of proof regarding who should pick up the tab for the indefinite price escalator provisions in producer pipeline contracts.

I am pleased that Senator EXON, who spoke to this subject last week, is cosponsoring this amendment, and I am also pleased that it has been endorsed by the AARP, the American Association of Retired Persons. They endorse it because they know that without its passage senior citizens and the rest of the entire community who use gas are going to wind up paying the bill by reason of this situation.

While H.R. 1722 claims to bring about a free market for natural gas, the price escalator provisions actually prevent the marketplace from working by locking in high prices.

These price escalator clauses work by setting prices according to formulas, rather than according to what the market will bear.

If you have decontrol then market forces ought to be permitted to work, but unless this amendment is passed then the free market will not be able to work.

For example, the proponents of decontrol say that with decontrol the price of high price gas will come down to market levels. But that will not be the case for contracts with fail-safe clauses, clauses that say, in effect, "the price the day after decontrol shall be the same as the price the day before decontrol and will go up at the rate of inflation."

If you are going to have decontrol let us have decontrol. But oh, no, if there are higher prices keep them in place. That is what would happen without this amendment. The market will not be free for consumers where their pipelines signed these favored nation contracts.

What is a favored nation contract? It provides for periodic readjustment, such as upon decontrol, that the price of gas for all the wells in a producing area will rise to the average of the two highest priced contracts from that producing field.

Now, hear me. What I am saying is that under these contracts that are presently in existence, the price will rise after decontrol to the average of the two highest priced contracts from the producing field in which the well is. That means, simply speaking, increase in prices. That means more dollars for the producers and more costs to the consumer.

The two highest priced contracts is the place to which the prices can rise.

What absurd logic could possibly bring about that kind of result? It was put into those contracts and now we are trying to provide a mechanism to take that clause out.

Some of those contracts lock in stripper well prices, listen to this, of $6.82 per 1,000 cubic feet. We have been told the market price today is somewhere around $1.35 to $1.65. Without this amendment some of those contracts will lock in stripper well prices about 4½ times that amount, $6.82 per 1,000 cubic feet, and these dollars will be passed on to the consumer. The favored nation contract will shoot up to that price.

Is that a free marketplace? Is that what my colleagues from Louisiana and Idaho have been talking about? Free marketplace—free, my eye. It cost the consumer more money and the prices will be controlled, forced to go up. I guess you would not say "forced to go up." Nobody has to raise the price, but the fact is they will if they have the right to do so under the contract just as any other business person would.

If this bill passes without this amendment we will not have a free and fair marketplace unless consumers are freed from the burden of paying for the results of these oppressive contract terms.

This amendment would place the burden of proof on the producers and pipelines. If they can demonstrate that these contracts are in fact just and reasonable, then producers will be allowed by FERC to keep these terms in their contracts and pipelines would be able to pass these costs on.

Now I am frank to say, Mr. President, we gave some consideration to totally outlawing these favored nations contracts to say that the higher price could not be charged. But we decided that we wanted to be reasonable and so we provided that FERC would be allowed to keep the terms in the contracts if they can determine that the contracts are in fact just and reasonable. But if they are not just and reasonable, then consumers will not have to pay prices higher than the free market price.

The opponents may argue that this amendment voids contract terms. That is not true. The only thing this amendment does is affects the price. The contracts will otherwise remain legally binding.

To those who would question as to whether that can be done, I point out that the courts have already approved FERC's powers to invalidate contract terms while leaving the basic obligations between the buyers and the sellers intact.

As a matter of fact, the appellate court said in Wisconsin Gas Company against FERC, decided in 1985, that "Section 5 gives the Commission authority to alter terms of any existing contract found to be unjust or unreasonable."

In fact, the Supreme Court in Permian Basin, a case decided 20 years ago in 1968, rejected the gas producers' arguments that Commission action might destroy the contracts in which unjust price escalator clauses were found. In that case they held that "The Commission has plenary authority to limit or to proscribe contractual arrangements that contravene the relevant public interests."

Now, frankly, FERC could have done something about this matter on its own. FERC should have done something about this matter on its own. But although FERC has the power to alter the oppressive terms, it has failed to do so. It is not a theoretical matter. We are talking about changing the burden of proof. We are talking about an amendment that is quite simple. It says:

> An indefinite price escalator clause in a contract for the purchase of natural gas shall be held to be unjust and unreasonable under section 5 of the Natural Gas Act (15 U.S.C. 717d) unless the Federal Energy Regulatory Commission finds, on application of a party to the contract, that the clause is just and reasonable under the particular circumstances of the contract in question.

In other words, we are saying the automatic escalation of the price is unjust and unreasonable unless FERC decides to the contrary. We are not talking about a theoretical matter. We are not talking about something up in the sky.

A study by the U.S. Energy Information Administration examined these oppressive contract terms. The USEIA is obviously an objective, impartial agency. The USEIA found that most contracts contain more than one of these complex pricing provisions. Most fixed-price clauses are overridden by complex indefinite pricing clauses that make predictions of future prices, according to EIA, indeterminable.

The EIA said that most indefinite pricing clauses are written very broadly to include the highest price allowed "in response to the possibility that price of gas might be deregulated."

Now, do you understand that? The clauses are written that if there is deregulation, they are written so broadly that the highest price can be allowed. That is the EIA's finding.

The EIA said:

> Most of these provisions would establish a price higher than the current maximum lawful price. Most of these provisions would establish a price higher than the current maximum lawful price.

If these men who are fighting so hard and all these groups fighting to pass this bill want real decontrol, why does it not go both ways? Why does it not make it possible to reduce prices as well as to increase prices?

Am I making this up in my head? Let me tell you what EIA further say:

> This type of pricing provision, if rigidly enforced, would make little or no sense, in an open and competitive market, because a few high-priced contracts would lead gas prices to be set above market.

The EIA further found something else—we are not talking about a few contracts; we are talking about a lot of contracts—that 45 percent, almost half, of all the old gas contracts have most-favored-nation clauses. That is to be found in the EIA report on page 43.

Mr. JOHNSTON. What year was that report?

Mr. METZENBAUM. February 1986. But I am certain that that has not changed.

In other words, half the gas we are deregulating have most-favored-nation clauses. So who are you kidding with this bill? You are talking about decontrol? You are talking about decontrol so prices can go up, go up. That is what you are talking about. See to it that the prices go up so you can rob the consumers of this country that do not know what is going on here on the floor of the Senate today. Does anybody care? No. Let the gas producers rip off the American public. Let the pipelines rip off the American public. Forget about the consumer. Who cares about them anyhow? They are just people.

Contract prices under many of the contracts that are presently in existence are also tied to prices of competing fuels like No. 2 and No. 6 fuel oil markets which are posted in New York or the gulf coast. And those prices we know have gone up and will continue to go up.

The EIA concluded that:

> In an open and competitive market for gas, these provisions would be hard to justify since there is no reason for oil products to set the price for gas directly.

Unlike competitive market gas prices, almost none of these contracts have "market out" provisions to let either party walk away if prices go too far from the market price in either direction.

There is in fact substantial precedent to invalidate these unjust and unreasonable clauses. In 1984, FERC Order 380 voided anticompetitive minimum bills in contracts that forced local distribution companies to pay pipelines whether or not they took the gas. The court upheld FERC.

FERC also used section 5 remedial powers to invalidate Columbia's high cost, take-or-pay contracts, forcing Columbia to absorb all the costs.

The D.C. Circuit Court of Appeals threw out FERC Order 436, that provided open access transportation because—and listen to this—FERC did not use its section 5 powers to declare the take-or-pay contracts unjust and unreasonable. If I could wave a magic

wand, I would void all of these contract terms, and let this decontrol legislation really wipe the slate clean. But, rather, I have chosen the more modest approach of encouraging FERC to review these contract terms to see if they are just and reasonable.

Mr. President, I reserve the remainder of my time.

Mr. JOHNSTON. Mr. President, first of all, I would like to ask the distinguished Senator from Ohio a rather basic question. Under his amendment, an indefinite price escalator in a contract will be declared to be unjust and unreasonable.

Now when FERC finds such an indefinite price escalator clause in a contract, what may FERC do?

Let me give the Senator three things they might do:

First, they might declare the whole contract invalid, unenforceable.

No. 2, they might declare the whole contract as written unenforceable and write new terms with respect to what they consider to be a just and reasonable price.

Or, third, they might consider themselves bound by the starting price without reference to an escalator.

Now which of those three things, or would FERC have power to do all three?

Mr. METZENBAUM. First, I would say to my distinguished colleague that the contracts themselves would stand and FERC could declare that the take-or-pay provision, the price escalator provision, was unjust and unreasonable.

Mr. JOHNSTON. Well, a contract without a price, though, is no contract.

Mr. METZENBAUM. Well, that is what I thought at first until I started studying it. Then I found that FERC has in previous cases affected the price without vitiating the contract itself, without vitiating the entirety of the contract.

And I believe that my colleague knows this better than I do, we are dealing in a very unusual area because we recognize that the contract's validity would still remain in place but we are going to decontrol the price.

Mr. JOHNSTON. Well, let us say you have a contract to deliver gas for a 10-year period in certain quantities and the price is to be set based upon what the market, the average market price in that year, readjusted every 6 months, is, and the FERC finds that this is an indefinite price escalator, which it obviously is. A price escalator based upon market price, as it may vary, is obviously indefinite; a classic indefinite price escalator. So what would FERC's order be? "We order that the gas be delivered." But what is the obligation of the pipeline in taking the gas?

Mr. METZENBAUM. First of all, let me say that if they found it was tied to the market price, then my guess is they would not find it to be unjust and unreasonable. It is only when it gets to a price like $6.82 or way above the market price that they would find that the price escalator clause is unreasonable.

Mr. JOHNSTON. My question is: What do they have power to do?

Mr. METZENBAUM. They have the power to do anything they deem advisable because the power is within their control.

Mr. JOHNSTON. If that is——

Mr. METZENBAUM. Let me just finish. Let us assume that they find that the price escalator clause winds up at $1.52 and the market price is $1.47. Well, it is just my guess that they would not find that to be unjust and unreasonable, that they would let that stay.

But, if they found that the price was $1.47 market price and the price escalator clause—do not forget, the price escalator clause permits it in many of these instances to go to the price of the gas in two highest-priced wells in the field. And some of that gas does have a price, as you know, in many instances, as high as $6.82. That would be unjust and unreasonable, I would guess.

Mr. JOHNSTON. First I want the Senator to understand that he is incorrect in saying that it would go to this $6.82, referencing this section 107 because section 313 specifically says that section 107 may not be taken into account in applying any indefinite price escalator clause. That is section 313 of the act, so the Senator was incorrect to say that.

Mr. METZENBAUM. If my colleague is going to talk about a section with which I am not familiar, I hope he will be good enough for me to have a chance to look at the section.

Mr. JOHNSTON. Let me get one point clear. I am not arguing what the FERC might do or should do. I simply want to know: What is their power? Let us say they find a contract wherein they find an indefinite price escalator. Would they have the power to reset a new price? Or, must they use the initial price? Or, must they declare the contract to be invalid?

Mr. METZENBAUM. I think it would be totally discretionary with them.

Mr. JOHNSTON. Thank you, I will reclaim my time.

Mr. President, let me tell my colleagues, this amendment was not brought forth in the Energy Committee. Not one word of testimony has been considered on this amendment.

It was not discussed by the members at the time, and I can tell the President, if it were, it would be considered to be completely irresponsible, a killer amendment. It is reregulation. May I explain?

First of all, this amendment says that you may not have an indefinite price escalator in a contract. That sounds good. My colleague says it is to protect the consumer. The effect would be exactly the opposite, by making it impossible to contract for gas on a long-term basis.

Why is this? Well, because, Mr. President, if you have a supply of natural gas and you want to contract with the local distribution company, you do not know what that price of that gas is going to be in the future. The average price of gas now is about $1.64. But if you were going to make a long-term, 10-year contract with a local distribution company, you would not say, "I am going to contract for $1.64 a year for 10 years." Of course, you would not.

So, what would you use? You would use an indefinite price escalator. You would tie it to inflation or the average price of natural gas or the consumer price index or some other formula that would let the price of that gas rise. Perhaps it would be the price of the gas in your State.

Whatever it is, it would be an indefinite price escalator. If you could not use an indefinite price escalator, then what you would do is say: "Well, we will sell it for 3 months and then we will renegotiate the price." In other words, you could not be bound by a long-term contract.

Mr. President, that is what AGA says, the American Gas Association. That is what all the industry says. If this amendment passed, the bill is dead, Mr. President, because it is completely unworkable. It is an absurd amendment; absolutely absurd.

Argument two, Mr. President, if this passed, this would be reregulation of natural gas. It would be a reassertion of the power of FERC over all natural gas.

What do I mean? Well, right now 17 percent of natural gas is still subject to what we call the Natural Gas Act, that is, the initial Natural Gas Act of 1938, which provides the authority under which gas is committed to market, is held under price controls. The rest of it is deregulated.

Under this, Mr. President, if you had one of these provisions that say reference the price of natural gas or reference inflation or something, and it was declared to be an indefinite price escalator and it is unenforceable, then FERC can come in and rewrite your contract and reset the price.

Reset it at what? At whatever they want to. There is no guidance to FERC in here. So, FERC, I suppose, would have to come up with some new standards of price reregulation. In other words, Mr. President, here we have a deregulation bill affecting the last 2 percent of natural gas which will still be held down by price controls in 1993, where we are trying to get rid of those controls, and this amendment

says: Let us make all the gas subject to reregulation. We do not want to give any standards on how to reregulate it, but we want to give the FERC the power to do so.

Mr. METZENBAUM. Will my colleague yield for a question?

Mr. JOHNSTON. I will yield.

Mr. METZENBAUM. My colleague has used that 2-percent figure time and time again. What is his authority for that figure? Since it is my understanding there is something like 10.7 trillion cubic feet of natural gas that has not been brought to market. I do not know how much of it is still controlled, but I think it is far, far, far in excess of 2 percent.

My colleague has used it over and over again. What is his authority?

Mr. JOHNSTON. I will tell my colleague there is 6 percent of the gas now, according to the Energy Information Administration, that is under controls, whereby that gas is, by the operation of the act, being held down in price. And the American Gas Association tells us that by 1993, which is the date of deregulation here, that two-thirds of that gas, those contracts will expire.

They have done a study on when contracts expire. So, of 6 percent, two-thirds expire. That leaves 2 percent.

Mr. METZENBAUM. So my colleague is saying to me, as I understand it, that the American Gas Association gave him a figure. Did they buttress it with any studies? Does the Energy Information Administation give the Senator a figure like that? Does the Department of Energy give him a figure like that? Does the Interior Department give him a figure like that?

Because from everything that I have been able to find, in fact, the figures that we used on the floor the other day indicated that far more than 2 percent is controlled, for more than 6 percent; and that 10.7 trillion cubic feet that is sitting out there, underground, that the oil companies are buying up and buying up constantly, that a whole lot of that is still controlled and would be controlled except for this legislation.

So where does the Senator from Louisiana get the 2 percent?

Mr. JOHNSTON. I just told the Senator.

Mr. METZENBAUM. More than what the AGA says. That is a group pushing for this bill.

Mr. JOHNSTON. I will tell the Senator, everyone virtually agrees upon the 6 percent.

Mr. METZENBAUM. The 6 percent is what is coming to market now. But what I am saying is, what about the trillions of cubic feet of natural gas that has not come to market and, if prices go up, is it not the fact that there will be closer to 40 percent of the natural gas that is still controlled?

Mr. JOHNSTON. Whether the gas comes to market or not does not determine whether it is controlled or not controlled.

Mr. METZENBAUM. I agree with that.

Mr. JOHNSTON. It is controlled or not controlled under the law. There is some gas that is not being sent to market that is under control. There is some gas not being sent to market that is decontrolled. That is irrelevant.

The fact of the matter is, there is 6 percent of the natural gas now under control where the control level is below the market price.

Mr. METZENBAUM. Six percent of the gas coming to market is under control?

Mr. JOHNSTON. Six percent of the natural gas.

Mr. METZENBAUM. That is coming to market is under control.

Mr. JOHNSTON. That is right; of the controls that hold it down.

Mr. METZENBAUM. What I am trying to get at, and I do not mean to badger my colleague and I certainly have no intention of doing that, but my point is, of that, this 10.7 trillion cubic feet—which I guess the gas companies know, I guess the oil companies know, I guess the producers know, but I have not been able to find out—what portion of that 10.7 trillion cubic feet is still controlled and at what price?

I have tried with every group I could search out.

Mr. JOHNSTON. I can tell the Senator there is 178 trillion cubic feet in reserves; he used the figure 10.6, so that is 6 percent.

Mr. METZENBAUM. If there are 178 trillion cubic feet in reserve, the only reason I used 10.7, that is what I had been advised. If there are 178 trillion cubic feet in reserve, how much of that is still controlled, and how do you get the answer to that? I cannot find it.

Mr. NICKLES. Will the Senator yield?

Mr. JOHNSTON. You used the figure 10.7. That is exactly the 6 percent.

Mr. METZENBAUM. I picked that figure up in some report I read that that is how much gas is out there. You tell me it is 178 trillion cubic feet in reserve. I accept your figure because I do not claim to be an expert in this. I am an expert in what the consumers pay. I do not know what the gas companies have. When I went to the AGA——

Mr. JOHNSTON. Mr. President, I yielded for a question, not for a speech.

Mr. METZENBAUM. The Senator is right. I yield the floor.

Mr. JOHNSTON. I think the Senator has confirmed the 6 percent figure. There is really no question about that, Mr. President. There is 6 percent of the gas left still under control. It is going to phase down to 2 percent. What the Senator's amendment would do is subject the whole of the natural gas, the whole 100 percent to reregulation; a deregulation bill with a reregulation amendment.

Mr. President, third, this would be an absolute administrative nightmare. The amendment says that contracts that have indefinite price escalators, which are most contracts—most contracts either reference inflation or market price, so that is most contracts. How many contracts are there? Thousands upon thousands upon thousands of contracts are of the kind that would be outlawed by this amendment which could be enforceable only by coming to FERC, unless the Federal Energy Commission finds on application of a party to the contract that the clause is just and reasonable. So what the amendment would be saying, Mr. President, is that the thousands and thousands of contracts that have this kind of clause would be unenforceable unless you bring those thousands to FERC.

Mr. President, what do you think would happen? There would be such chaos in FERC. It goes without saying, Mr. President, that this would make our gas markets totally unworkable.

Finally, Mr. President, is there a problem here that this amendment fixes? The answer is no. There was a time when there were problems with indefinite price escalators. No doubt about it. The Energy Administration report back in January of 1986, 3½ years ago, made reference to that. And what was that problem? The problem was that upon deregulation, many contracts referenced the highest regulated price in an area so that on January 1, 1985, we were concerned that there would be a fly-up in prices because upon deregulation it would go to the highest regulated price which would be section 107, which the Senator has pointed out is $6 and something.

How was it fixed? It was fixed by, first of all, section 313 of the act which stated that you could not use section 107 for the purpose of an indefinite price escalator. Second, it was fixed by renegotiation of these contracts so that, Mr. President, that was yesterday's problem. Deregulation of 1185 with these indefinite price escalators has long ago occurred. We are talking about only 2 percent of the contracts which would be left still unnegotiated. it is not a problem, Mr. President. In fact, that was a problem of 4 years ago which has gone away.

Mr. President, I say this is a killer amendment. I mean an amendment which under the guise of deregulation reregulates possibly all of the gas which is totally unworkable from an administrative standpoint which makes it impossible to contract for gas on a long-term basis. In other words, these local distribution companies,

whose duty it is to supply gas to the consumer, would not be able to contract on a long-term basis, and you would end up with rapid ups and downs in the market, in the spot market, with the price of gas going up and down rapidly, the supply being undependable because whoever would make the biggest bid for natural gas, whether it be an industrial load or some other load, if they bid a little bit higher on the spot market, they would get the gas and bid it right away from the local distribution company. Mr. President, this provision is totally unworkable.

I see my friend from Oklahoma rising. If he has a question, I will answer it; otherwise I will yield the floor.

Mr. NICKLES. I would like to ask the Senator from Louisiana a couple of questions. One, in this bill we put together, and many of us worked on this for some time, one, we tried to avoid abrogation of contracts. Would not the amendment of the Senator from Ohio grossly abrogate untold numbers of contracts?

Mr. JOHNSTON. By the thousands. There is almost no way to contract for gas on a long-term basis without reference to inflation or the market price and that, by definition, is an indefinite price escalator.

Mr. NICKLES. I think and I hope and I believe the majority of the members of the Senate are not interested in running around abrogating so many contracts. If we were unwise enough to do so, we would be turning these over to the FERC to determine whether they are just and reasonable.

How long does it take the FERC to handle a case? I can just see in my State, which has some production of natural gas, if not thousands, of contracts sitting up before FERC waiting months, if not years, to be determined whether it is just and reasonable. What happens in the meantime? What are they going to charge?

Mr. JOHNSTON. I can tell the Senator exactly what would happen. The FERC would not and could not deal with these things. Shortly after this act would pass, the FERC would come to the Hill and say, "Look, we cannot do this. This is unworkable. if you want to stop natural gas markets in their tracks, then do not do anything about it. Otherwise, you better pass emergency curative legislation to fix this mistake." That is what would happen.

Mr. NICKLES. I thank the Senator.

Mr. JOHNSTON. Mr. President, I yield the floor.

Mr. METZENBAUM addressed the Chair.

The PRESIDING OFFICER (Mr. LIEBERMAN). The Chair recognizes the Senator from Ohio, Senator Metzenbaum.

Mr. METZENBAUM. Mr. President, since talking with my colleague from Louisiana, I find that we are both, I think, wrong. I have before me this statement, and it is to be found in the legislative bulletin: "Between 1979 and 1978, the share of decontrolled gas as a percentage of total U.S. production rose to 61 percent."

Obviously, if it rose to 61 percent, that leaves 39 percent that is still controlled; 39 percent still controlled.

Mr. JOHNSTON. Will the Senator yield?

Mr. METZENBAUM. In 1988, 6 percent was held down by reason of controls, and that means that 33 percent is still controlled, but they are above market prices right now, and that is the reason why there is only 6 percent of that which is coming to market, that is, coming to market under the present prices. But 33 percent of it still remains to be controlled, or a total of 39 percent. I now yield.

Mr. JOHNSTON. That is exactly what I have been saying. I have been saying that 6 percent was controlled by prices that were below market price and that 6 percent would phase down to 2 percent so that by January 1, 1993, only 2 percent would be held down.

Mr. METZENBAUM. Would my colleague then explain to me, what about this other 33 percent?

Mr. JOHNSTON. That is the kind of gas like the section 107 gas, the price of which is now $6.83 cents.

I say the price of which. The controlling price is $6.83. The market price is $1.64. So it is way up above the market price. Section 102 gas is $5.24. Section 103 gas is $3.41. Section 105 gas is $5.03. Section 107 is $6.83. Section 108, stripper gas, is $5.60. So while this is subject to price controls, those price controls for the most part are several times higher than the actual market price.

Mr. METZENBAUM. But the fact is—and I appreciate the Senator's comment but I will proceed—as I read on the floor of the Senate last week there is a considerable amount of gas that is 64 cents, 67 cents, 79 cents, 70 cents, 79 cents, 57 cents, 67 cents, $1.02, $1.34, $1.04, $1.08, and on up. In other words, when you look at the amount of gas that is out there, of course there is some that is controlled at higher prices, and that is one of the reasons why we need my amendment, because some of the gas from those wells in the field is selling as high as $6.82. So the bill, without my amendment, permits all of that which is decontrolled by reason of the bill to immediately go up to $6.82.

Mr. JOHNSTON. That is not correct.

Mr. METZENBAUM. Mr. President, I yield the floor.

The PRESIDING OFFICER. The Chair recognizes the Senator from Louisiana.

Mr. JOHNSTON. I do not understand the Senator's question. It permits what to go up to $6.82?

Mr. METZENBAUM. It would permit all of that gas that is the subject of my amendment, that is, gas that has an indefinite price escalator, to go up—not all gas. I am not going to say all gas is going to go up to $6.82, but it could go up to $6.82, if there are wells in the field that have a price of $6.82 and some wells do. We do not know; some will be $5.87, some will be $6.50.

Mr. JOHNSTON. The Senator is wrong on two scores. First of all, the law in section 313 specifically prohibits using that high-cost gas as the price to which indefinite price escalator gas can rise. That is the first thing. Second, those contracts simply do not reference any highest price. That is yesterday's problem. That was the problem in the early 1980's. It is simply not a problem now. There is virtually none of that gas left.

Mr. METZENBAUM. I would like to say to my colleague as I read section 313 I do not read it the same way the Senator does. That only says that "no price paid in the first sale of high cost natural gas as defined in section 107(c)"—that is a limiting clause—"may be taken into account in applying any indefinite price escalator," and then "as defined in section 105(b)(3)(b)," and then "with respect to any first sale of any natural gas other than low cost natural gas, which is gas defined in section 107(c)."

Now, I want to say to my colleague, frankly, if the Senator understands that, the Senator is smarter than I, but I understand it well enough to say that we are not talking about failing to take into account the possibility of higher prices than the price which existed at the time of decontrol—the price escalator clauses to which we both refer.

Mr. JOHNSTON. I will say to the Senator, I think section 313 read together with section 107 is clear. It says you cannot use that as the price to which it will rise. Moreover, the contracts do not provide for that anyway.

Mr. President, it is so very plain and simple. FERC could not handle thousands of contracts. They just could not do it. You cannot contract for gas long-term without an indefinite price escalator. It is supposed to be in the interest of the consumer to have 3-month contracts with the price set by the spot market?

Mr. President, on this committee I have been dealing with natural gas now for 17 years. We have tried in all that time to get some certainty in the markets, to get some supply in the markets, to get some predictability

and to be able to get some market signals. What this amendment would do in one fell swoop is do away with predictability because you could not contract on a long-term basis. If you have a gas field, you are simply not going to commit that gas field to a long-term contract on today's price. You just do not do that.

The Senator from Ohio said in the debate the other day that the price of natural gas was going to go up. So would you commit your gas to a long-term contract if the price was going to go up, or if you thought it was going to go up? Of course you would not. You would commit it for 3 months and then say, "Well, we will take a look at the end of 3 months." So that in effect you would be free at any time to recommit your gas to another customer and take it away from those customers about which the Senator from Ohio professes such concern.

Mr. President, I think it is very clear that this amendment is not only a killer amendment but it would be a terrible mistake.

The PRESIDING OFFICER. Who yields time?

Mr. JOHNSTON. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator from Louisiana has 4 minutes, 6 seconds remaining.

Mr. JOHNSON. I yield 2 minutes to the Senator from Idaho.

Mr. McCLURE. Mr. President, I thank the Senator from Louisiana for yielding this time.

Mr. President, I will not belabor the subject but I did not wish to allow this time to pass and get to a vote on the amendment without having registered my strong opposition to this amendment. The Senator from Ohio simply does not trust market forces, and there are many of us who do.

I want to make just one point which is true of the energy market, and it is an energy market, not a natural gas market, and that is that fuel switching at the margins determines market value of energy today. Fuel switching in the industrial markets by which industrial users can move away from natural gas to residual oils is where the market determines what the price is. No amount of Government regulation can change that fact. And so there is no reason to fear a price fly up when as a matter of fact the industrial market has alternatives and will choose those alternatives. There is simply no reason any longer to leave the Government in control of a portion of that market.

I thank my colleague for yielding this time. I yield back the remainder of my time.

The PRESIDING OFFICER. Who yields time?

If no one yields time, time will be deducted evenly.

Mr. JOHNSTON. Mr. President, if the Senaor is ready to yield back his time and vote, I am.

Mr. METZENBAUM addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Ohio [Mr. METZENBAUM].

Mr. METZENBAUM. Mr. President, let me make it clear that under these price escalator clauses you could have $6.82 gas to which the price would go and that would not be market price. The market price might just be $1.40, $1.50, $1.90, $2. But if you have one of these price escalators clauses which says that the price immediately after decontrol shall go to the price of the highest two wells in the field—and there are such contracts, lots of them—it might go to $6.82, or if you had some stripper wells in the field it might go to $5.27 as compared to the present price of $1.35 or $1.65—$5.27 being a maximum stripper price. You could have some long-term contracts that would be just and reasonable—in other words, that would be market sensitive.

What we really have here in an effort on the part of my colleagues to say that they want decontrol, but not too much decontrol, because if you get too much decontrol, then the prices are going to come down. You see, if you had total decontrol, there is no question you would not need this amendment that is on the floor. But the fact is, they have now reduced their argument on this amendment to one single claim—too much paperwork—rather than responding to the substance.

They do not want the paperwork. Eliminate that part of the bill that relates to this subject. I tried to be fair and give FERC an opportunity to determine whether it was just and reasonable. If the Senator does not like that, tell me. I will accept an amendment; I will make my own amendment to take out that portion having to do with being just and reasonable and giving FERC authority. I tried to be reasonable, so that there would not be a precipitous action, that there would be an opportunity for FERC to take a look at it.

So now because I am doing that, I am being told, oh, no, now I am causing too much paperwork for FERC. If the Senator does not like the fact that FERC has any say about it, maybe we just ought to have total decontrol, determine that it is unjust and unreasonable.

If the Senator were to vote for it and told me he was going to vote for it on that basis, I would have no trouble taking it out; he could accept the amendment. So if the Senator wanted to worry about the paperwork, I will help him on that score. Just let the amendment be accepted without giving FERC any authority. But absent that, I thought that giving FERC some authority would be a reasonable way to approach this problem.

The PRESIDING OFFICER. The Chair recognizes the Senator from Louisiana.

Mr. JOHNSTON. Mr. President, the distinguished Senator from Ohio has just suggested that he recognized the unworkability of his amendment by saying that the power he will give to FERC under this amendment, he would take away from FERC. The Senator has not offered to change his amendment, and I am frank to say I do not know how it would change. I do respect his honesty in recognizing the total unworkability of this amendment.

Mr. President, there are thousands of gas contracts out there. I assume that all the long-term gas contracts have some kind of indefinite price escalator. In one fell swoop, this amendment would declare them all illegal, unless you come to FERC and make a determination and a finding by FERC, which FERC could not do; it would be overwhelmed, totally overwhelmed and physically could not do this.

So, Mr. President, for that unworkable reason alone, this amendment should fall. Second, it reregulates all natural gas, gives FERC the power to do that. Third, it fixes a problem that is not a problem, that was a problem back 5 and 6 years ago. Most important, Mr. President, it would make it impossible to enter into long-term contracts for supply of natural gas, which would hurt that very consumer who the amendment is designed to protect.

So, Mr. President, if the Senator is ready to vote, I am ready.

Mr. METZENBAUM. Mr. President, I am ready to vote.

I ask for the yeas and nays.

The PRESIDING OFFICER. The request has been made for the yeas and nays.

Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. JOHNSTON. Mr. President, does the Senator yield back his time?

Mr. METZENBAUM. I yield.

The PRESIDING OFFICER. Under the previous order for a vote, the Senator form Ohio will have to yield back the remainder of his time.

Mr. METZENBAUM. On the condition that the Senator from Louisiana does the same, I will, yes.

Mr. JOHNSTON. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Ohio [Mr. METZENBAUM].

Mr. JOHNSTON. Mr. President, I move to table the amendment, and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Louisiana [Mr. JOHNSTON] to table the amendment of the Senator from Ohio [Mr. METZENBAUM].

The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Tennessee [Mr. GORE] is necessarily absent.

Mr. DOLE. I announce that the Senator from Wyoming [Mr. SIMPSON], the Senator from Wyoming [Mr. WALLOP], and the Senator from California [Mr. WILSON] are necessarily absent.

I further announce that, if present and voting, the Senator from Wyoming [Mr. WALLOP] would vote "yea."

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 73, nays 23, as follows:

[Rollcall Vote No. 86 Leg.]

YEAS—73

Armstrong	Ford	McClure
Baucus	Fowler	McConnell
Bentsen	Garn	Mitchell
Biden	Glenn	Moynihan
Bingaman	Gorton	Murkowski
Bond	Graham	Nickles
Boren	Gramm	Nunn
Boschwitz	Grassley	Packwood
Breaux	Hatch	Pell
Bryan	Hatfield	Pryor
Burdick	Heflin	Reid
Burns	Heinz	Robb
Byrd	Helms	Roth
Coats	Hollings	Rudman
Cochran	Humphrey	Sanford
Cohen	Jeffords	Sasser
Conrad	Johnston	Shelby
Cranston	Kassebaum	Specter
D'Amato	Kasten	Stevens
Daschle	Levin	Symms
DeConcini	Lott	Thurmond
Dixon	Lugar	Warner
Dole	Mack	Wirth
Domenici	Matsunaga	
Durenberger	McCain	

NAYS—23

Adams	Inouye	Metzenbaum
Bradley	Kennedy	Mikulski
Bumpers	Kerrey	Pressler
Chafee	Kerry	Riegle
Danforth	Kohl	Rockefeller
Dodd	Lautenberg	Sarbanes
Exon	Leahy	Simon
Harkin	Lieberman	

NOT VOTING—4

Gore	Wallop
Simpson	Wilson

So the motion to lay on the table amendment No. 191 was agreed to.

Mr. JOHNSTON. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. McCLURE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. METZENBAUM. 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. METZENBAUM. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 192

(Purpose: To prohibit passthrough of unjust and unreasonable costs incurred by a natural gas company as a result of an act in violation of environmental law)

Mr. METZENBAUM. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Ohio [Mr. METZENBAUM], for himself, Mr. REID, and Mr. LAUTENBERG, proposes an amendment numbered 192.

At the appropriate place, insert:

SEC. . PROHIBITION OF PASSTHROUGH OF COSTS.

(a) PROHIBITION.—The Federal Energy Regulatory Commission (referred to as the "Commission") shall not permit a natural gas company to recover in its rates costs of any nature incurred directly or indirectly as a result of an act by the company or its employees or agents that: was a violation of Federal or State environmental law; or was an environmentally irresponsible act unless the natural gas company can demonstrate, using substantial evidence, that such costs that were incurred are just and reasonable.

(b) DETERMINATION OF VIOLATION.—The Commission shall determine whether a violation of environmental law has occurred in accordance with the following standards:

(1) The Commission shall consult with Federal and State agencies having responsibility for enforcement of environmental laws in determining whether a violation has occurred.

(2) The Commission shall be bound by advice from authorized officials of an agency, whether or not in the form of a formal action, that an act was a violation of environmental law.

(3) The Commission shall not be bound by a decision by an agency not to pursue a possible violation or by advice that an act was not a violation of environmental law unless the decision or advice is a formal affirmative determination by the agency that a violation did not occur.

(4) The Commission shall be bound by a judicial determination, or an administrative determination not reviewed by a court, that a violation of environmental law did or did not occur.

(5) The Commission shall not be bound by a consent decree or similar agreement entered in a judicial or administrative proceeding unless the decree or agreement specifically states a determination that a violation of environmental law did or did not occur.

(c) DETERMINATION OF ENVIRONMENTALLY IRRESPONSIBLE ACT.—Notwithstanding the absence of facts warranting prosecution or a possible violation of environmental law, the Commission may find that a natural gas company or its employee or agent committed an environmentally irresponsible act.

(d) PREVENTION OF VIOLATION.—Subsection (a) shall not be construed to prohibit the passthrough of costs incurred by a natural gas company in an effort to prevent violations of Federal or State environmental law by the company or its employees or agents.

(e) DEFINITIONS.—For the purposes of this section—

(1) The term "act" means an act or a failure to act, whether intentional, negligent, or inadvertent; and

(2) The term "environmentally irresponsible act" means an act that is inconsistent with the ends sought to be achieved by Federal or State environmental law.

Mr. METZENBAUM. Mr. President, I yield myself up to 10 minutes.

Mr. President, this amendment makes it much more difficult for pipelines to pass on to consumers the costs for a cleanup incurred as a result of an environmental violation. It strongly discourages but does not prohibit the passthrough of costs for cleanup of environmental violations.

Gas pipelines have contaminated the environment with PCB's, and, frankly, that was bad enough. And the environment will suffer for their negligence. But now, under current FERC regulations, they can turn around and pass the cleanup bills on to gas consumers.

I think pipelines have a lot of nerve in attempting to do that. But, unfortunately, FERC is permitting them to do it.

They are trying to pass on environmental cleanup costs to consumers just as Exxon is attempting to pass on its Alaska oilspill cleanup costs to the taxpayers of this country.

Exxon wants to write off its Alaska cleanup costs to reduce its taxes. Gas pipelines want to have their cleanup costs declared just and reasonable by the Federal Energy Regulatory Commission so that they may legally stick their consumers with the tab.

One gas pipeline signed a consent decree with the Justice Department and the EPA, agreeing to pay the cleanup costs. The pipeline then turned around, applied to FERC to pass all its costs on to consumers as ordinary and necessary expenses associated with providing service.

Texas Eastern Gas Pipeline is actually now attempting to recover over $400 million in cleanup costs after being caught dumping PCB's in open pits along its pipeline right-of-way from Louisiana all the way up to New York and New Jersey.

I wrote letters to the FERC chairman and the EPA Administrator in late 1987 urging them not to do anything in any consent decree that in any way could be construed as allowing Texas Eastern to pass on these cleanup costs. In 1988, Senator LAUTENBERG, one of the cosponsors of this amendment, requested Senate confirmation of five FERC commissioners be held up until we receive their assurances that pipelines could not pass on their costs. This would assure pipelines cannot shift the cost of their mistakes on to consumers.

There are a number of other gas pipelines out there that have PCB cleanup problems. We do not yet know the extent of the problem or have any idea what the cleanup costs will be, and cleanup costs for Texas Eastern may go much higher than the $400 million previously mentioned.

This amendment protects consumers from unjustly footing the bill. This amendment in no way diminishes the pipeline's environmental responsibility. They must still follow the law and will be punished severely if they do not. But for once they will have to pay the price of their negligence and not pass the bill on to the consumers.

Mr. President, I yield the floor and reserve the remainder of my time.

The PRESIDING OFFICER. The Chair recognizes the Senator from Louisiana.

Mr. JOHNSTON. Mr. President, the amendment sounds good. It was not considered before committee. But, Mr. President, this amendment is an abomination. I think I have seen very few amendments on the floor of this Senate which rank with this in terms of bad legal drafting and using concepts which are totally violative of due process and would subject companies to what amounts to huge penalties with no right to be heard and with opinions being determined on the telephone. Let me explain what I mean, Mr. President.

First of all, let me say what the present law is. Present law is that if you have something like this PCB violation, and I have also written letters on the PCB violation urging strong and strict action but, Mr. President, I do not know what the facts of the PCB violation are. I do know this. In order to pass that $400 million of cleanup costs along, Texas Eastern Pipeline must come and prove their case before FERC. FERC has not allowed that to be passed on to consumers. FERC has all the power that they need right now to determine whether that was prudent or nonprudent. So the law now, Mr. President, provides all the power that is needed. There is not one example given of an abuse of power.

He would refer to the *Exxon Valdez* situation. I think my colleagues know that the *Exxon Valdez* spill has nothing to do with FERC. That oil is not regulated by FERC. There is no question of passing that along to consumers at regulated rates. Those rates are not regulated. The Senator from Ohio does not mention one single example of an abusive discretion by FERC or a situation in which FERC does not have the power.

What would he give as the power? First of all, he would say, you cannot pass along these costs if it was an environmentally irresponsible act. Now what, Mr. President, is an environmentally irresponsible act? He defines it. An environmentally irresponsible act means an act that is inconsistent with the ends sought to be achieved by Federal or State environmental law.

So perhaps you are going to build a pipeline and you get a permit to build that pipeline and some State agency says, Well, this is inconsistent with our clean air laws or our scenic laws. It is going to be a blot or eyesore upon the landscape. It means, in effect, you could not pass the costs of that pipeline along, I suppose, because some regulator could say that it is inconsistent with the ends sought to be achieved by some environmental law.

Mr. President, I do not think I have ever seen a standard quite that broad—inconsistent with the ends sought to be achieved by Federal or State environmental law.

Mr. METZENBAUM. Will the Senator yield? I think the Senator from Louisiana has made a good point, and I am going to make the modification to eliminate that particular phrase. Mr. President, I make a modification to eliminate the last paragraph thereof.

The PRESIDING OFFICER (Mr. ROBB). Without objection, the amendment is so modified.

The amendment, as modified, is as follows:

At the appropriate place, insert:

SEC. . PROHIBITION OF PASSTHROUGH OF COSTS.

(a) PROHIBITION.—The Federal Energy Regulatory Commission (Referred to as the "Commission") shall not permit a natural gas company to recover in its rates costs of any nature incurred directly or indirectly as a result of an act by the company or its employees or agents that—

Was a violation of Federal or State environmental law; or

Was an environmentally irresponsible act unless the natural gas company can demonstrate, using substantial evidence, that such costs that were incurred are just and reasonable.

(b) DETERMINATION OF VIOLATION.—The Commission shall determine whether a violation of environmental law has occurred in accordance with the following standards:

(1) The Commission shall consult with Federal and State agencies having responsibility for enforcement of environmental laws in determining whether a violation has occurred.

(2) The Commission shall be bound by advice from authorized officials of an agency, whether or not in the form of a formal action, that an act was a violation of environmental law.

(3) The Commission shall not be bound by a decision by an agency not to pursue a possible violation of by advice that an act was not a violation of environmental law unless the decision or advice is a formal affirmative determination by the agency that a violation did not occur.

(4) The Commission shall be bound by a judicial determination, or an administrative determination not reviewed by a court, that a violation of environmental law did or did not occur.

(5) The Commission shall not be bound by a consent decree or similar agreement entered in a judicial or administrative proceeding unless the decree or agreement specifically states a determination that a violation of environmental law did or did not occur.

(c) DETERMINATION OF ENVIRONMENTALLY IRRESPONSIBLE ACT.—Notwithstanding the absence of facts warranting prosecution of a possible violation of environmental law, the Commission may find that a natural gas company or its employee or agent committed an environmentally irresponsible act.

(d) PREVENTION OF VIOLATIONS.—Subsection (a) shall not be construed to prohibit the passthrough of costs incurred by a natural gas company in an effort to prevent violations of Federal or State environmental law by the company or its employees or agents.

(e) DEFINITIONS.—For the purposes of this section—The term "act" means an act or a failure to act, whether intentional, negligent, or inadvertent.

Mr. JOHNSTON. Mr. President, what the Senator has done is taken away a very noxious definition of the term environmentally irresponsible act and has perhaps done the worst thing. He has left it undefined. What in the world does environmentally irresponsible act mean?

Not only that, Mr. President, but this amendment would disallow the passthrough even if it is an inadvertent act by an employee or agent of the corporation not authorized by the corporation, inconsistent with anything that the corporation stands for. Mr. President, we are not talking about intentional actions. We are talking about punishing inadvertent acts on behalf of the corporation. Not only that, Mr. President, if it is deemed to be a violation of State or Federal environmental law, then you may be disallowed the passthrough. Again, this pass-through may be as much as $400 million. In fact, we have referred to the $400 million cleanup cost if it is a violation of State or Federal law.

How do you determine a violation of State or Federal law? We are told in here, Mr. President. First of all, we are not talking about a conviction. We are not talking about a conviction at all. In fact, it says:

Notwithstanding the absence of facts warranting prosecution of a possible violation of environmental law, the Commission may find that a natural gas company or its employee or agent committed an environmentally irresponsible act.

So that you can be environmentally irresponsible even though you do not violate the law in such way so as to be prosecuted.

How do you determine whether or not an actual violation has taken place? Well, we are told here that the Commission shall consult with Federal and State agencies having responsibility for enforcement of environmental laws in determining whether a violation has occurred. And get this, Mr. President:

The Commission shall be bound by advice from authorized officials of an agency, whether or not in the form of a formal action, that an act was a violation of environmental law.

The Commission shall be bound by advice from a State agency on whether you violate a Federal or State law even if that opinion was given informally. I suppose, Mr. President, that this means that if you call up the State agency having responsibility for PCB's or scenic easements, or whatever, and say, "Does this violate the law and are you qualified to give this opinion," and they say, "Yes, it violates the law," not only may that evidence be used, but FERC is bound by it.

Let me repeat the language if what I have said sounds too strong. I am quoting:

> The Commission shall be bound by advice from authorized officials of an agency, whether or not in the form of a formal action, that an act was in violation of environmental law.

Mr. President, there is no hearing. There is no right to present your case. There is no right to confront your accusers. It is hearsay. It may be itself an irresponsible act but FERC would be bound by that and not allow that to be passed along.

Mr. President, what this would do is discourage cleaning up some situations that need cleaning up, because if you cannot pass that cost along, then you are going to resist this and FERC until the last breath and litigate it out through years rather than putting up the money to clean up the problem.

Mr. WIRTH. Will the Senator yield for a question?

Mr. JOHNSTON. I yield to my friend from Colorado.

Mr. WIRTH. I thank the Senator for yielding. I have a question.

I think the Senator from Louisiana has pointed out very clearly the procedural problems with this amendment. I think that there are some fundamental environmental problems. It is my understanding that the purpose of the whole passthrough process is to encourage cleanup, not to encourage litigation. Is that not correct?

Mr. JOHNSTON. It clearly has that effect.

Mr. WIRTH. What it wants to do, it seems to me, if you go back to the egregiousness of the $400 million example, is encourage a company to voluntarily move in and clean up and then take its chances at FERC as to whether or not those costs could be passed through.

Mr. JOHNSTON. That is right. And you want to give him a fair hearing at FERC where he can present his evidence and the other guy present his evidence and not have him bound by some third-level bureaucrat in some State agency, because under this amendment they would be bound by some informal opinion given by some State agency.

Mr. WIRTH. I think the Senator is correct. There is another fundamental and environmental point which is; we want to make sure the company has the incentive to clean up.

The purpose of the law is cleanup, it seems to me, not to put people in jail or set up long litigation or whatever. Those may be long-term byproducts of this, but the goal, like in the situation with the PCB's, is to get the company to clean up, to allow the company to come in and say maybe I will be able to pass through the charges but maybe not. What I am going to do is clean up, then take the next steps and take my chances with FERC. It seems to me that leaving the legislation the way it is now encourages environmental cleanup and that we should therefore vote against the amendment offered by the Senator from Ohio.

Mr. JOHNSTON. The Senator is very correct. The Texas Eastern case is a good example. Texas Eastern disposed of some PCB improperly. This was certainly not correct, certainly in later years. This took place over a period of years. In the early years PCB's were really a fire retardant lubricant in transformers and other things and they did not know how bad they were.

I am not defending Texas Eastern. I am saying there were levels of complicity, levels of scienter, to use the the legal word, of Texas Eastern—perhaps very bad action during later years, perhaps less bad during earlier years. Texas Eastern claims that they were justified in whole or in part. That proceeding is at FERC right now with much discovery, many intervenors, many witnesses, and under the due process provisions at FERC they will have their day in court. I do not know what FERC is going to do but in the meantime Texas Eastern agreed with EPA to pay $400 million to get it cleaned up so that the problem will be eradicated and whether or not they pass it on will be determined in accordance with due process at a later time.

Now, the point of the Senator is a proper one. If this amendment had been in operation, Texas Eastern would probably never have agreed to pay $400 million in advance. They probably would have taken their chances to go all the way through EPA and FERC, resist it to the last appeal and it would not be cleaned up now. It probably would not be cleaned up 5 years from now.

Mr. WIRTH. If the Senator might further yield, it seems to me, looking at this from an environmental perspective, while the amendment has a good appearance to it and while there may be some very egregious violations that have occurred, in the situation we are talking about, for example, Texas Eastern, this is a long history of PCB's. We have all had PCB's in our district because they looked like oil; they looked appropriate; we did not understand what the problems were.

What we would do, in passing the Metzenbaum amendment, would be to discourage cleanup. The purpose is to encourage cleanup. Let us encourage cleanup and then take our chances as to whether or not FERC is going to allow those costs to be passed through.

Mr. METZENBAUM. Will the Senator yield?

Mr. WIRTH. The Senator from Louisiana has the time but I would hope that we might oppose this amendment; I think it is bad environmental policy. I think we ought to stay with the existing legislation.

I thank the distinguished chairman for yielding.

Mr. JOHNSTON. I thank the Senator from Colorado for his very valid point. I think the Senator from Ohio now wants the floor and I now yield the floor.

Mr. METZENBAUM addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Ohio [Mr. METZENBAUM].

Mr. METZENBAUM. I yield such time as needed by the Senator from New Jersey, up to 5 mintues.

The PRESIDING OFFICER. The chair recognizes the Senator from New Jersey for 5 minutes.

Mr. LAUTENBERG. I thank the Senator from Ohio for permitting me to join with him in supporting this amendment today.

The amendment prohibits FERC from approving rates that pass on environmental violations costs for cleanup to rate payers' unless there is substantial evidence that such rates are just and reasonable. The amendment applies this prohibition to all rate requests by natural gas companies, and it is general in its application. The Texas Eastern gas pipeline case, which is as the distinguished Senator from Louisiana said, the classic case, underscores the need for this amendment. In 1987, we learned that this company had dumped PCB contaminated liquids in pits across the country. The dumping scarred some 89 sites in 14 States. States included were Alabama, Arkansas, Illinois, Indiana, Kentucky, Louisiana, Maryland, Mississippi, Missouri, New Jersey, Ohio, Pennsylvania, Tennessee, and Texas.

After a year long investigation, the Subcommittee on Superfund and Environmental Oversight, which I chaired, issued a report on this situation. That report, which was unanimously approved by the subcommittee, included a recommendation that environmental violation costs not be allowed to be passed through in rate recovery. The cost of cleanup in that case was estimated, as we have heard here today, at $400 million. That does not even account for groundwater and off-site contamination.

In November of 1987, Texas Eastern indicated that it was considering passing some of these costs on to consumers. A rate proceeding is currently underway at FERC which addresses these costs. If this goes unchecked, such a passthrough by Texas Eastern or any such regulated entity could seriously undermine our environmental laws.

In unregulated industries, costs resulting from environmental regulations are borne by shareholders or possible passed on the consumers. But consumers only pick up the tab is they cannot get the product more cheaply someplace else.

Regulated companies face different constraints. They can pass costs on the consumers if they can show that the costs are just and reasonable, which is the application here. Where a regulated company enjoys monopoly power consumers may not be able to purchase the product elsewhere.

If FERC does it job right, it should not allow the passthrough of environmental violation costs. FERC clearly has the authority to prevent rate recovery of environmental violations. But given the importance of this issue, I think that some clarification is necessary to assure that some passthrough does not occur. Consumers should not have to pay for behavior by the management or by the functioning of a company, which violates or is inconsistent with environmental laws.

They should not have to pay for pollution that might have been prevented. The polluter ought to pay. That principle is fundamental to our Federal environmental laws. Otherwise, we take away a significant incentive to prevent pollution. We say that regulated industries can pollute without the certainty of knowing that they must pick up the tab. This jeopardizes the environment and penalizes the consumer.

Mr. President, we heard my friend, the distinguished Senator from Colorado, suggest that by preventing the company to pass along the costs, that in fact it might stand in the way of environmental cleanup.

Mr. WIRTH. Will the Senator yield?

Mr. LAUTENBERG. In just a minute.

Well, that hardly makes the case, in my view.

The PRESIDING OFFICER. The time for the Senator from New Jersey has expired.

Mr. LAUTENBERG. I ask the manager if I might have 2 more minutes.

Mr. METZENBAUM. Without objection.

The PRESIDING OFFICER. The Senator is recognized for 2 additional minutes.

Mr. LAUTENBERG. That hardly makes the case. I think it is very obvious that if someone else is going to pay the tab, the risk is often worth taking. What we are saying is that if—as much as the Senator from Colorado is in the forefront of all fights to improve the quality of our environment—gas companies know in advance that they can pass along the costs resulting from environmental violations, the incentive to prevent the pollution from occurring could be diminished.

Mr. WIRTH. Will the Senator yield for a question?

Mr. LAUTENBERG. Yes.

Mr. WIRTH. Is it the case that there is nothing in the legislation that says they cannot automatically passthrough the cost? That is not in the legislation. What is there is they can apply to FERC, which goes through the process of trying to find out what is reasonable and fair in the determination of whether that passthrough is the case.

Mr. LAUTENBERG. The answer to the question, in my view, is that we must guide FERC in making its decision. We want to let them know in advance that you cannot abuse the environment without paying the cost. We want to help and clarify that decision-making process.

I want to say, Mr. President, that we have an important opportunity to send a message to the country: Polluters, not consumers, should pick up the tab of pollution. That is what it is about. That is why it deserves the support of everybody here who is concerned about the protection of the environment.

In response to some of the objectives raised in this debate, I would note that they appear to be procedural, and do not suggest a contrary view of the underlying legal principles of this amendment. Therefore, should a tabling motion be offered, as it appears is likely, and should such a motion succeed, such a result would not form a basis for arguing or concluding that costs resulting from environmental violations or from acts that are inconsistent with environmental laws are just and reasonable. In fact, the statements of the proponents and opponents of the amendment indicate a consensus that such costs are not just and reasonable.

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

Mr. McCLURE addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Idaho.

Mr. McCLURE. If the Senator from Kentucky will yield 4 minutes.

Mr. FORD. The Senator has 4 minutes from this side.

The PRESIDING OFFICER. The Senator from Idaho is recognized for 4 minutes.

Mr. McCLURE. Thank you. I thank the Senator for yielding the time. I will be very brief. First of all, I agree with what the Senator from Colorado has said. This could inhibit the cleanup of conditions which are discovered and not deliberately created. I want to make a rather fundamental point about where we are and what this amendment does. We have in the law today a flexible standard which FERC does apply on whether or not costs can be passed through, and that standard works. There is no showing that FERC does not make that work.

This amendment would eliminate flexibility and mandate the result, and that has two adverse effects, as far as I am concerned: One, it substitutes arbitrary action for reasoned decision. Second, it deprives the parties who are involved from any sense of, or any semblance of due process. There is no way in which the so-called polluter has the opportunity to present evidence as to whether or not it was accidental or inadvertent or a discovered condition that they did not know existed. It just says, "If you pollute, you pay."

Now, that sounds good, but as the Senator from Colorado has indicated, that militates against the kind of action we wish to take to clean up exactly that kind of mess, which, in part, was true in the Texas-Eastern case, I believe—although I am not an expert on that particular case—I think the amendment, if I listened correctly, and I listened carefully, I think the Senator from New Jersey made a very good point in describing existing law and misdescribing the amendment, because the amendment would not do what he suggested. It would do entirely something different, and the current law does precisely what the Senator outlined in his amendment. There is not only no reason shown for a change in the law, but the law itself, as presented to us in this amendment, does not do what either of the speakers in favor of the amendment suggest that it does.

I hope that indeed we reject this amendment. If there is a problem which has not yet been identified, let us try in a reasonably constructive, ordinary legislative process to deal with a solution to a problem which is then identified, rather than attempting to legislate in this way, which I think would be harmful to the objectives of the people that are suggesting that we make a change in the law at this time.

So I hope our colleagues will not be misled into believing this does something good for the environment or does something good for the process or does something good for the consumers when, as a matter of fact, I think it does none of the above.

Mr. LAUTENBERG. Will the Senator yield for a question?

Mr. McCLURE. I am afraid my time has expired.

Mr. REID addressed the Chair.

Mr. METZENBAUM. How much time does the Senator from Nevada wish?

Mr. REID. The Senator from Ohio has how much time remaining?

The PRESIDING OFFICER. About 19 minutes, 30 seconds.

Mr. REID. Up to 10 minutes.

Mr. METZENBAUM. Without objection.

Mr. REID. Mr. President, I rise in support of the amendment now pending before this body. First of all, let us get to the merits of this amendment. There has been talk here that this amendment would put people in jail—simply not true. This is a simple amendment, one that Members of this body should be able to identify with.

If you cause a mess, the consumer should not have to pay. This is similar to an amendment that was discussed at some length last week on this floor—my oilspill bill—which simply said, if you pollute, then before you can deduct from your taxes the cost of that cleanup, that there must be a certification by the EPA and/or the Coast Guard that you have complied with the law; that is, that you have done a reasonably good job of cleaning up and met certain standards established by EPA and/or the Coast Guard.

The Metzenbaum amendment is a general remedy, inspired by a specific event, much like the oilspill bill, which was inspired by Exxon's polluting the Alaskan waters. The tragic *Exxon Valdez* spill created a lot of commotion, but in addition to that, Mr. President, it created an atmosphere in this country that the time has come when these large corporations should be held accountable for what they do. And the *Exxon Oil Valdez* example certainly is something that is emblazoned in the minds of the consumer public.

This amendment, the one about which we are here today, is a response to a gasoline explosion that occurred on May 27 in California, at or near the city of San Bernardino. That incident arose when a large gas pipeline exploded. The reason that it exploded, probably—we do not know for sure—was as a result of a train accident that has occurred a matter of a couple weeks prior to that.

The explosion that occurred killing two people, forced hundreds to abandon their homes, cut the gasoline supply to southern Nevada, different factually than the *Exxon Valdez* oilspill which did not directly kill people but killed thousands of animals and led to the largest oil price increases in the history of the Nation in a short period of time.

The gasoline explosion that took place in San Bernardino killed people, disrupted people in their homes, destroyed homes, but in addition to that, Mr. President, it increased the cost of gasoline even more so in the State of Nevada than was caused by the *Exxon Valdez* oilspill. This was caused by a violation of law.

In response to the Alaska oilspill, Exxon is passing on the cleanup cost to consumers. In response to the San Bernardino explosion, various oil companies are passing on the cost of trucking the gasoline to southern Nevada.

Mr. JOHNSTON. Mr. President, will the Senator yield for a question?

Mr. REID. I will in a short time, not right now.

In both cases other oil companies will raise their prices in response.

The consumers do not expect and should not expect to pay for the accidents of giant corporations. I think this Congress must stand on the side of the consumer and on the side of the environment.

I think the Senator from New Jersey certainly responded well to the question of how FERC would handle this. This gives direction to FERC in handling this awesome job that they have. But it does have to take into consideration these violations of our environment.

We cannot do anything about oil pipelines directly perhaps, but we have an opportunity here today to protect consumers from costs associated with environmental mishaps on these pipelines.

The oilspill bill prevents polluters from passing on cleanup costs by deducting these costs from their Federal income taxes.

This amendment before this body today requires FERC to prevent gas companies from passing on the cost of price increases that result when a company violates Federal or State environmental laws. That is quite simple, direct and to the point. It prevents gas companies from passing on the cost of price increases that result when a company violates Federal or State environmental laws.

The Finance Committee, by agreeing to hold hearings on my bill, the oilspill bill, is giving this body an opportunity to protect consumers from the costs of cleaning up the mess left by corporate polluters. Now today this body has an opportunity to protect consumers from the cost of gas polluters as has been illustrated here today.

I urge my colleagues to support the Metzenbaum amendment.

I would be happy to respond to a question from the senior Senator from Louisiana.

Mr. JOHNSTON. I thank my friend from Nevada.

My friend from Nevada talked about a couple of cases, the *Exxon* spill, the gasoline spill in Arizona. The Senator, of course, understands that none of that is regulated by FERC or covered by this amendment.

Mr. REID. Yes, I do understand that.

Mr. JOHNSTON. Is the Senator aware of any single case in which FERC has allowed a pass-on of expenses in one of these environmental cleanup cases, cases where there was a violation of environmental law?

Mr. REID. I would suggest to the Senator from Louisiana that I cannot give a specific case. I do not serve on the chairman's committee and am not certainly as familiar with the case-by-case history as is the chairman.

But that answers the question in and of itself, because if in fact there are not cases, then we should not be concerned, and that should make the amendment that much more agreeable, if in fact there are not cases, because if one does occur then this would give FERC further direction about how to handle their rate increase requests.

Mr. JOHNSTON. Would the Senator be in a position to disagree with me when I tell him that to my knowledge there is only one case of this kind and that is the Texas Eastern case that is pending now, and the question is whether it was improvident of Texas Eastern to have taken this action in the first place.

I have not heard it suggested that there is any lack of authority on behalf of FERC. Would the Senator be in a position to disagree with the statement?

Mr. REID. I would respond to the chairman's question by saying my answer still applies as answered previously. If in fact there are cases, one that the chairman mentioned, or others arise in the future as to whether there are some environmental laws being violated, then certainly FERC, as indicated by the Senator from New Jersey, would just have that much additional guidance in handling the rate request or the request for the cleanup costs being passed on.

Mr. JOHNSTON. I thank the Senator.

Mr. REID. I yield the floor.

Mr. JOHNSTON. Mr. President, I yield to the Senator from Idaho 3 minutes.

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

Mr. McCLURE. Mr. President, in trying to explain the effect of this amendment, let us get into something that more of us might be familiar with.

You are involved in a minor traffic accident. Two cars came together and there is a small wrinkle in the fender of each. Nobody is injured. It is not terribly serious. The investigating officer looks at it and says, "I think the driver of car A was guilty." Bang, he is guilty.

Under this amendment there is no appeal from that. There is no review of that. There is absolutely no way the man can escape unless he goes to court and is exonerated by a court and a jury at a later stage.

Now get this: If, on the other hand, he did not go to court and get a trial and get exonerated, suppose he goes to the investigating officer or to the supervisor or to the district attorney and persuades them not to prosecute the violation of law. He is still guilty under this amendment because there was no exoneration by a jury at a later date; the investigating officer's opinion in advice to someone else determines his guilt—no hearing, no trial, no exoneration; he is guilty.

If that standard is made to apply here, I would tell you I think that is impossible to live with as a matter of law or policy.

I have read this as carefully as I know how to read, and I can tell you that is the result, maybe not the intended result, but it is the result of the language in this amendment.

There may be a problem that needs to be addressed. I think probably not under the prudent expenditure test which FERC is permitted to attach. But if there is a problem, this simply is overkill, and in my judgment the amendment ought to be rejected.

The PRESIDING OFFICER. Who yields time?

Mr. LAUTENBERG. Mr. President, I ask if the Senator from Ohio would permit me a 1-minute response?

Mr. METZENBAUM. I yield 1 minute.

The PRESIDING OFFICER. The Senator from New Jersey is recognized for 1 minute.

Mr. LAUTENBERG. Mr. President, FERC has broad discretion given to it. We are saying there should be no doubt about the fact that neglect of environmental responsibility by companies is their obligation and not the ratepayers.

There is no penalty. This is no incentive to comply with the law otherwise.

Mr. JOHNSTON. Mr. President, will the Senator yield for a question on my time?

The PRESIDING OFFICER. Does the Senator from New Jersey yield to the Senator from Louisiana for a question?

Mr. LAUTENBERG. I return the floor to the manager.

Mr. JOHNSTON. Mr. President, how much time remains on both sides?

The PRESIDING OFFICER. Nine minutes and nineteen seconds on the opponents' side and 9 minutes and 54 seconds on the proponents' side.

Mr. JOHNSTON. Mr. President, if the Senator is willing, I am willing to sum up in a minute or have the Senator from Colorado sum up in a minute and let the Senator from Ohio sum up in a minute, and vote.

Mr. METZENBAUM. Mr. President, I say to the Senator from Louisiana, the Senator from Ohio is considering modifying his amendment to make it short, and so I do not know if I want to do that without the Senator from Louisiana having an opportunity to see what I have done to it so he may have a further opportunity to speak to it.

Mr. JOHNSTON. Mr. President, this amendment has been changed once to take out what was an awful definition and leave the term "environmentally irresponsible" undefined. That could mean any number of things. One thing is clear, Mr. President, that this amendment would be productive of endless litigation.

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. JOHNSTON. 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. JOHNSTON. Mr. President, under the quorum call, is the time being equally divided?

The PRESIDING OFFICER. The time is not being equally divided at this point. It is being taken from the time of the Senator from Louisiana.

Mr. JOHNSTON. Mr. President, we were advised earlier that under a quorum call the time was equally divided.

The PRESIDING OFFICER. The request for a quorum call would have to specify that the time be equally divided. The Senator has 2 minutes remaining on his side.

The Chair would remind the Senator that the time is still running, if any Senator desires to address the question before the Senate.

Mr. JOHNSTON. Mr. President, I had asked the Senator from Ohio if he was willing to vote at this time. We were willing to vote. I think he wants to further argue this.

I have thought, under what we were told previously, that the time would run equally under the quorum call against both sides. I believe we have only 2 minutes remaining.

I yield the remainder of the time to the Senator from Colorado.

The PRESIDING OFFICER. The Chair recognizes the Senator from Colorado.

Mr. WIRTH. Thank you very much, Mr. President.

The statement was made earlier in support of this amendment that: "You cannot abuse the environment without paying the cost."

Noboby disagrees with that. I mean, we want those who have caused environmental problems to pay for it. No question about that whatsoever.

What this amendment does, though, however, is preclude people who have in fact caused problems to clean up the environment and then go after the cost for doing that. This amendment makes it almost impossible to assume that any company that says, "Hey, I made a mistake. I'm sorry. It was a problem," or, "I did something in the past that I didn't know about," it makes it impossible for any one of them to come forward and say they are going to clean up their problem and then to to FERC and say, "Maybe that is justifiable, maybe it isn't, but you, FERC, decide whether or not this is a reasonable and fair approach."

This is a very anticleanup amendment. The polluter pays, of course, but this is simply not a fair way of approaching it, and a completely irrational approach.

Finally, it says in this amendment: "The Commission shall be bound by advice from authorized officials of an agency, whether or not in the form of a formal action."

FERC calls up a State or a county or a local agency and says, "What do you think?" And that becomes a formal procedure? I am not a lawyer, but I can tell you that is terrible.

This is a poorly drafted, thin gruel amendment indeed, and it certainly is antienvironmental. This is going to discourage any kind of cleanup.

So I hope, from an environmental perspective, Senators should certainly understand that they should vote against this very badly crafted and bad amendment.

The PRESIDING OFFICER. All time for the opponents has expired. The Chair recognizes the Senator from Ohio.

Mr. METZENBAUM. Mr. President, just the opposite is true, of that which he has been peddling on this floor this afternoon.

If the pipeline knows that they cannot pass thrugh to the consumer the cost of their environmental irresponsibility, they will have the financial incentive to prevent the environmental problem in the first place.

What an absurd proposition we have been offered this afternoon by the Senator from Colorado, that it is a terrible thing, that if we do not let them pass through, they are not going to clean up the environment.

First of all, they should not have polluted the environment.

Mr. WIRTH. Will the Senator yield?

Mr. METZENBAUM. No.

They should not have polluted the environment.

They were the ones who were the moving party. It was not somebody else. It was they.

And now what they want to do is pass through those costs to the consumers. That is exactly what is being

attempted in a case pending before the FERC at the present time.

Why? What possible justification could there be to permit that to occur?

So this amendment is directed at the same subject, only different kinds of operations, as the proposal made by the distinguished Senator from Nevada the other day with respect to Exxon.

Exxon pollutes in Alaska; comes back and says that they are going to deduct the costs of cleaning it up from the taxpayers of this country, that everybody is going to have to share in those costs. Not 100 percent because it is only the amount of the taxes. But that is the same kind of argument we are getting here today. If we do not let them pass it through, then they will not clean it up.

I do not believe the Senator from Colorado believes that these gas pipeline companies are that irresponsible.

Mr. WIRTH. Will the Senator yield?

Mr. METZENBAUM. I think he knows better than that.

Mr. WIRTH. Will the Senator yield?

Mr. METZENBAUM. I yield for a simple question, one question, not a speech.

Mr. WIRTH. Is there anything in this amendment that relates to Alaska and Exxon?

Mr. METZENBAUM. Not a thing.

Mr. WIRTH. I did not think so.

Mr. METZENBAUM. My colleague is absolutely right. But the situation is comparable and that is the only reason we mention it. In the Exxon situation, the effort is made to clean it up and then pass it on to the taxpayers by deducting it from the taxes. In this one, the effort is made to pass it on to the consumers.

What we are saying is that FERC has the right to say no; that FERC has a right to find out what the facts are, to find out what decisions have been made by governmental agencies, and then to say no.

To suggest to the contrary, and that this is a great environmental opportunity, by defeating this amendment, violates the language of the amendment; violates the facts; is contrary to reality; and worst of all, it violates the environment.

This amendment allows the pipelines to clean up. If they show that they acted reasonably, they can pass it on, period.

But, if they did not, they cannot pass it on. And anyone who believes that we ought to have a cleaner environment in this country should be voting with me on this amendment. They should be voting with Senator REID. They should be voting with Senator LAUTENBERG on this amendment.

My colleague from Louisiana made the point that there could be no hearing, just an absolute moving forward and that would be the end of the ball game. FERC would disallow it and that is it.

I know my colleague from Louisiana is too good a lawyer to have anybody believe that, because the language specifically says, in line 8, "was an environmentally irresponsible act unless the natural gas company can demonstrate, using substantial evidence, that such costs that were incurred are just and reasonable."

The only place you have evidence is in a hearing.

Mr. JOHNSTON. Will the Senator yield?

Mr. METZENBAUM. For a question?

Mr. JOHNSTON. Yes. I said that they would be "bound by advice from authorized officials of an agency, whether or not in the form of a formal action," that there was a violation of environmental law.

Mr. METZENBAUM. No, what the Senator said, if I may correct him, my colleague said there is no right to be heard, and he said no hearing.

Mr. JOHNSTON. That is correct. On the question of a violation.

There are two different things here: "an environmentally irresponsible act" on which you have a right to a hearing; and "a violation of environmental law," on which the "Commission shall be bound by advice from authorized officials of an agency, whether or not in the form of a formal action."

I am quoting the amendment of the Senator from Ohio. There is no evidence. No hearing. No nothing.

Mr. METZENBAUM. It is my time, if my colleague does not mind, and I asked for a question and I tried to answer his question.

Mr. JOHNSTON. Am I not correct?

Mr. METZENBAUM. Thank you very much. The determination of the violation is found in the language: "The Commission shall determine whether a violation of environmental law has occurred in accordance with the following standards."

And then you have those standards set forth in the amendment. I will not read all of them. The Senator from Louisiana mentions one of them, but that is all.

There will be a hearing. There will be evidence. There will be fairness. And, if it is just and unreasonable, then it will be disallowed. But if it is just and reasonable, it will be allowed. And that is the way it ought to be.

Mr. JOHNSTON. Would the Senator yield for a question? A short question?

Mr. METZENBAUM. Only for a question.

Mr. JOHNSTON. I must not be reading this right. If the Commission is bound by the informal opinion of an authorized official, how can there be evidence on that question, other than the question of whether or not he gave the opinion?

Mr. METZENBAUM. The Commission will take all the factors into account and will make its own determination. We cannot preclude the Commission from making its own determination.

Mr. JOHNSTON. The Senator just did.

Mr. METZENBAUM. Just a moment. Whether or not the violation occurred, the Commission can get the advice. But the Commission still has the right to determine whether or not the pipeline's actions were just and reasonable.

Mr. JOHNSTON. What does it mean it says they are "bound by advice"?

Mr. METZENBAUM. It is a determination that there was a violation. They are bound that there was a violation.

They are not bound in the ultimate decision as to whether their expenditures were just and reasonable.

Mr. President, how much time does the Senator from Ohio have?

The PRESIDING OFFICER. The Senator from Ohio has 1 minute and 48 seconds remaining.

Mr. METZENBAUM. Mr. President, if Senators believe in the environment, if Senators think that those who violate the environment ought to at least be brought up, not exactly on charges but brought before FERC for a determination as to whether or not they should or should not be required to pay it themselves or pass on the expenses to their consumers, then Senators have to vote for this amendment. We are just saying that FERC has the right to do it. We are saying that, if there is a violation, that it ought not to be charged back to the consumers automatically.

Mr. President, my understanding is that the proponents have no further time; the Senator from Ohio probably has less than 1 minute time left?

The PRESIDING OFFICER. The Senator's understanding is correct on both counts.

Mr. METZENBAUM. Mr. President, I yield back the remainder of my time and I am ready to vote.

The PRESIDING OFFICER. Both sides have yielded back all time. The question occurs on the amendment offered by the Senator from Ohio.

The Chair recognizes the Senator from Louisiana, Senator JOHNSTON.

Mr. JOHNSTON. Mr. President, I move to table the amendment.

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 question is on agreeing to the motion of the Senator from Louisiana to lay on the table the amendment by the Senator from Ohio [Mr. METZENBAUM],

as modified. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Tennessee [Mr. GORE] is necessarily absent.

Mr. DOLE. I announce that the Senator from Wyoming [Mr. SIMPSON] and the Senator from Wyoming [Mr. WALLOP] are necessarily absent.

I further announce that, if present and voting, the Senator from Wyoming [Mr. WALLOP] would vote "yea."

The PRESIDING OFFICER (Mr. CONRAD). Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 66, nays 31, as follows:

[Rollcall Vote No. 87 Leg.]

YEAS—66

Armstrong	Fowler	McClure
Baucus	Garn	McConnell
Bentsen	Glenn	Mitchell
Bingaman	Gorton	Moynihan
Bond	Gramm	Murkowski
Boren	Grassley	Nickles
Breaux	Hatch	Nunn
Bumpers	Hatfield	Packwood
Burdick	Heflin	Pryor
Burns	Helms	Riegle
Chafee	Hollings	Robb
Coats	Inouye	Roth
Cochran	Jeffords	Rudman
Cranston	Johnston	Sanford
D'Amato	Kassebaum	Sasser
Danforth	Kerrey	Shelby
Daschle	Kerry	Stevens
Dixon	Lott	Symms
Dole	Lugar	Thurmond
Domenici	Mack	Warner
Exon	Matsunaga	Wilson
Ford	McCain	Wirth

NAYS—31

Adams	Graham	Metzenbaum
Biden	Harkin	Mikulski
Boschwitz	Heinz	Pell
Bradley	Humphrey	Pressler
Bryan	Kasten	Reid
Byrd	Kennedy	Rockefeller
Cohen	Kohl	Sarbanes
Conrad	Lautenberg	Simon
DeConcini	Leahy	Specter
Dodd	Levin	
Durenberger	Lieberman	

NOT VOTING—3

Gore	Simpson	Wallop

So the motion to lay on the table amendment No. 192, as modified, was agreed to.

Mr. JOHNSTON. Mr. President, I move to reconsider the vote by which the motion to lay on the table was agreed to.

Mr. McCLURE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. JOHNSTON. 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. CHAFEE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

If the Senator will withhold for 1 moment, if we could have order in the Chamber so the Senator can be heard.

The Senator from Rhode Island.

EXPLANATION OF VOTE

Mr. CHAFEE. Mr. President, as one who is deeply concerned about our environment, and whose credentials on environmental issues are as strong as any of my colleagues in the Senate, I would just like to comment briefly on the last vote. I believe the amendment, which was just soundly defeated, would have resulted in an entirely inappropriate Federal policy. The amendment stated that "the Commission shall be bound by advice from authorized officials of an agency, whether or not in the form of a formal action, that an act was a violation of environmental law." This is bad language. I do not believe we want the Federal Energy Regulatory Commission to be bound by advice that comes from any agency official, whether or not that advice was in the form of a formal action.

This would allow an authorized official to come forward and give his opinion, as if in fact, that an action was in violation of environmental law. To bind FERC by this opinion would violate the concept of due process of the law, a fundamental underpinning of our system of jurisprudence.

So, Mr. President, it is for that reason that I voted to table the amendment that was presented by the junior Senator from Ohio. I believe environmentalists must take responsible positions on environmental matters. When a proposal is not adequately constructed, and poses a significant threat to an important tenet like due process of the law, we should say so.

Our credibility is an extremely important factor in this Chamber. If we wish others to carefully consider our concerns, we must be thorough in evaluating environmental proposals. Plenty of difficult matters will come before us in the coming months—the Clean Air Act, preservation of wetlands, the Clean Water Act, and reauthorization of the Superfund. Those of us who are deeply concerned with the environment want to be able to stand up here and have our colleagues say we are responsible or in pursuit of protecting our environment. I think that confidence and respect gives us the best chance of enacting important environmental legislation.

I thank the Chair.

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. METZENBAUM. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 193

(Purpose: To declare take-or-pay clauses to be presumptively unjust and unreasonable)

Mr. METZENBAUM. Mr. President, I send an amendment to the desk on behalf of myself and Senator KOHL and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Ohio [Mr. METZENBAUM], for himself and Mr. KOHL, proposes an amendment numbered 193.

Mr. METZENBAUM. 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 appropriate place, insert:

"SEC. 8. TAKE-OR-PAY CLAUSES.

"A take-or-pay clause in a contract for the purchase of natural gas shall be held to be injust and unreasonable under section 5 of the Natural Gas Act (15 U.S.C. 717d) unless the Federal Energy Regulatory Commission finds, on application of a party to the contract, that the clause is just and reasonable under the particular circumstances of the contract in question.".

Mr. METZENBAUM. Mr. President, this amendment is simple. It shifts the burden of proof regarding who should pay for the multibillion-dollar mistake known as take-or-pay.

Right now, consumers must pay for billions of dollars in take-or-pay liabilities. Bills being passed on to consumers for take-or-pay contracts now total over $5.1 billion. That amount will increase in the future unless we adopt this amendment.

While FERC has made some generic rulings regarding the apportionment of take-or-pay liabilities, they have failed to examine particular cases to see whether the pipelines acted prudently when they entered into the contracts.

This amendment says that FERC must presume that take-or-pay liabilities are unjust and unreasonable unless, after a hearing, they find that a particular contract's take-or-pay clause was in fact just and reasonable.

This amendment in no way abrogates contracts between producers and pipelines that have take-or-pay clauses: The contracts remain legally binding. The legal obligation between buyers and sellers continue.

I am pleased that it has been endorsed by AARP.

Now, take-or-pay contracts were extracted from gas buyers during acute gas shortages of late 1970's.

Buyers must take high priced gas in large quantities, or pay a penalty for the shortfall. Typically the required "take"; in other words, purchase, is 70 to 90 percent of the average purchase.

This is the equivalent of having to pay 70 to 90 percent of your average grocery bill every time you shop, re-

gardless of how many groceries you actually take home.

Take-or-pay is anticompetitive. It restricts gas buyers from shopping for lowest cost supplies and getting it delivered under open access transportation. They cannot do that because they are obligated to buy large volumes of the high-priced gas.

Soon after most of these contracts were signed, demand for gas plummeted due to several factors, such as warm winters, plant closings, recession, and conservation.

As a matter of fact, large industrial gas purchasers switched to oil as the oil price collapsed.

Yet, despite the lower demand, pipelines had obligated themselves to buy large volumes of high priced gas, and as a result significantly raised costs to residential consumers.

FERC has the power to invalidate take-or-pay, but they are now making the consumers pay half the liability, the pipelines pay up to half.

In a similar situation pertaining to pipeline-local distribution company [LDC] contracts, the other end of the stick, our end being the pipeline to the producer, minimum bill clauses with the same anticompetitive effects of take-or-pay were in the contracts.

In 1984, FERC used its NGA section 5 powers to invalidate minimum bills in pipeline-LDC contracts. This order 380 was upheld by courts as I described earlier, citing FERC's "authority to limit or to proscribe contractual arrangements that contravene the relevant public interests."

In 1985 FERC issued order 436, which encouraged pipelines to become open access transporters but it failed to deal with take-or-pay liabilities between producers and pipelines that were already mounting into many billions of dollars of costs for consumers.

Take-or-pay liabilities worsened as pipelines could not sell high cost, high take-or-pay gas. In June 1987, the D.C. Court of Appeals, while confirming FERC power to coerce pipelines to become open access transporters, threw out the whole order for its glaring failure to address the closely related take-or-pay problem using its section 5 remedial powers. The court criticized, and I quote:

> FERC's seeming blindness to the possible impact of order 436 on take-or-pay liability seems impossible to square with reasoned decisionmaking.

I am not sure all of my colleagues heard that, but I want to point it out to you. I want to repeat it. The court in that case, the D.C. Court of Appeals, while confirming that FERC had the power to coerce pipelines to become open access transporters, they threw out the whole order for its glaring failure to address the closely related take-or-pay problems using its section 5 remedial powers.

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

Mr. METZENBAUM. Not at this point.

The court said:

> FERC's seeming blindness to the possible impact of order 436 on take-or-pay liability seems impossible to square with reasoned decisionmaking.

That is about as strong language as I have ever heard a court use.

The court concluded "FERC's indifference on take or pay taints the package."

In late 1987 FERC's solution to the Court of Appeals ruling was order 500 with respect to take or pay. Order 500 allows automatic passthrough of up to half of the billions in liabilities, and the bulk is passed on to residential consumers if pipelines absorb the other half.

Order 500 is still an interim rule. The court will not hear the oral argument until the fall of 1989. By that time most bills may already be paid by consumers and unquestionably FERC will say the problem is solved, the case is moot, and the consumer will have been stuck with the bill.

This amendment will help consumers and local distribution companies nationwide by encouraging FERC to conduct an investigation into the reasonableness of these contract terms. It does not void take or pay liabilities. It merely exposes them to the light of day.

I yield the floor.

Mr. JOHNSTON. Mr. President, this amendment would wreak havoc in the whole gas market, and that havoc would last only so long as it would take the Congress to come in and correct the mistake because this would be totally, totally unworkable.

If I may explain, first of all, let me explain what a take-or-pay contract is. In any contract for natural gas you have a price and you have a quantity. Now, the quantity is dealt with on what we call take-or-pay because in the case of purchaser, the needs of that purchaser will vary seasonally. In wintertime they will need more gas than they will in summertime.

On the other hand, for the supplier of natural gas, the deliverability of the field or of the well will vary according to geologic conditions.

So, accordingly, in order to tie up a specific quantity of gas or a specific field, we provide for take-or-pay contracts which will typically say that the purchaser will be bound to take, for example, 70 percent of the deliverability of the field not to exceed a certain specified amount.

Now, Mr. President, virtually every long-term gas contract has a take-or-pay provision. It is the only way to make really a binding long-term contract. If you cannot tie up the quantity, then there is no way to have a contract.

So, in effect what this amendment would do would say that virtually every long-term contract for the delivery of natural gas existing in America today would be presumptively invalid, and the only way to make them valid would be to go in to FERC and prove that it was just or reasonable.

How many natural gas contracts are there? There are thousands of natural gas contracts, all of which would be presumptively invalid and you would have to go to FERC in order to prove them valid.

It is precisely the same question that we had in the amendment a moment ago which we beat 73 to 23.

The contract would be invalid unless you went to FERC. You would have to go to FERC in virtually every case because they all have take-or-pay contracts. There is no other way to have a long-term gas purchase contract.

What was the Senator talking about a moment ago when he was saying FERC said in order 436 or the court of appeals said on appeal of order 436?

Mr. President, the Senator did not answer my question which was going to be: Did the Commission not come back under order 500 and clear it up? And the answer to that is yes, Mr. President.

After order 436 and the court of appeals decision on that, then they remanded the case to FERC. FERC then came up with order 500 dealing with the take-or-pay.

The problem, Mr. President, was not with take-or-pay contracts. The problem was really in the price specified in those contracts because some years ago when the price of natural gas was very high and the supply was very low, companies entered into long-term take-or-pay contracts, setting the price of natural gas in some cases as high as $6 or $7 and providing for a long-term contract.

The contract was perfectly valid, was entered into in good faith, but the price of natural gas dropped, thereby putting pipelines, local distribution companies, and consumers in an embarrassing economic situation; thereby FERC came up with order 500 to deal with that, which provided, in effect, for the passthrough of sums incurred for the renegotiation of those contracts, and that such costs would be split 50-50 between the consumer and the pipeline.

As I mentioned the other day, Mr. President, about 80 percent of the costs had been renegotiated; 95 percent of the contracts have been renegotiated, and 80 percent of the liability was negotiated away and absorbed by producers. The remaining 20 or 30 percent was divided 50-50 by agreement between consumers and the pipeline companies.

So, Mr. President, the problem dealing with take-or-pay which was really a price problem has been solved.

This amendment would create brand new problems of unsolvable dimensions. The first effect would be probably to abrogate all of these contracts.

There is a provision in gas contracts, typically a provision, called a force majeure provision, which says in effect that, if by action beyond the control of the parties as in the case of FERC or in the case of a congressional abrogation of a provision of the contract such as take-or-pay, the whole contract is abrogated.

So, you would have thousands of contracts which would be subject to being immediately nullified.

The only way to revive them would be to go to have a long-term litigation at FERC.

So, Mr. President, in effect what you have is all the gas that is being supplied to consumers today would be at very best uncertain as to its legality and at worst the contract fully abrogated.

Mr. President, further for future action it would make virtually impossible a long-term contract. If you cannot tie up a long-term supply of gas binding both the purchaser to take it and the supplier to supply it, you are not going to have any long-term contracts. They will say we will contract for 90 days. We will give you x amount of gas which they know that they need and you know that you can supply, and you will come back at the end of 90 days—no stability of supply for the market.

I cannot imagine a worse thing for the consumer than what this amendment would do.

Mr. President, it would be totally unworkable. Moreover, this amendment would greatly expand FERC jurisdiction. Most wellhead natural gas contracts are already deregulated. Well over 60 percent are already deregulated. But what this amendment would do would bring those contracts to the extent they have take-or-pay obligations back under FERC jurisdiction, with I suppose blanket authority of FERC to reform the contracts in whichever way they wished, to rewrite the price or rewrite the quantity of take-or-pay or indeed to declare the whole contract null and void.

The same arguments were made on the first amendment today. Take-or-pay it is the flip side of the indeterminant price escalator provision.

Mr. President, there are probably few areas of the law as arcane, as detailed, as difficult as natural gas deregulation.

I can tell my colleagues what order 436 provides and what order 500 provides, but I can tell you that my colleagues, those who do not deal in natural gas, are not going to really understand it because it is very, very complicated.

So to bring an amendment out here on the floor that deals with all the natural gas contracts in America, which runs the risk of nullifying all of those contracts, of abrogating any long-term contracts, of putting the markets into disarray and doing all of that without hearing from the first witness, without having the first day markup in the committee of jurisdiction, Mr. President, would be totally irresponsible.

It is simply indefensible, because there is a no problem here. The problem has been fixed by order 500. Over 95 percent of those contracts have been renegotiated. And the effect of the amendment would be to wreak havoc on all of our natural gas markets.

Mr. METZENBAUM. Will the Senator from Louisiana yield for a question?

Mr. JOHNSTON. Yes.

Mr. METZENBAUM. The Senator from Louisiana has spoken about order 500 providing for pipelines to pay 50 percent of the cost and consumers to bear 50 percent of the cost. Is it not a fact that the consumers are now paying 100 percent of the costs because order 500 is on appeal? Many lawyers are saying that it may be overturned, but in the interim the consumer is being billed and the only way the consumer would benefit from that order is if FERC were to order refunds, which is a highly unlikely probability.

Mr. JOHNSTON. The Senator is incorrect. The billing mechanisms in place at the present time are on a 50 to 50 basis. Moreover, the amount that is split 50-50 is only the amount that the pipeline has paid to settle its liability.

Understand that about 70 to 80 percent of cost of those take-or-pay contracts from some years ago have already been negotiated away. So you are dealing with only the remaining 20 or 30 percent of renegotiated costs and that is being split 50-50 between the pipelines and the consumer.

Mr. METZENBAUM. Is the Senator from Louisiana saying that the consumer is not being billed for that 50 percent under order 500; that none of it is being billed to the consumer?

Mr. JOHNSTON. Fifty percent of the unnegotiated amount is being billed to the consumer, that is correct.

Mr. METZENBAUM. Is it not correct that the consumers have been billed as of May 11 this year $3,467,328,412, according to a report from somewhere, I am not sure where it came from?

Mr. JOHNSTON. I am not sure of the amount, but that may well be what the pipelines have applied for which has not been passed through yet, not been determined by the Commission.

Mr. METZENBAUM. According to what I am reading here, it says amount directly bill, $3,467,328,000.

Mr. JOHNSTON. I do not know what document the Senator has.

Mr. METZENBAUM. It is a FERC document.

Mr. JOHNSTON. I think the Senator would probably find that that is the amount that has been filed for that represents 50 percent of the negotiated amount and that will be amortized over a 5-year period and, indeed, passed on to consumers if the State commissions determine that LDC's were prudent.

Mr. METZENBAUM. I am afraid I have to take issue with my colleagues, because in the FERC figures, the amount directly billed, as I said in my opening statement, $5.1 billion has actually already been passed through this. This has a breakdown of $3,467,000,000 and plus a voluntary surcharge of $1,743,000,759. I guess the total of that would come up to $5.1 billion.

Mr. KOHL. Mr. President, I am pleased to speak on behalf of this amendment.

I also am concerned about passage of S. 783 in its current form.

Mr. President, this legislation does nothing to protect or help residential consumers of natural gas. This bill essentially gives gas producers everything they want, while denying consumers any relief from unreasonable contract terms, and unfair Federal regulations.

As Senator METZENBAUM has ably explained, the producers took advantage of their market power in the late seventies and early eighties, insisting on these take-or-pay clauses in the sales contracts they negotiated with pipelines.

And for their part, the pipelines made the unfortunate decision to accept these unreasonable terms.

The producers were clearly playing on the Nation's fear of gas shortages, and the pipelines bought into that sales pitch.

I am a businessman, and I understand that being in business involves a certain amount of risk-taking. You make your best guesses about what the future holds, and you take your chances. Sometimes you win, and sometimes you lose.

In the case of high-priced gas contracts signed in the late seventies, the pipelines clearly lost.

The Federal Energy Regulatory Commission [FERC] has decided that it is fair to hold gas consumers partially responsible for these unfortunate business decisions, in which they had no say.

FERC, which Congress entrusted with the responsibility of protecting

the public interest, has refused to protect consumers from take-or-pay.

FERC simply told the producers and pipelines to renegotiate these contracts, and encouraged the pipelines to buy their way out of these contracts.

Meanwhile, producers are free to resell the gas which was not taken by the pipelines, essentially allowing them to collect payment twice on the same gas.

And FERC decided that consumers should help the pipelines with those take-or-pay liabilities pipelines and end users are required to split the buy-out costs 50-50.

But it gets even worse. FERC has decided that if large industrial users do not want to pay these buy-out costs, they can bypass the local gas utility and contract for their own gas. That leaves the homeowners picking up a bigger share of the tab.

Clearly, Congress could have resolved the take-or-pay problem long ago. For years, consumers have asked Congress to do something. And they were told that Congress could not open the Gas Act. It is too complicated. It would get too messy.

But, interestingly enough, when the producers asked Congress to decontrol cheap "old gas" still subject to controls, Congress went to work drafting a bill.

And when the pipelines objected to immediate decontrol, guess what happened? The bill was changed to provide for a 3-year phase-in.

Producers and pipelines made their requests, and their wishes were granted. But who is listening to the consumers?

The bill before us today finally opens the Gas Act—but only to the benefit of natural gas producers. If we do not take this opportunity to provide relief and fairness to consumers, we will not have another chance.

The proponents of the bill tell us that we need not worry because total deregulation of natural gas is the universal panacea. Consumers need not worry about any of their prior concerns because competition will hold prices down.

But everyone forgets to mention that residential gas customers will not benefit from competitive prices for a very long time. Competition—what is that? For the average homeowner, it means nothing.

FERC's open access transmission policy does not allow residential customers to take advantge of market prices.

Large industrial gas users will benefit from open access. They have the resources to compare wellhead gas prices, secure transportation rights, and build a hookup straight to the pipeline, circumventing the local utility.

In so doing, the industrials can also avoid sharing in take-or-pay buy-out costs.

But what about senior citizens on fixed incomes, or young families trying to heat their homes in Wisconsin, or any other State in the Midwest, or Northeast?

Can these homeowners shop around for the cheapest gas? Can they get on the phone and call producers in the Southwest, trying to get a good deal on their heating bills?

Of course not. Homeowners are still dependent on their local gas utility. The monopoly still exists for the millions of people who depend on natural gas for home heating, and are captive customers of their local gas utility.

They will not benefit from increased competition in the natural gas marketplace. They have to pay whatever their local utility charges. They do not have any options.

They cannot object to the price and take their business elsewhere.

They will not be able to object when their bills go up as take-or-pay liabilities are passed through. They cannot object to paying for gas they never even used.

Mr. President, this situation simply is not fair. Residential customers keep getting the short end of the stick.

And if we decontrol the remaining natural gas under regulation, without correcting some of the regulatory and contract abuses which afflict residential customers, we are doing a disservice to our constituents.

There is absolutely no reason why any Senator from a consuming State should not support this amendment. It simply requires that FERC make a determination that take-or-pay costs are just and reasonable before they can be passed on to consumers.

Is that so unreasonable? I think not. Most homeowners who heat their homes with natural gas would probably agree.

Mr. President, I urge my colleagues to support this amendment which makes some small improvement to the benefit of consumers.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. METZENBAUM. Mr. President, I would like to thank the distinguished Senator from Wisconsin for a very erudite, direct, concise statement as to why we need this amendment. It pleases me no end to have him speaking out so strongly in behalf of consumers of this country.

We all know that he came here as a very successful business person and it is with a great deal of pleasure that I align myself with his concerns and appreciate his support very much.

Mr. McCLURE. Mr. President, will the Senator from Louisiana yield me 5 minutes?

Mr. JOHNSTON. Yes, I so yield.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. McCLURE. Mr. President, would the Senator from Ohio respond to a question, because I want to make certain I understand what is intended by the amendment?

It is a short amendment, but languge can sometimes be understood by different people to mean different things. It says, "A take-or-pay clause in a contract for the purchase of natural gas shall be held," and so on.

Is it intended to be prospective only? Is this to be attached to current contracts or only to future contracts?

Mr. METZENBAUM. It would be applicable to current contracts.

Mr. McCLURE. And that would be applicable, then, to all of those under order 500 today?

Mr. METZENBAUM. The answer is yes.

Mr. McCLURE. And it would be applicable equally to all those in which negotiated settlements have already been effected and approved?

METZENBAUM. Let me respond to my colleague.

When he says "negotiated," the implication is there was a give and take.

Let me make it very clear, I do not know who did the negotiations.

Mr. McCLURE. Aside from that issue—and I recognize we can get into the question of how equal were the relative strengths of the parties to such negotiation.

Mr. METZENBAUM. Certainly the consumers were not at the table. They had nobody speaking for them.

Mr. McCLURE. Nevertheless, there were an awful lot of contracts in which the contracting parties did negotiate some kind of settlement with respect to take-or-pay issues.

Mr. METZENBAUM. If the Senator from Idaho is asking whether or not this would have any retroactive effect with respect to the application of order 500, the answer is "No." But if he is asking whether or not it would have an impact upon those contracts still extant, the answer is yes, even though they may be affected by order 500.

Mr. McCLURE. That answer did not help me much because order 500 purports to cover a number of existing contracts. There are only the unsettled remnants of those which were earlier settled.

We had a whole block of contracts, as we have had since 1938, that had take-or-pay provisions in them, and many of those have expired by their terms. Some have been renegotiated—the great bulk of them have been renegotiated in one form or another.

Mr. METZENBAUM. If they were renegotiated and there is no longer a take-or-pay clause that is applicable, then this language would not be applicable.

Mr. McCLURE. So it is not your intention to apply this language to reopen those contracts which have already been negotiated?

Mr. METZENBAUM. Where the take-or-pay provisions of the contract have been negotiated out, it is not my intention to reopen that situation.

Mr. McCLURE. I thank the Senator for his answer because that does narrow the range of the discussion somewhat. But I would also say, if that is true, then it does not apply to the $8,678,000,000 that the Senator made reference to a while ago.

Mr. METZENBAUM. I do not think I ever mentioned that figure.

Mr. McCLURE. The Senator mentioned two halves of it, $3,467,000,000 which is eaten by the pipelines and $3,467,000,000 which is to be direct billed to the consumers.

That is the total amount. But I would say that, pursuant to the answer, of my colleague, we can set all of that aside because it is not covered by the amendment.

Mr. METZENBAUM. The fact is, so that we not leave that confusion as to the $3,467,000,000, let me point out that there is also a volumetric surcharge which is passed on to the consumers, the amount of $1,473,000,000.

Mr. McCLURE. Which has nothing to do with this discussion, but it may be a fact. We could put a lot of other facts in, too, that have nothing to do with the discussion, but that does not change the discussion.

If, as a matter of fact, this amendment has the effect the Senator from Ohio says that it does, it has almost no effect. And maybe on that basis, we ought to accept it.

Mr. METZENBAUM. Why does my colleague not do so?

Mr. McCLURE. But I am afraid that others reading the amendment might come to a different conclusion than has the Senator from Ohio.

Mr. JOHNSTON. Will the Senator yield? It would have prospective effect, which would mean it would be virtually impossible to contract for a long-term supply of gas.

Mr. McCLURE. That is fair. But it would have almost no effect on current liabilities under current contracts, regardless of their status.

Mr. JOHNSTON. If the Senator will further yield, it would at least be productive of a great deal of litigation as to those existing contracts.

Mr. McCLURE. Yes.

Mr. JOHNSTON. Because I heard both a yes and a no answer when the question was put to the Senator. And I am inclined to think that the court would be equally confused, as well.

Mr. McCLURE. I am concerned because if indeed the Senator meant what he said, and understood what he said, then it has no effect. Therefore, I am not sure that he meant what he said or understood what he said. And the court might well say, in spite of what he said, he must have meant something by the amendment and therefore we will apply it, even though he said it does not apply.

So, I agree with the Senator that, indeed, there would be a great deal of confusion with respect to where we stand. And that confusion would extend, I would say, also, not just to the 42 contracts that are in question here—and I might just mention, out of those 42 contracts, there are 9 of them that have already been settled, 9 out of that 42.

I have not tried to total up the number of dollars in those nine that have been settled. There are 2 in which there is no contest about the prudency, but with 31 of the 42, there is a contest before the Commission on the prudency question. So to hold out to this body or to anybody listening that this is a kind of a liquidated sum is to overstate our understanding of the facts that exist.

I am very much opposed to this amendment for a variety of reasons, in spite of the answers of the Senator from Ohio, the author of the amendment, because I do not believe the language is that clear. But I think, as a matter of fact, the very fact that we do not know what the language means casts in doubt not just this volume of contracts, but all of those that were renegotiated, and the consumers who believed that they know what their charges are may well find they wake up the day after tomorrow and find that we have thrown all of those contracts back into contention before a FERC that is already unduly burdened.

I do know that it is easy to say, well, all this does is change the burden of proof. That is an easy thing to say, but it does much, much, much more than that because it says every one of those contracts that we have negotiated settlements upon or that are now pending under order 500 will be back before the Commission for a redetermination of what the effect will be. That is a grab bag. As a matter of fact, order 500 carefully tries to balance certain equities with a kind of a contract carriage, open access policy offset by a split on the effects of take-or-pay obligations.

If we had been willing to make that kind of a settlement, we could have had that 5 years ago. As the Senator from Louisiana and the Senator from Ohio know, we spent almost 2 years negotiating those kinds of trade dollars. The Senator from Ohio and others at that time said, no, we are not going to make any settlement; we are not willing to make tradeoffs; we will hold out for everything. That is why 5 years later we have several hundreds of millions of dollars having transferred from consumers to producers at the wellhead.

So I would suggest that if, indeed, we want to protect the consumers, the best way to do that is to come to an end to this business and give them supplies under secure contracts of known quantity and known price and give the producers at the other end the opportunity to get out there and drill some wells and find some gas and build some pipelines and distribute some supplies to consumers so that they have supplies at a known price.

Mr. President, this amendment in its thrust, and I believe it would be safe to say in its genesis, comes from almost precisely the same ground and the same direction as the amendment we previously voted on and rejected by a vote of 2 to 1 in this body. I hope when we get to the conclusion of this debate, and I hope that is soon, that we will again have the opportunity to vote on a motion to table this amendment. I urge my colleagues to vote on this as they did on the other amendment earlier this afternoon.

The PRESIDING OFFICER (Mr. SHELBY). The Senator from Ohio.

Mr. METZENBAUM. Let us understand what we are talking about on this 50-50. It is 50-50 for some of those cases, but there is no reason for the consumer to be billed for this 1 penny. They did not make the contract. But in addition to the 50-50, there is a volumetric surcharge that will be billed to the consumer to the extent of exactly one-half of that amount billed to the consumer, $1,743,759,000.

All we are saying here is that they cannot pass it on, it is unjust and unreasonable, on these take-or-pay contracts unless the FERC determines to the contrary. Mr. President, I am prepared to vote.

Mr. McCLURE. Will the Senator yield for a question?

Mr. METZENBAUM. Sure.

Mr. McCLURE. The volumetric surcharge to which you make reference—that is 17 of the contracts you would make reference to—is already the subject of a FERC order; is it not?

Mr. METZENBAUM. I do not know.

Mr. McCLURE. FERC has already looked at those contracts and said it is just and reasonable there be a volumetric surcharge.

Mr. METZENBAUM. I guess that would be correct, but the fact is, let me point something out to my colleague, you all talk about the fact it will open up all these cases. Let me say to you that the cases may very well be opened up despite of what we do here on the floor because order 500 is presently on appeal. And if the decision comes down to overrule FERC, then the entire matter would be before FERC and, therefore, there would be an even stronger reason as to why we need this legislation.

Mr. JOHNSTON addressed the Chair.

The PRESIDING OFFICER. The Senator from Louisiana.

Mr. JOHNSTON. Mr. President, very briefly. First of all the Senator is wrong in his last statement. Most of these cases are not jurisdictional with FERC because they deal with decontrolled wellhead contracts, which is another reason to oppose it. This amendment would bring jurisdiction for the first time over these contracts. So in the guise of deregulating natural gas, the last 2 percent, we would be reregulating all natural gas.

Mr. President, this amendment, if agreed to, would put in complete turmoil all of our natural gas contracts, would abrogate many of those contracts because of what we call force majeure clause in the contracts, would make it impossible to contract for long-term supplies of natural gas, would inundate FERC with a volume of cases which would be completely impossible for FERC to deal with and, indeed, make it impossible to have rational gas markets. For that reason, Mr. President, the amendment should not be agreed to, and I am ready to yield back the remainder of my time.

Mr. METZENBAUM. I yield back the remainder of my time.

The PRESIDING OFFICER. All the time has been yielded back.

Mr. JOHNSTON. Mr. President, I move to table the amendment. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. DOLE. I announce that the Senator from Wyoming [Mr. SIMPSON] and the Senator from Wyoming [Mr. WALLOP] are necessarily absent.

I further announce that, if present and voting, the Senator from Wyoming [Mr. WALLOP] would vote "yea."

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 63, nays 35, as follows:

[Rollcall Vote No. 88 Leg.]

YEAS—63

Armstrong	Dodd	Levin
Baucus	Dole	Lott
Bentsen	Domenici	Lugar
Biden	Ford	Mack
Bingaman	Fowler	Matsunaga
Bond	Garn	McCain
Boren	Glenn	McClure
Boschwitz	Gore	McConnell
Breaux	Gorton	Mitchell
Burdick	Graham	Murkowski
Burns	Gramm	Nickles
Byrd	Hatch	Nunn
Coats	Hatfield	Packwood
Cochran	Heflin	Pell
Conrad	Helms	Pryor
Cranston	Hollings	Robb
DeConcini	Inouye	Rockefeller
Dixon	Johnston	Roth
Sanford	Stevens	Warner
Sasser	Symms	Wilson
Shelby	Thurmond	Wirth

NAYS—35

Adams	Harkin	Lieberman
Bradley	Heinz	Metzenbaum
Bryan	Humphrey	Mikulski
Bumpers	Jeffords	Moynihan
Chafee	Kassebaum	Pressler
Cohen	Kasten	Reid
D'Amato	Kennedy	Riegle
Danforth	Kerrey	Rudman
Daschle	Kerry	Sarbanes
Durenberger	Kohl	Simon
Exon	Lautenberg	Specter
Grassley	Leahy	

NOT VOTING—2

Simpson	Wallop

So the motion to lay on the table amendment No. 193 was agreed to.

Mr. JOHNSTON. Mr. President, I move to reconsider the vote by which the motion to lay on the table was agreed to.

Mr. McCLURE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. JOHNSTON. Mr. President, there is one amendment remaining with a time limit of an hour. I wonder if the Senator from Ohio would be willing to reduce that time to a less time, 5 or 10 minutes to a side.

Mr. METZENBAUM. As I indicated earlier, 10 minutes on a side would be agreeable. I want to take a few minutes to offer the amendment just to be certain I have it in the right order. I have no objection to entering into an agreement for 20 minutes on a side, but since there is no time limit on the bill itself, I want to tell my colleagues there will be a few minutes in which I will actually offer the amendment.

Mr. JOHNSTON. Mr. President, in that case, I ask unanimous consent that the time on the final Metzenbaum amendment be reduced to 10 minutes a side.

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

Mr. JOHNSTON. 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. METZENBAUM. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 194

(Purpose: To require the Federal Energy Regulatory Commission to use its existing authority to decontrol incentive pricing for certain high cost natural gas)

Mr. METZENBAUM. 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 Ohio [Mr. METZENBAUM] proposes an amendment numbered 194.

At the appropriate place, insert:

"In the case of high-cost natural gas under Section 107(c)(5) of title I of the Natural Gas Policy Act of 1978, the Federal Energy Regulatory Commission shall exercise its existing authority to rescind any incentive prices on that category of natural gas within 90 days of the date of enactment. Notwithstanding any other provision of the Code, nothing in this amendment shall affect the continuation of tax credits under the Internal Revenue Code with respect to natural gas production.".

The PRESIDING OFFICER. The Senator from Ohio.

Mr. METZENBAUM. Mr. President, this amendment forces FERC to remove incentive prices that give producers windfalls four times above market.

Now, if you believe in decontrol, and it is obvious that a majority of the Members of this body, as indicated by the votes today, favor decontrol, then you ought to be for this amendment, because this amendment is the decontrol amendment.

The proponents have been hammering away about free markets, and they view 1989 as a unique opportunity to remove the wellhead controls that they contend distort markets.

Yet, FERC has failed to administratively deregulate incentive priced tight formation gas, as it said it intended to do several years ago in a proposed rule.

This gas is currently selling at prices as high as $6.82 per thousand cubic feet. If you want to deregulate, let us go for it. That is this amendment, deregulation of the high-priced gas.

FERC has refused for years to remove the incentive prices it set in 1980 even though those prices are today more than four times the market price of gas.

The reason FERC has failed to act is that the large producers screamed that they would lose their windfall.

The Supreme Court said in *FERC* v. *Martin Exploration*, 108 S. Ct. 1765 (1988), that:

> Not one participant in the NGPA legislative process suggested that producers should receive higher prices than deregulation would afford them.

Yet, that is what is happening today to large amounts of high priced gas, and the consumers are footing the whole bill.

In April 1989, the D.C. Circuit Court of Appeals slammed FERC for refusing without explanation to amend its regulations to remove the incentive prices for this gas. It said:

> The Commission also ignores the contention that many contracts for future sales of deregulated gas have set the price by reference to the last regulated price.

At pages 21-22, the Court further rebuked FERC:

We see no basis in either the statute or in logic for such extraordinary abdication of FERC's role.

Are you getting the picture about FERC's intransigence? How about the way they conduct business?

Is FERC protecting consumers the way Congress expected them to?

This recent court case that I have been quoting concluded:

FERC has not merely tolerated, but encouraged the formation of contracts which incorporate by reference the incentive price.

So the Court believes that FERC caused the problem, but continuously refuses to act.

Meanwhile, consumers are being forced to pay prices way above market.

I am sure that the opposition will say there is only a little bit involved. What difference does it make? Why should any portion of the gas be at $6.82 per 1,000 cubic feet?

I find it incredible that the FERC Chairman can chant "deregulation" and "free market" but refuse to remove antiquated incentives for high-cost gas that is hitting consumers so hard.

If you believe in deregulation, then give the consumer a break and deregulate the high-price gas.

I reserve the remainder of my time.

The PRESIDING OFFICER. The Senator from Louisiana.

Mr. JOHNSTON. Mr. President, I do not know where the distinguished Senator from Ohio has gotten his information but it is incorrect. He has stated that the average price of gas under his amendment is $6.82, I believe he said.

According to the Energy Information Administration that gas under section 107 is not selling for $6 or $4. It sold for an average wellhead price of $1.89 in 1988 which is a little more than 20 percent above the average market price.

Mr. President, there are a number of reasons to be against this amendment. It seems to me that probably the clearest is that this amendment is within the jurisdiction of the Ways and Means Committee on the House side. I have not run it by the chairman of the Finance Committee here. But as my colleagues know if it is in their jurisdiction, it gets a blue slip and therefore it kills the whole bill.

How is it in their jurisdiction? It is because, Mr. President, section 29 of the Internal Revenue Code provides a tax credit for tight formation gas that is contingent upon such gas being regulated by the Federal Government.

What this amendment purports to do is deregulate the gas but continue the tax credit. It says in explicit terms that it continues the tax credit notwithstanding any other law. It is plainly within the jurisdiction of Ways and Means. It plainly would give us a blue slip on this whole bill. The whole bill falls not just that provision if it is contained in the law.

Beyond that, Mr. President, it is fixing a nonproblem. The price gotten by this gas is only $1.89 which is 24 cents above the average market price now. And how much gas does it affect? It affects three-tenths of 1 percent of the natural gas.

So, Mr. President, it is a total nonproblem.

Now how did we get it in the first place? It is because we in the Congress explicitly decided that we wanted these tight sands, Devonian shale, and other formations drilled, and we had to give incentives to do that and people relying upon the solemn legislation will of this body went out and make investments based upon that. Now that they have flowing wells, even though they are getting only 25 cents 1,000 cubic feet above the market price, the Senator from Ohio would take that away from them.

That is not right. It is not necessary. It does not correct the problem that is plaguing the consumers of this country.

What it would do is put on notice all producers to not ever rely upon the Federal Government even if it is a Federal law, to keep their word because they will change it every year that comes along.

But, Mr. President, principally I ask my colleagues not to make this bill blue slip bait. We have been debating this thing now for 2 full days and to lose the bill at the last moment because we do something in the jurisdiction of the Ways and Means Committee, I think, is wrong.

Mr. President, how much time remains?

The PRESIDING OFFICER. Seven minutes and 22 seconds.

Mr. JOHNSTON. I yield 3 minutes to the distinguished Senator from New Mexico.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I certainly cannot do any better than my good friend from Louisiana, but let me just suggest that I was one of the Senators who for months on end participated in getting the Natural Gas Policy Act passed.

It was clear in that law. At that point in time we were short of natural gas. Industries all over this country, including the State of Ohio and others were even thinking of closing down or opening at night because they could save energy. What we did in that Natural Gas Policy Act was to say if people would go out and take an extraordinary risk, and then we provided that the Commission had to find that it was an extraordinary risk in the case of the gas that is the subject of this amendment.

Some people in this country went out and did that. They invested their money and they found some natural gas. It is filling the pipelines of this country. It has brought us to the point where natural gas is once again a true natural asset.

We may indeed in the future find that that Natural Gas Policy Act, with some of these incentives built in, brought us to a position where we could finally deregulate natural gas.

Mr. President, how does anyone in this body think they could face constituents, people out there who said here is the law, we will go out and invest money to take an exceptional risk, we will find new natural gas, and then we come along and, while we are getting ready to deregulate it all, including that, by 1993, we come along with an amendment and we say we did not mean what we were saying. We said you go out and take that risk. They found that it is a very, very risky business. That is what the Commission has already found. People relied on it. And this amendment would say we did not mean what we were saying. You did that. You produced natural gas. We just want this afternoon to say we will take that away from you.

Essentially this bill for deregulation of the 6 percent of the natural gas that remains regulated is a Godsend for America. It is something we never thought would happen. Now we want to come along in the waning moments and Christmas tree it up to make little exceptions here and there negating the proposal we made to the American people, to investors, to independent operators, to go out and find this hard to find gas, risky gas. We will take their price away from them.

I do not think this is the way to do it. We ought not do it on this bill. Let the 1993 deregulation take its course. We will indeed have done something very significant for our people.

The PRESIDING OFFICER. Who yields time?

Mr. JOHNSTON. Mr. President, I wonder if the Senator from Ohio will join me in yielding back the remainder of his time?

Mr. METZENBAUM. I have no objection.

Mr. JOHNSTON. Mr. President, I yield back the remainder of my time.

Mr. METZENBAUM. I yield back the remainder of my time.

The PRESIDING OFFICER. All time having been yielded back——

Mr. JOHNSTON. Mr. President, I move to table and 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 from Ohio.

Mr. METZENBAUM. 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. MITCHELL. 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. MITCHELL. Mr. President, for the information of Senators, I am about to propound a unanimous-consent agreement that has been cleared with the distinguished Republican leader that will set forth the circumstances for final disposition of the pending legislation on tomorrow.

Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will be in order. Senators will take their seats and clear the well and clear the aisle. The majority leader is entitled to be heard.

UNANIMOUS-CONSENT AGREEMENT

Mr. MITCHELL. Mr. President, I ask unanimous consent that the time for debate on this bill on Wednesday, June 14, be reduced to 90 minutes under the same terms and conditions as previously ordered.

I further ask unanimous consent that following the debate on the Bradley amendment, which is to begin at 9:30 a.m. on Wednesday morning, the vote on or in relation to the amendment be delayed to occur upon the completion or yielding back of the time that has been reserved for debate on the bill. I further ask unanimous consent that all other provisions of the time agreement obtained earlier today remain in effect.

The PRESIDING OFFICER. Is there objection? Hearing none, it is so ordered.

Mr. MITCHELL. Mr. President, Senators should therefore be advised that the rollcall vote that is about to occur will be the last rollcall vote this evening, and that on tomorrow, there will be two rollcall votes, one on the Bradley amendment, and then on final passage of this bill. They will occur back to back beginning at approximately noon tomorrow. So there will be two rollcall votes tomorrow at 12 and at 12:15 and the vote that is about to occur will be the last vote this evening.

Mr. DOLE. Will the majority leader yield?

Mr. MITCHELL. Yes.

Mr. DOLE. I had asked earlier today about the coin striking ceremony and whether or not any arrangements could be made with reference to that. Some of us need to be there and some of us need to be somewhere else at the same time. If committees are going to meet, then we would need to know.

Mr. MITCHELL. Following the discussion with the distinguished Republican leader, I have, and do now again, encouraged committee chairman to recess any meetings that are underway between the hours of 10:30 and noon tomorrow to permit those Senators who wish to do so to attend the ceremony that will be underway. One of the reasons for my seeking and obtaining the unanimous consent agreement is to make certain there are no votes here during that period so Senators may confidently participate in the ceremony and such other business that they may have. So I hope that committee chairmen would be understanding in this regard. I know the distinguished Republican leader and I both have to attend and we encourage other Senators to attend who can do so.

The PRESIDING OFFICER. The question is on the motion of the Senator from Louisiana [Mr. JOHNSTON] to table the amendment of the Senator from Ohio [Mr. METZENBAUM]. The yeas and nays have been ordered, and the clerk will call the roll.

Mr. DOLE. I announce that the Senator from Wyoming [Mr. SIMPSON] and the Senator from Wyoming [Mr. WALLOP] are necessarily absent.

I further announce that, if present and voting, the Senator from Wyoming [Mr. WALLOP] would vote "yea."

The PRESIDING OFFICER (Mr. ROCKEFELLER). Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 87, nays 11, as follows:

[Rollcall Vote No. 89 Leg.]

YEAS—87

Adams	Durenberger	McCain
Armstrong	Exon	McClure
Baucus	Ford	McConnell
Bentsen	Fowler	Moynihan
Biden	Garn	Murkowski
Bingaman	Gore	Nickles
Bond	Gorton	Nunn
Boren	Graham	Packwood
Boschwitz	Gramm	Pell
Bradley	Grassley	Pressler
Breaux	Hatch	Pryor
Bumpers	Hatfield	Reid
Burdick	Heflin	Riegle
Burns	Heinz	Robb
Byrd	Helms	Rockefeller
Chafee	Hollings	Roth
Coats	Humphrey	Rudman
Cochran	Inouye	Sanford
Cohen	Jeffords	Sarbanes
Conrad	Johnston	Sasser
Cranston	Kassebaum	Shelby
D'Amato	Kasten	Simon
Danforth	Kerrey	Specter
Daschle	Lautenberg	Stevens
DeConcini	Leahy	Symms
Dixon	Lott	Thurmond
Dodd	Lugar	Warner
Dole	Mack	Wilson
Domenici	Matsunaga	Wirth

NAYS—11

Bryan	Kerry	Metzenbaum
Glenn	Kohl	Mikulski
Harkin	Levin	Mitchell
Kennedy	Lieberman	

NOT VOTING—2

Simpson	Wallop

So the motion to lay on the table amendment No. 194 was agreed to.

Mr. MITCHELL. Mr. President, I move to reconsider the vote by which the motion to table was agreed to.

Mr. JEFFORDS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. CONRAD. Mr. President, the Committee on Energy and Natural Resources considered what effect, if any, this legislation might have upon the Great Plains Coal Gasification Plant near Beaulah, ND. The committee noted in its report language, that none of the provisions of S. 625, S. 783, or H.R. 1722 would affect the plant, and that it would oppose any actions that would adversely effect the economic viability of the project. The committee stated as follows:

Concern was expressed during hearings before the Committee that pending natural gas legislation might have an effect on the economic viability on the Great Plains Synthetic Fuels Project. Under terms of its contract for the sale of the Great Plains Project, the Federal Government will receive certain financial returns stemming from the gas purchase agreements with the original partners. The Committee would oppose any actions that would adversely effect those gas purchase agreements, the economic viability of the project, or anticipated returns to the Federal Government. From this perspective, the Committee concurs in the judgment of the Department of Energy that none of the provisions of S. 625, S. 783, or H.R. 1722 would affect the Great Plains gas purchase agreements. As previously stated, the legislation does not abrogate or modify any contract.

Moreover, the Committee has received assurances from the Department that it would oppose actions which would modify the Great Plains gas purchase agreements in a manner which would adversely affect the Project's economic viability and the financial returns to the Federal government. The continued operation of Great Plains was established as a major objective guiding the Federal government divestiture process and the Committee has received the Department's assurance that this policy objective is viewed by the Department as extending to post divestiture activities.

This position has been expressed by the Department in its letter of May 12, 1989 to the Federal Energy Regulatory Commission regarding proceedings involving a proposed restructuring of the merchant function of Transcontinental Gas Pipe Line Corporation, one of the four interstate natural gas pipelines that contractually committed to purchase the Great Plains Project's output. The Departments letter requested that the Commission act to ensure that its action on Transco restructuring plan not adversely affect the regulatory and contractual framework on which the Great Plain project is premised. The Committee supports the Department in this view.

Mr. President, I also submit for the RECORD the letter from the Department of Energy of the Federal Energy Regulatory Commission, dated May 12, 1989, that is referenced in the report language.

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

DEPARTMENT OF ENERGY,
Washington, DC, May 12, 1989.

Hon. MARTHA O. HESSE,
Chairman, Federal Energy Regulatory Commission, Washington, DC.

DEAR CHAIRMAN HESSE: I would like to bring to your attention some concerns of the Department of Energy (the Department) related to the continued operation of the Great Plains Coal Gasification Plant (Plant). These concerns arise in connection with the ongoing Commission proceedings concerning Transcontinental Gas Pipe Line Corporation's (Transco) proposals for a marketing affiliate and a gas inventory charge (FERC Docket Nos. RP88-68, et al. and CP88-391, et al.). I request that the Commission consider these concerns carefully before it takes any action on Transco's proposals.

As you are well aware, from its inception, the Great Plains project involved substantially greater risks than an ordinary energy project. In Opinion and Order 119, the Commission provided the regulatory treatment necessary for the successful construction and operation of the plant. In subsequent decisions, the Commission reaffirmed its commitment thereby ensuring that inadvertent government action would not defeat the project. On the private side, four interstate pipelines, including Transco, entered into a "Gas Purchase Agreement" under which, by contract, they committed themselves to purchase the plant's full production. The regulatory and contractual framework for the project recognizes its unique nature and is essential to its continued viability.

For the past ten years, the Department has expended considerable time and expense on the Great Plains project. The plant was financed with $1.5 billion in loans from the Federal Financing Bank, guaranteed by the Department. After the original investors defaulted in 1985, the Department acquired the plant through foreclosure. On October 31, 1988, Dakota Gasification Company (Dakota) purchased the plant from the Department under an Asset Purchase Agreement containing provisions designed to assure continued operation of the plant by establishing a trust account in support of operation and a revenue-sharing plan that would eliminate further U.S. taxpayer subsidy and could return to the government its original investment. For this to occur, the plant must continue to operate for the next 20 years. Both the ability to draw on the trust account and the receipt of revenue sharing payments are, in large part, contingent on the continued validity of the Gas Purchase Agreement. Thus the continued operation of the plant and the integrity of its underlying contracts have a direct economic effect on the U.S. Government.

The Department views the long-term viability of the plant as an important element of our long-term national energy policy. The Great Plains project is a unique undertaking in which a combination of private parties and the U.S. Government cooperated to develop and commercialize the technology for making pipeline quality synthetic natural gas from coal. The operation of the plant has generated valuable information concerning the use of this "clean coal" technology. This information holds the promise of greatly benefiting the U.S. public by providing a use for our abundant supplies of coal in an environmentally-acceptable manner, while enhancing our national energy security by reducing our dependence on imported oil. The continued operation of the plant, with its concomitant flow of data to the Department, is vital to our retention of this technology in our national energy arsenal.

Recently, Dakota brought to the Department's attention its serious concerns that potential Commission actions concerning Transco's proposals for a marketing affiliate and a gas inventory charge might jeopardize the integrity of the underlying Gas Purchase Agreement and Transco's performance under it. While the Department does not believe indirect Commission action could constitute "force majeure" or otherwise abrogate the gas purchase contract, it urges the Commission to be aware of and take into account the effect on the Great Plains project of any action it might take concerning Transco. Accordingly, the Department requests the Commission to make explicit in any order concerning Transco's proposals that its action is not intended to, and should not be implemented in a manner that could, affect adversely the regulatory and contractual framework on which the Great Plains project is premised.

The Department strongly supports the Commission in its efforts to make the natural gas industry more responsive to the realities of the marketplace. Preservation of the existing regulatory and contractual framework for Great Plains is consistent with these efforts, since the ultimate commercialization of the technology utilized in the project will mean more competition in the future. Gas from coal can be an important element of ensuring American consumers adequate energy supplies at reasonable prices. The Department, therefore, asks the Commission to avoid any inadvertent regulatory disincentive to the continued operation of Great Plains since a truly efficient marketplace has the ability to respond to the realities of today and the future.

Please enter this correspondence in the public record. I appreciate your consideration of the concerns expressed in this letter.

Sincerely,

J. ALLEN WAMPLER,
Assistant Secretary, Fossil Energy.

S. 1158: THE PROPOSED VETERANS HOME LOAN GUARANTY RESTRUCTURING AND SOLVENCY ACT OF 1989

Mr. CRANSTON. Mr. President, I rise to make a supplementary introductory statement on S. 1158, the proposed Veterans' Home Loan Guaranty Restructuring and Solvency Act of 1989, which I introduced on Friday, June 9.

S. 1158 would restructure and improve the present Department of Veterans' Affairs loan guaranty system to create a solvent and equitable program that better serves the interests of our Nation's veterans.

SUMMARY OF PROVISIONS

Mr. President, this measure contains provisions that would, effective October 1, 1989:

First, create a new revolving fund, known as the Home Loan Guaranty Fund, to finance the VA home loan guaranty program with respect to loans made or assumed after September 30, 1989, for the purpose of providing greater solvency and continuity for the VA Loan Guaranty Program.

Second, provide for there to be deposited in the Guaranty Fund all fees collected after September 30, 1989, all income and proceeds from VA's holding or disposing of homes acquired by VA upon foreclosures of loans made or assumed after September 30, 1989, and all revenues from investments of funds in the Guaranty Fund; provide for crediting to the Guaranty Fund an amount equal to 0.25 percent of the loan amount for each of the first 3 years on guaranteed loans made after September 30, 1989; and require the Secretary of the Treasury to invest surplus funds in the Guaranty Fund in Government securities.

Third, generally increase the loan fee from 1 percent to 1.25 percent of the loan amount but reduce the fee to 0.75 percent if the veteran make a downpayment of at least 5 percent and to 0.25 percent for a 10-percent downpayment; allow the veteran to finance the fee as part of the loan; increase the fee for assumptions from one-half of 1 percent to two-thirds of 1 percent; and continue the current 1-percent fee for vendee loans.

Fourth, require VA to pay the loan fee for all veterans with compensable disabilities and for surviving spouses of veterans who died from service-connected disabilities.

Fifth, allow the Secretary—after first providing the Committees on Veterans' Affairs with advance notice at the time the President submits the budget in mid-January—on or after the ensuing October 1 to increase all loan and assumption fees uniformly to not more than 20 percent more that the statutorily prescribed percentages—for example, as to the proposed standard 1.25-percent fee, this would permit an increase to no more than 1.5 percent, in one or more steps—if the Secretary determines such an increase is necessary to keep the Guaranty Fund solvent, based on a Secretarial determination that the Guaranty Fund otherwise would become insolvent within 24 months after the proposed increase would take effect; and require the director of the Congressional Budget Office to provide the committees with an assessment of any Secretarial finding relating to such insolvency.

Sixth, eliminate liability to VA for any loss resulting from default on a VA-guaranteed home loan for anyone who pays a fee, or is exempted from paying a fee, after September 30, 1989, except (a) in the case of fraud, misrepresentation, or bad faith by such individual in obtaining the loan or approval of an assumption of the loan, or in connection with a default, and (b) in the case of any default resulting from circumstances not beyond the borrower's control—vendee loans would not

be covered under this release from liability.

Seventh, extend for 1 year, to October 1, 1990, the current expiring authority for VA to sell loan assets either with or without recourse and the requirement for VA to justify and explain each such loan asset sale in a report to the Committees on Veterans' Affairs.

Eighth, require that, notwithstanding any other provision of law, all amounts received from recourse and nonrecourse loan asset sales be credited, without reduction, as offsetting collections of the Loan Guaranty Revolving Fund or the Home Loan Guaranty Fund, depending on which fund received the fee for the loan involved.

Ninth, allow a veteran to acquire additional loan guaranty entitlement—up to $10,000—for a particular loan by paying a 0.1-percent fee for each additional $1,000 of entitlement, or portion thereof; require that the total of the guaranty and any downpayment could not exceed 25 percent of the purchase price, except where, under regulations prescribed by the Secretary, the Secretary grants a waiver of this requirement in order to enable a veteran to use a VA-guaranteed loan in a market where lenders would otherwise charge so many points—which sellers must pay as to make it unlikely for the veteran to be able to use his or her VA entitlement to acquire a home; and provide that the fee for the additional entitlement, like other loan fees, could be financed as part of the loan.

Tenth, require a lender to notify VA when the lender refuses a tender of partial payment by a veteran and to state the circumstances of the veteran's default and the reasons why the lender refused partial payment.

Eleventh, extend by 2 years, through fiscal year 1991, the statutory formula—known as the "no-bid" formula—by which VA determines whether it will acquire at foreclosure the property securing a VA-guaranteed loan.

Twelfth, prohibit VA from considering the cost of borrowing funds in determining the net value of a property for purposes of the no-bid formula, except to the extent of one half of the amount by which the cost of borrowing the funds necessary to acquire the property exceeds the cost of borrowing the funds that would be needed to pay the guaranty.

BACKGROUND

Mr. President, the VA Home Loan Guaranty Program was established by the Servicemen's Readjustment Act of 1944 to assist veterans who because of their military service had been unable to achieve the savings necessary to make a downpayment on a home or the creditworthiness to obtain a loan without one as their nonveteran counterparts had been able to do. Under that 1944 act, the program was to expire 5 years after the end of World War II. However, due to its great popularity and success, the program was extended a number of times until it was made a permanent benefits program in 1970. It is currently codified in subchapters I through III of chapter 37 of title 38, United States Code.

Since its inception in 1944, the program has been changed and expanded many times, guaranteeing loans totalling more than $300 billion and helping more than 13 million veterans to purchase homes. With a VA guaranty, a mortgage can now be obtained for a term of up to 30 years and with an interest rate no greater than the maximum set by the Secretary of Veterans' Affairs and adjusted periodically to meet the demands of the loan market.

Today, the Loan Guaranty Program is financed primarily through the loan guaranty revolving fund [LGRF], which funds guaranty payments and the acquisition of foreclosed properties. LGRF receipts are derived from a 1-percent fee charged to veterans and service persons—other than those with compensable service-connected disabilities or surviving spouses of veterans and servicepersons who died from a service-connected disability—in order to obtain the guaranty and to individuals who give to the Department of Veterans' Affairs [VA] secured promissory notes—known as vendee loans—to finance their purchase of foreclosed properties acquired by VA in liquidation sales. The LGRF also receives money from the sale of foreclosed properties, transfers from the direct loan revolving fund, and appropriations.

Traditionally, the vast majority of VA-guaranteed loans have cost the Government little to guarantee and have provided significant benefits to veterans and to society because veterans generally have proven good credit risks. From its inception in 1944 until 1961, the Home Loan Guaranty Program was funded through appropriations of just $730 million to VA's readjustment benefits account. That's an average of $49.9 million a year for the 5.6 million loans made during those 17 years.

More recently, however, the downturn in certain parts of the economy and higher default and foreclosure rates, including those for loans guaranteed by VA, have threatened the viability of the program. In many cases, the cost to VA of acquiring, managing, and reselling properties has exceeded the income realized by VA through property sales and loan fees. As a result, the program has incurred significant deficits requiring increasing appropriations to keep the program alive. In fiscal year 1989 alone, the LGRF has received $658 million in appropriations and VA has requested—and both Houses have passed in H.R. 2074, the fiscal year 1989 Dire Emergency Supplemental Appropriations Act—$120 million more in supplemental appropriations.

Mr. President, it is not realistic to expect that a benefits program will incur no costs. But when the cost of such a program continues to increase, we must take a closer look to determine the reasons for the sharp increase and must take steps to minimize program costs in view of the towering Federal deficit. That does not mean changing the fundamental nature of the Loan Guaranty Program, however, either by drastically curtailing it or by insisting that it must be paid for in full by those seeking to use it.

I believe that S. 1158 would make improvements in the VA Home Loan Program that would enhance its value to veterans, maintain its solvency, and reduce its dependence on taxpayers' funds—without compromising basic program goals.

I, along with the ranking minority member and former chairman of the Committee, Senator MURKOWSKI, and other colleagues on the Veterans' Affairs Committee, have worked very hard over the past several years to make needed improvements in this program and protect it from various threats that could undercut its value to veterans. Thus, for example, our committee has successfully opposed the Reagan administration's repeated proposals to double, triple, and nearly quadruple the current 1-percent fee veterans must pay to use the quaranty. Such dramatic fee increases would have diminished the value of this program for a large number of veterans and would have precluded many from using this important benefit. I also authored legislation, enacted in Public Law 100-198, to make the program exempt from across-the-board reductions under the Gramm-Rudman-Hollings law.

More recently, on October 20, 1988, the Senate passed my bill, S. 2049, enacted into law as Public Law 100-689, which in title III authorized interest-rate reductions to finance vendee loans, established creditworthiness requirements for assumed loans, and expanded VA's authority to use money from the LGRF for certain costs of administering the program.

Mr. President, I note that S. 1158 is substantially similar to homeloan legislation passed by the House on June 6, 1989. This legislation, H.R. 1415, was introduced in the House on March 15, 1989, by Representative HARLEY STAGGERS, who chairs the House Veterans' Affairs Subcommittee on Housing and Memorial Affairs; reported by the House Veterans' Affairs Committee on June 1, 1989; and passed by the full House on June 6, 1989. The House bill is derived directly from H.R. 5221, a bill authored by Representative

MARCY KAPTUR in the 100th Congress and passed by the House late last year. I congratulate Representatives KAPTUR and STAGGERS, as well as the House Committee, for their leadership in this matter.

COMPARISON TO H.R. 1415

Provisions of H.R. 1415, as passed by the House, that are included, with revisions in some cases, in my bill would:

First, establish a new revolving fund to finance the loan guaranty program with respect to loans made after Septemer 30, 1989; the Senate bill titles the fund the Home Loan Guaranty Fund whereas the House bill calls it the Veterans Mortgage Indemnity Fund.

Second, relieve veterans from liability to VA in the event of foreclosure on a VA-guaranteed loan, except in cases of fraud, misrepresentation, or bad faith; the Senate bill adds an exception for cases in which the default is not for reasons beyond the veteran's or assumptor's control.

Third, generally increase the current loan fees from 1 percent to 1.25 percent byt decrease it to 0.75 percent for veterans making a downpayment of 5 percent or more; the Senate bill adds a further half-percentage-point decrease for downpayments of 10 percent or more.

Fourth, require a payment by the Federal Government to the new fund of 0.25 percent of the loan amount for the fiscal year in which the loan is guaranteed and for each of the next 2 years.

Fifth, require the Secretary of the Treasury to invest surplus amounts from the new fund in government securities.

Sixth, continue the current 1-percent fee for vendee loans.

Seventh, continue the fee for assumed loans; the Senate bill would increase the current one half-percent fee to two-thirds of 1 percent and provide indemnification protection for assumptors.

Eighth, require that loan asset sales both with and without recourse be scored as offsetting collections of the fund in which the original loan fee was deposited.

Ninth, extend VA's foreclosed-property acquisition no-bid formula until October 1, 1991.

Tenth, restrict VA as to including the Government's cost of borrowing from net value determinations for purposes of the no bid formula; the House bill would prohibit such inclusion entirely whereas S. 1158 would permit the cost of borrowing to be included but only to the extent that interest costs are incurred to borrow 50 percent of the amount by which the amount that VA would be required to pay in order to acquire a property exceeds the amount of the guaranty.

Eleventh, require that a lender immediately notify VA of its refusal of a veterans' offer of partial payment and the reasons for the refusal.

Mr. President, two significant provisions of S. 1158 have no roots in H.R. 1415—the requirement that the Government pay the loan fee for the veterans with compensable service-connected disabilities and the surviving spouses who are exempt from paying the fee and the provision allowing for the purchase of limited amounts of additional entitlement.

DISCUSSION OF THE BILL

ESTABLISHMENT OF NEW FUND—THE VETERANS HOME LOAN GUARANTY FUND

Mr. President, section 2(a) of S. 1158 would amend chapter 37 of title 38, United States Code, relating to the VA Home Loan Guaranty Program, to add new secton 1824A, entitled "Home Loan Guaranty Fund." This new section would create a new revolving fund—the Home Loan Guaranty Fund, which I will refer to as the Guaranty Fund—to finance operations of the program with respect to loans guaranteed or assumed after September 30, 1989. Thus, the Guaranty Fund would accept deposits of fees collected after September 30, 1989, including both government and borrower contributions and income from VA-acquired properties and from investments of any surplus money in the Guaranty Fund. Payments would be made from the Guaranty Fund to pay the claims of holders of loans made or guaranteed by VA after September 30, 1989. The current Loan Guaranty Revolving Fund would continue to operate for loans originally made before the effective date of the new program. If the Secretary of Veterans' Affairs determines that the new Guaranty Fund contains more money than necessary to meet current requirements, the Secretary of the Treasury must invest the surplus funds in Federal Government securities, but the principal and earnings would remain Guaranty Fund assets.

Establishment of this separate, new fund would allow more accurate evaluation and monitoring of the Loan Guaranty Program as it would be restructured under this bill, unaffected by operations under the current program.

Mr. President, new section 1824A also would provide for Government contributions to the Guaranty Fund of 0.25 percent a year for the first 3 years of any loan made after September 30, 1989.

Under current law, there are no regular Government contributions to the Loan Guaranty Revolving Fund. Rather, the Revolving Fund relies on ad hoc appropriations to meet funding shortfalls. Modest, regular Government contributions, together with slightly increased fees from veterans and assumptors, should help ensure the long-term, stable operation of this important program of such major benefit to our Nation's veterans—in constrast to the uneven, sometimes very large appropriations requirements for maintaining the current program that have threatened the continuing viability of VA loan guaranties as a benefit program.

LOAN FEES

Mr. President, section 2(b) of S. 1158 would amend section 1829 of title 38 generally to raise the current 1-percent guaranty fee to 1.25 percent for VA-guaranteed loans made after September 30, 1989. S. 1158 would provide that when a veteran or eligible surviving spouse makes a 5-percent downpayment the fee is only 0.75 percent. A 10-percent downpayment would reduce the fee further, to 0.25 percent. Current law provides no such incentive for making a downpayment. Home buyers who assume VA-guaranteed home loans made after March 1, 1988 and for which an assumption fee was imposed under section 1814 of title 38 would be required to pay a two-thirds of 1-percent fee on the remaining balance, rather than the current ½ percent. The government would pay the loan fees for veterans with compensable service-connected disabilities and for surviving spouses of veterans who died from service-connected disabilities. Direct VA financing of purchases of VA-owned properties, known as vendee loans, would carry the same 1-percent fee applicable under current law. The fee is not increased because the obligor would not be indemnified—that is, in the case of foreclosure, the obligor would be liable to the VA for any loss not eliminated by the sale of the property.

These basic loan-fee provisions differ from current law and the House bill in three significant ways, as I have pointed out earlier. First, S. 1158 would add an additional incentive category for downpayments of 10 percent by reducing the loan fee even further than the House bill's reduction for 5-percent downpayments. Larger downpayments should reduce the likelihood of default, and thus the cost of these loans to the VA, by increasing the buyer's equity in the home. The graduated fee reductions for downpayments would encourage downpayments, thereby reducing defaults and contributing to the overall viability of the home loan program.

Second, the requirement that VA pay the loan fees, in addition to the regular Government contribution, for disabled veterans or surviving spouses of veterans who died from a service-connected disability—in contrast to the House bill, under which these borrowers would be exempted from the fees—recognizes that the costs of the loans are the same for all borrowers, because some risk of default exists in all cases and recognizes that these costs should be funded even where the

borrower is exempt from paying the fee. I am advised that this provision would increase guaranty fund resources by about $10 million a year.

Third, S. 1158 would increase the loan fee for assumptions by a third, from ½ percent to two-thirds of 1 percent of the remaining balance, would indemnify the assumptor; and would provide for the assumption fee to be deposited in the new guaranty fund. Under H.R. 1415, the fee would not be modified, nor would there be indemnification, and the existing ½-percent assumption fee would be deposited in the current loan guaranty revolving fund for loans originally made before October 1, 1989 and in the new fund—known as the indemnity fund in the House bill—only for loans originally made after September 30, 1989.

LIMITED FEE-ADJUSTMENT AUTHORITY

Mr. President, new section 1829(d) would authorize the Secretary of Veterans' Affairs to make a small adjustment in loan fees under certain circumstances. If the Secretary determines that the guaranty fund faces insolvency within 24 months after a proposed increase would take effect, the Secretary could increase all of the fees uniformly to no more than 120 percent of the respective fee amounts specified in the statute. Before ordering any such increase in any fiscal year, the Secretary first would have to submit to the Senate and House Committees on Veterans' Affairs a report justifying and explaining the proposed increase, at the time the President submits the budget for that fiscal year on the first Monday after January 3 each year. Thus, the Secretary would be required to propose an increase by the time the budget is submitted in early January before ordering an increase to take effect in the upcoming fiscal year, beginning the following October 1. This would give the Congress the opportunity to review and, if it chose to do so, nullify any planned increase.

To assist the Congress in making this review, the Secretary would be required to submit a copy of the report on the increase to the Director of the Congressional Budget Office, who would be required to provide the Committees with CBO's views on the Secretary's report.

The adjustment provision, which has no parallel in current law or the House bill, would provide the means for the Secretary to respond in a carefully limited way to changing economic conditions without the need for new legislation.

INDEMNIFICATION

Mr. President, section 2(c) of S. 1158 would release veterans and surviving spouses who pay a loan fee or for whom VA pays a fee after September 30, 1989, from liability to VA for any loss it incurs as a result of a loan default. Those who assume VA-guaranteed loans and pay the increased assumption fee on or after the effective date of the new program, October 1, 1989, also would receive indemnificaton against liability to VA.

Veterans who default on a home loan face the prospect of a double trauma—first of losing their homes, then of being pursued by VA as it seeks to recover its losses from paying the guaranty. VA currently collects only 7 percent of the liabilities owed by defaulting VA home loan borrowers. Nevertheless, the threat of this liability can hang over the veteran's head for months—even years—and can delay and complicate the veteran's recovery from the financial catastrophe that already has claimed the family's home. This low collection rate means that indemnification would have little effect on the financial soundness of the home loan program in comparison to the resulting benefit to veterans who have experienced financial reverses, and to their families.

Other statutory loan protection programs, such as the Federal Housing Administration [FHA] loan insurance program, provide insurance against default. Thus, the concept of indemnification has ample precedent.

Forgoing a 7-percent collection rate—the receipts from which would be at least partially offset by the increased fees in the bill—is a small price to pay for the financial and emotional benefits or indemnification for veterans and their families.

This provision includes measures to prevent abuse of indemnification by retaining liability to VA in the case of fraud, misrepresentation, or bad faith by the borrower in obtaining a loan or approval of an assumption of a loan or in connection with the loan default. Also, unlike the House bill, this provision specifically provides for a denial of indemnification to borrowers who default as a result of circumstances not beyond their control.

Unlike the House bill, S. 1158 also would indemnify those who assume VA loans, many of whom are themselves veterans. I will be reviewing the possible impact that the increased assumption fee and the provision for indemnification may have on program funding and operations in an effort to ensure that these provisions are in the best interest of the program.

SALE OF VENDEE LOANS

Mr. President, section 3 of S. 1158 would amend section 1833(a)(3) of title 38 to extend by 1 year, through fiscal year 1990, VA's authority to sell vendee loans either with or without recourse and would require that all proceeds from either type of sale be counted as offsetting collections of the fund under which the original loan was guaranteed.

Current law and the House bill contain provisions that, as of October 1, 1989, effectively would prohibit loan asset sales without recourse. A prohibition on nonrecourse sales was inserted by the House in the legislation enacted as Public Law 100-136 as its price for agreeing to extend temporarily the VA loan fee—which we believed was necessary to protect the revolving fund and which otherwise would have expired on September 30, 1987. A compromise provision, enacted in the Omnibus Budget Reconciliation Act of 1987, Public Law 100-203, delayed the nonrecourse-sale prohibition until October 1, 1989.

VA's initial attempt, in 1987, to sell loan assets without recourse failed when VA had to withdraw the offering because bids ranged from only 15 to 65 percent of the loan's par value. Based on this experience, and on the Reagan administration's policy to require, beginning in fiscal year 1988, that all vendee loans be sold without recourse and that a total of $900 million of loan assets be sold during fiscal years 1988, 1989, and 1990, I agreed with my colleagues on the House Committee that restrictions were needed to govern nonrecourse sales. I was very concerned with the Reagan administration's attempts to use the assets of the VA Home Loan Guaranty Program to provide quick cash for one-time reductions of the budget deficit—at the expense of the viability of the home loan program and the veterans who benefit from it, and the administration's attempt to use nonrecourse sales as a means of privatizing the program.

It seemed clear then that VA would be able to sell loan assets without recourse only at very substantial discounts. To make matters worse, in order to increase the value of securities backed by loans purchased from VA without recourse, VA recently has structured these sales so that VA retains almost all the risk of nonpayment of the loans, by taking subordinate certificates as part of the proceeds of the nonrecourse sale. Thus, any revenues achieved through such sales likely could turn out to be less, over the long term, than the revenues from recourse sales.

If the House provision had ensured that nonrecourse sales could be made only if VA obtained fair value for the loans, I probably could have endorsed it. However, as I indicated in my October 1, 1987, statement beginning on page S 13344 of the RECORD, when the Senate reluctantly accepted the total ban on nonrecourse sales in a compromise to keep alive the 1-percent loan fee, I believed the House's total, permanent ban went too far.

I still believe that a permanent prohibition on nonrecourse sales is not sound public policy. There is nothing inherently wrong with nonrecourse sales of loans, as long as the sale price is not substantially discounted from the price VA could obtain for a sale of the same loan with recourse.

S. 1158 would permit both recourse and nonrecourse sales for 1 more year beyond the current cutoff date, but would retain the restrictions and reporting requirements, enacted in December 1987, imposed on all loan asset sales. The delayed prohibition in the current law, which S. 1158 would extend for another year, would provide this administration with an opportunity to demonstrate greater responsibility and appropriate concern for the long-term best interests of the loan guaranty program in conducting loan asset sales.

Mr. President, in fairness to the current administration, I would note that, at least according to VA's financial adviser, Kidder Peabody & Co., the most recent nonrecourse sale of vendee loans, completed on March 23, 1989, produced greater proceeds than the sale of the same loans with recourse would have produced. Although I found this assertion difficult to accept on face value, the 85.03 percent of par that VA received on this nonrecourse sale, without the need for issuance of subordinate certificates, suggests that it is counterproductive for nonrecourse sales to be prohibited altogether.

S. 1158, as does the House bill, also would change the way that loan asset sales are scored for budget purposes by requiring that the proceeds of all sales of loan assets, whether with or without recourse, be counted as offsetting collections of the fund for which the particular loan's fee was collected.

The background on this matter is as follows: In 1987, the Office of Management and Budget, and later the Congressional Budget Office, adopted an illogical, biased approach to scoring recourse-sale proceeds. Instead of counting the proceeds of recourse sales as receipts, as they previously had done, they declared that a recourse sale would be considered to be the equivalent of a loan from the purchaser to the Government. Thus, OMB and CBO now refuse to count recourse-sale proceeds as budgetary receipts. As a consequence, a nonrecourse sale—even one with subordinate certificates—currently has favorable budget scorekeeping results that are denied in the case of a recourse sale.

The approach in S. 1158 and the House bill is more objective than the current OMB-CBO scorekeeping rule; it simply requires that dollars received for both types of sales be treated as receipts when the Government receives them. Thus, S. 1158 would create a level playing field by requiring that the proceeds of both recourse and nonrecourse sales be so counted, rather than continue the CBO/OMB new scorekeeping policy that dictates public policy results based on technical factors rather than assessments of what is in the best interest of veterans and the solvency of the home Loan Guaranty Program.

OPTIONAL INCREASED ENTITLEMENT

Mr. President, section 4 of S. 1158 would amend section 1803(a) of title 38 by allowing veterans to purchase additional entitlement—up to $10,000—for a particular loan, provided the increased guaranty plus any downpayment would not total more than 25 percent of the purchase price. The Secretary could prescribe regulations under which exceptions to the 25-percent limit could be permitted under certain circumstances. The veteran or surviving spouse would pay 0.1 percent of the loan amount for each additional $1,000 of entitlement.

Current home loan guaranty limits generally allow a veteran to purchase a home for up to four times the amount of the VA guaranty, without the need of a downpayment. The current guaranty maximum of $36,000 thus allows a VA borrower to buy a house worth up to $144,000 with no money down. In many parts of the country, this amount cannot buy even a modest-sized home for a veteran and his or her family. Allowing a veteran to purchase an additional $10,000 in loan guaranty would increase to $184,000 the maximum value of a VA-guaranteed home loan purchased without a downpayment.

This provision thus is intended to help make the Loan Guaranty Program better reflect current home prices in certain parts of the country—including my State of California, Alaska, and Hawaii.

The provision prohibiting the veteran or surviving spouse from purchasing additional entitlement beyond the point at which the guaranty plus any downpayment would equal 25 percent of the purchase price is designed to protect the veteran against unreasonable pressure from lenders to increase the guaranty amount beyond the level reasonably necessary to protect the lender. However, the Secretary would be given the authority to prescribe regulations allowing an exception to the 25-percent limitation where the additional entitlement would enable the veteran or surviving spouse to use his or her VA loan guaranty entitlement to acquire a home in areas in which lenders are charging so many points for VA-guaranteed loans that sellers—who must pay the points—generally are unwilling to sell to VA-guaranteed loan borrowers.

NOTIFICATION OF LENDER'S REFUSAL OF PARTIAL PAYMENT

Mr. President, section 5(a) of the bill would amend section 1832(a) of title 38 to require lenders to notify VA when they refuse a veteran's tender of partial payment on a VA-guaranteed loan.

Current law requires lenders to notify VA when a veteran defaults and—except where the lender has a demonstrated record of providing those in default of VA-guaranteed loans with timely and accurate information—also requires VA to counsel defaulting veterans about alternatives to foreclosure. Despite the clear intent of this provision, drastic understaffing in VA regional offices has meant that the counseling requirement too often is all but ignored, according to GAO testimony before the Committees on Veterans' Affairs. Veterans who tender substantial partial payments are in the best position to cure their default. Thus, they are the best candidates for counseling. Unfortunately, current law provides no mechanism for VA to distinguish these veterans from other defaulting veterans. The notification requirement for tenders of partial payments would be a small expansion of current notification procedures and should not greatly burden lenders. This information should, however, provide a means by which overburdened VA counselors can better target their efforts to reduce foreclosures.

COMPUTATION OF NET VALUE

Mr. President, subsection 5(b) of S. 1158 would amend sections 1832(a) and (c) of title 38 to alter the statutory formula VA applies to determine whether it will purchase at foreclosure a home securing a loan on which a veteran has defaulted, by specifying that VA is to consider half of the amount by which the imputed interest cost of the funds necessary to buy the home exceeds the imputed interest cost of paying the guaranty.

Current law does not state specifically whether VA may consider the cost of borrowing funds in determining the net value of a home for purposes of determining whether it will bid on the property at foreclosure. This calculation, known as the no-bid formula, compares the cost of paying the guaranty with the cost of purchasing and reselling the home, to determine which option would be most profitable for VA. The joint explanatory statement accompanying the conference report on the Deficit Reduction Act of 1984, stated that the conferees never intended to permit VA to consider the cost of funds in its no-bid formula. The explanatory statement directed that, if the VA decided to interpret the law to allow the cost-of-funds factor, it notify the Committees on Veterans' Affairs of this intention no later than the February 1 preceding the fiscal year in which it intended to include the cost of funds factor.

The then-Acting Administrator notified the committees on January 30, 1989 of VA's intent to propose regulations to consider the cost of funds in the no-bid formula, and specifically stated in that notification that VA would not implement the proposed regulations until on or after October 1, 1989, in compliance with the language

in the conference joint explanatory statement. On May 16, 1989, the Secretary notified me that VA intends to implement those proposed regulations on August 1, 1989, in direct contravention of the intent of the conferees and his predecessor's written commitment.

H.R. 1415 permanently would bar the Department from considering the cost of funds in calculating net value.

VA's proposed regulation is flawed as a matter of logic, regardless of whether it represents sound policy. The statutory no-bid formula is designed to provide a comparison of two possible courses of action—acquiring the home at foreclosure or simply paying the lender the amount of the guaranty—and to direct VA to follow the more economically advantageous course. The proposed regulation, however, would establish an unbalanced comparision by taking into account the cost of borrowing funds to acquire a home, while completely ignoring the cost of borrowing funds necessary to follow the other possible course—paying the guaranty. S. 1158 would correct this error by requiring that the guaranty amount be subtracted from the total amount necessary to buy the home at foreclosure—the total amount of the indebtedness—before any interest cost is added to the cost of acquiring the home.

Mr. President, S. 1158 also would cut this amount of imputed interest cost in half in order to avoid a drastic change in the number of situations in which VA decides not to bid on a foreclosed property. The Congressional Budget Office estimates that no-bids would increase from 25 percent of foreclosures to 35 percent if the VA proposal were allowed to take effect. Such a radical increase—by 40 percent—in no-bids poses a significant threat of a marked reduction in participation in the VA Loan Guaranty Program, which in turn could reduce significantly the access by veterans to this important entitlement. This is not a risk I believe veterans should be asked to take.

COST

Mr. President, according to the Congressional Budget Office estimate of the costs of the House bill, which appears on pages 18 through 21 of the House committee's report (H. Rept. No. 101-964), the new revolving fund established under the House bill would have a significant unobligated balance through at least fiscal year 1993. However, VA, in its testimony on H.R. 1415 at the April 18, 1989, hearing of the House Veterans' Affairs Committee's Subcommittee on Housing and Memorial Affairs, stated that, according to an analysis of H.R. 1415 by Peat, Marwick, Main, and Co., the new fund would begin showing a deficit in fiscal year 1994 and the deficit "would continue indefinitely."

In response to VA's stated concerns in this respect, I have included in S. 1158 provisions which should bolster both the short-term and long-term solvency of the new fund. These include the requirements that the Government contribute the loan fee on behalf of those who would be exempt from paying it, an increased fee for assumptors—who would, in conjunction with the increase be included in the indemnification provision—a limited opportunity for veterans to purchase additional entitlement in certian cases, and authority for the Secretary to make a limited adjustment in the fees.

CONCLUSION

Mr. President, I believe that we must ensure that VA's Home Loan Program continues to meet the needs of our Nation's veterans and help them—as it already has helped over 13 million veterans and their families—achieve the American dream of owning their own homes, a dream many veterans would never realize without a VA home loan guaranty.

CHINESE STUDENTS IN RHODE ISLAND DEMAND DEMOCRACY IN CHINA

Mr. PELL. Mr. President, last Friday, June 9, I had an emotional meeting with Chinese students attending Brown University in Providence. These students were justifiably outraged and saddened by the brutal horror of the mass murders committed against their fellow students in Beijing on June 4. Their grief and outrage were tempered only by the pride and admiration they felt about the courage and determination demonstrated by their martyred compatriots.

The hard liners in Beijing appear to have prevailed in their effort to suppress the will of the Chinese people, but they may yet reap a whirlwind sowed by their descent to mindless brutality. The cleansing breeze of democracy, once stirred, will not easily be stifled.

The gathering of students and their supporters in Tiananmen Square reminded me very much of the civil rights March on Washington in 1963. At that time, black Americans came together on the Mall to dramatize their quest for justice and freedom. Unlike Deng Xiaoping, President Kennedy immediately took up the cause of the civil rights demonstrators as his own, and our Nation became stronger as a result. If only Deng had done the same, I believe he would have found that China, also, would have been strengthened.

The students with whom I met last week left with me a statement they prepared expressing their heart-felt support for democracy, freedom and human rights in China. They also gave me a copy of the Deng regime's grotesquely falsified version of the events that took place in Tiananmen Square.

Mr. President, I ask unanimous consent that these documents be printed in the RECORD.

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

STATEMENT

The world has recently witnessed the government of Deng-Li-Yang resorting to brutal fascistic force to suppress a peaceful pro-democracy movement in China.

We, the Chinese scholars and students at Brown University, issue the following statements:

(1) As Chinese citizens, we do not recognize the Deng-Li-Yang regime, we will no longer cooperate with the present government in any aspect.

(2) We firmly support the students, workers, and all of the people in China fighting for freedom, democracy, and human rights.

(3) We appeal to all countries and people throughout the world who love life, democracy, freedom, and human rights to support the Chinese people and fight with us for a more peaceful and beautiful world.

THE OFFICIAL STORY

(This is a free translation of an article that appeared in June 6th's People's Daily overseas edition entitled: "Communist Party's Center Committee, Chinese Government: An open letter to Communist Party members and Chinese Citizens.")

Members of the Communist Party, People of every ethnic group: Today, the situation in the nation's Capital of Beijing is severe. For more than a month a extremely small group of ill-intentioned people, have purposely created chaos. Starting in the early morning of June 3rd, this chaos has already developed into an astonishing anti-revolutionary violent riot.

An extremely small number of rioters incited some people who did not know the real situation to create a number of violent incidents. They blocked troops enforcing martial law from entering the city and Tiananmen Square. They stoned and set on fire more than one hundred military vehicles and buses, they insulted, beat, and kidnaped officers, soldiers and security police personnel. They stole guns, ammunition and other military equipment; attacked sensitive installations such as government compounds, the People's Hall, the central T.V. station, the security police station, and looted stores and burned police traffic control posts. They also cruelly, savagely killed tens of PLA soldiers and armed policemen, and then even hung the bodies of the soldiers that they had killed from highway overpasses. The objective of the riots is to deny the Party the leadership of the country, oppose the socialist system, and to overthrow the People's Republic of China. They shouted publicly "Take weapons, overthrow the government", "Kill forty seven million communist cult members". The plotters and organizers of this anti-revolutionary riot are extremely small number of people, they are mainly people who for a long time have harbored bourgeois-liberal ideas, making political plots, establishing contact with overseas and foreign hostile forces, and providing state and Party secrets to illegal organizations. The people participating in the criminal acts of beating, breaking, robbery and arson are mainly uneducated released prison inmates, political gang members, fol-

lowers of the "gang of four" and other social garbage. In short, they are a group of anti-revolutionaries who betrayed the Communist Party and Socialist system. As everybody knows, for a month, the government has taken a tolerant, controlled attitude to the riot created by this extremely small number of people have being inciting the masses who do not know the reality. However, this extremely small number of people have taken this as a sign of weakness on the part of government, and have, therefore, accelerated their movement, finally starting this anti-revolutionary riot.

Facing this serious situation, the Chinese People's Liberation Army, enforcing martial law under intolerable conditions, took decisive action, in order to put to an end to this riot. In order to avoid hurting innocent people, beginning on the afternoon of June 3rd, the (Army) has repeatedly issued emergency warnings, convincing a majority of college students and city residents not to interfere with the military's enforcement of martial law. During the operation, the army again made maximum effort to avoid bloodshed. However, a few violent rioters ignored all these measures, furiously attacking the army. In this situation, some casualties occurred, most of them, soldiers and armed policeman. This is what we did not want to see to happen. However, without taking these actions, the riot could not be put to an end, which would have caused even greater bloodshed. The People's Republic the result of the sacrifice of tens of millions of revolutionaries might have been overthrown, the results of the construction of the socialist system and ten years of reform could have been ruined. The whole country could have been put under a White terror. Therefore, decisively squelching this riot is a totally justified action, and is a response to the will of Beijing's residents and the people of the whole country, and is in their fundamental interest.

With the heroic struggle of officers and soldiers of the People's Liberation Army, Army police and Security Force, and with the active support and cooperation of the majority of people and young students, we have won the first step in squelching this riot. But we must calmly realize that the anti-revolutionary riot has not been completely put to an end. An extremely small number of violent elements are not going to concede their defeat. They will look for occasions to provoke incidents. All comrades of the Party and all people must be alert, keep your eyes open, unite together, continue the fight against these elements, defend the fruits of revolution, construction, and reform. For as long as they have the audacity to continue their sabotage, we should fight them. We have the guidance of Marist-Leninist thought, a strong people's democratic government, tens of millions of members of the Communist Party, millions of soldiers of the People's Liberation Army loyal to the Party and the people, the support of the masses of factory workers, peasants, intellectuals, and other democratic political parties and partriots from all professions, we have the ability and the confidence to definitively defeat them, and definitively put this riot to an end.

All members of the Communist Party, all people and patriots should definitively answer the call of the Party and the government, distinguish right from wrong, attend to the interests of the country, quickly start actions, stand up to fight this extremely small number of people who provoked this violent riot, and not do any thing which will hurt friends and please the enemies. You should be confident that the Party and the government have the ability to stop this turmoil. Members of the Communist Party should play a leading role, and be examples. All managerial persons and employees should remain at your post, continue production, guarantee provisioning of the city, maintain social order and security, educate young students and masses of people, refrain from spreading and believing rumors, not pursue any kind of mobilizations, fight for a stable and peaceful social environment, united in pushing forward the construction and continuation of reform.

MESSAGES FROM THE PRESIDENT RECEIVED DURING RECESS

Under the authority of the order of the Senate of January 3, 1989, the Secretary of the Senate, on June 9, 1989, during the recess of the Senate, received a message from the President of the United States submitting sundry nominations; which were referred to the appropriate committees.

(The nominations received on June 9, 1989, are printed in today's RECORD at the end of the Senate proceedings.)

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Kalbaugh, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

At 4:38 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. 63. Joint resolution designating June 14, 1989, as "Baltic Freedom Day," and for other purposes.

The message also announced that the House has agreed to the following concurrent resolution, without amendment:

S. Con. Res. 16. Concurrent resolution calling on the Government of the Socialist Republic of Vietnam to expedite the release and emigration of "reeducation" camp detainees.

ENROLLED BILLS SIGNED

The PRESIDENT pro tempore (Mr. BYRD) reported that on today, June 13, 1989, he had signed the following enrolled bills, which had previously been signed by the Speaker of the House:

H.R. 2. An act to amend the Fair Labor Standards Act of 1938 to restore the minimum wage to a fair and equitable rate, and for other purposes; and

H.R. 964. An act to correct an error in Private Law 100-29 (relating to certain lands in Lamar County, AL).

REPORTS OF COMMITTEES RECEIVED DURING RECESS

Under the authority of the order of the Senate of June 8, 1989, the following reports of committees were submitted on June 12, 1989:

By Mr. HOLLINGS, from the Committee on Commerce, Science, and Transportation, without amendment:

S. 341. A bill to amend the Federal Aviation Act of 1958 to prohibit discrimination against blind individuals in air travel (Rept. No. 101-45).

By Mr. PELL, from the Committee on Foreign Relations, without amendment:

S. 1160. An original bill to authorize appropriations for fiscal year 1990 for the Department of State, the U.S. Information Agency, the board for International Broadcasting, and for other purposes (Rept. No. 101-46).

By Mr. KENNEDY, from the Committee on Labor and Human Resources, with an amendment in the nature of a substitute:

S. 123. A bill to provide financial assistance to States and localities for high quality early childhood development programs for prekindergarten children, and for other purposes.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. FORD, from the Committee on Rules and Administration, without amendment:

S. 619. A bill to authorize the Alpha Phi Alpha Fraternity to establish a memorial to Martin Luther King, Jr. in the District of Columbia (Rept. No. 101-47).

By Mr. BENTSEN, from the Committee on Finance, without amendment:

S. 1164. An original bill to authorize appropriations for fiscal year 1990 for the Office of the U.S. Trade Representative, the U.S. International Trade Commission, and the U.S. Customs Service (Rept. No. 101-48).

By Mr. HOLLINGS, from the Committee on Commerce, Science, and Transportation, with an amendment in the nature of a substitute:

S. 673. A bill to amend the National Traffic and Motor Vehicle Safety Act of 1966 and the Motor Vehicle Information and Cost Savings Act to authorize appropriations for fiscal years 1990 and 1991, and for other purposes (Rept. No. 101-49).

By Mr. INOUYE, from the Select Committee on Indian Affairs, without amendment:

H.R. 881. A bill to provide for restoration of the Federal Coquille Tribe of Indians and the individual members consisting of the Coquille Tribe of Indians, and for other purposes (Rept. No. 101-50).

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. SHELBY:

S. 1161. A bill to amend the Internal Revenue Code of 1986 to allow a deduction for dividends paid by corporations; to the Committee on Finance.

By Mr. KOHL (for himself and Mr. CONRAD):

S. 1162. A bill to amend the Congressional Budget Act of 1974 to require the Committees on the Budget to adopt the economic and technical assumptions of the Congressional Budget Office in preparing the concurrent resolution on the budget for a fiscal year; to the Committee on the Budget and the Committee on Governmental Affairs, jointly, pursuant to the order of August 4, 1977 with instructions that if one committee reports, the other committee has 30 days of continuous session to report or to be discharged.

By Mr. HATCH:

S. 1163. A bill to amend the District of Columbia Code to limit the length of time for which an individual may be incarcerated for civil contempt in a child custody case in the Superior Court of the District of Columbia and to provide for expedited appeal procedures to the District of Columbia Court of Appeals for individuals found in civil contempt in such case; to the Committee on Governmental Affairs.

By Mr. BENTSEN, from the Committee of Finance:

S. 1164. An original bill to authorize appropriations for fiscal year 1990 for the Office of the U.S. Trade Representative, the U.S. International Trade Commission, and the U.S. Customs Service; placed on the calendar.

By Mr. GLENN (for himself and Mr. MCCAIN):

S. 1165. A bill to provide for fair employment practices in the Senate and the House of Representatives; to the Committee on Governmental Affairs.

By Mr. LEVIN (for himself and Mr. RIEGLE):

S. 1166. A bill to correct the tariff classification of certain chipper knife steel products; to the Committee on Finance.

By Mr. MITCHELL (for himself and Mr. COHEN):

S. 1167. A bill to fund the Muskie Archives, and for other purposes; to the Committee on Labor and Human Resources.

Mr. Mr. KENNEDY:

S. 1168. A bill to amend the Internal Revenue Code of 1986 to assure access to health insurance for self-employed individuals and to simplify rules governing the inclusion in gross income of benefits provided under discriminatory group health plans; to the Committee on Finance.

By Mr. ROTH:

S. 1169. A bill to provide administrative procedures for noncontroversial tariff suspensions; to the Committee on Finance.

By Mr. INOUYE (for himself, Mr. ADAMS, and Mr. SIMON):

S. 1170. A bill to amend the Federal Aviation Act of 1958 to provide for the establishment of limitations on the duty time for flight attendants; to the Committee on Commerce, Science, and Transportation.

By Mr. DOLE:

S. 1171. A bill entitled the "ESOP Reform Act of 1989"; to the Committee on Finance.

By Mr. MACK:

S. 1172. A bill to authorize a certificate of documentation for a vessel; to the Committee on Commerce, Science, and Transportation.

By Mr. CHAFEE (for himself, Mr. BAUCUS, Mr. DANFORTH, Mr. WALLOP, Mr. RIEGLE, Mr. LAUTENBERG, Mr. BOREN, Mr. SYMMS, Mr. DURENBERGER, Mr. ROTH, Mr. GRASSLEY, Mr. HEINZ, Mr. LIEBERMAN, Mr. GORTON, Mr. CRANSTON, and Mr. MCCAIN):

S. 1173. A bill to amend the Internal Revenue Code of 1986 with respect to the allocation of research and experimental expenditures; to the Committee on Finance.

By Ms. MIKULSKI:

S.J. Res. 155. Joint resolution designating June 23, 1989, as "United States Coast Guard Auxiliary Day"; to the Committee on the Judiciary.

By Mr. CRANSTON (for himself and Mr. WILSON):

S.J. Res. 156. Joint resolution to commemorate the 50th anniversary of the National Aeronautics and Space Administration Ames Research Center; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. MITCHELL (for himself and Mr. DOLE):

S. Res. 144. Resolution relating to the commemoration of the bicentennial of the Senate of the United States; considered and agreed to.

By Mr. PRESSLER (for himself, Mr. DOMENICI, Mr. D'AMATO, and Mr. DOLE):

S. Con. Res. 43. Concurrent resolution expressing the grave concern of the Congress regarding human rights violations in the Socialist Federal Republic of Yugoslavia; to the Committee on Foreign Relations.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. SHELBY:

S. 1161. A bill to amend the Internal Revenue Code of 1986 to allow a deduction for dividends paid by corporations; to the Committee on Finance.

ALLOWING A DEDUCTION FOR DIVIDENDS PAID BY CORPORATIONS

Mr. SHELBY. Mr. President, I introduce today a bill that would amend the Internal Revenue Code of 1986 to provide for a deduction for corporations for dividends paid during the taxable year. This deduction would be to corporate adjusted taxable income and would be for the entire amount of dividends paid in that year.

Mr. President, this legislation is intended to help balance the scales in the realm of corporate finance. Currently the Tax Code bias toward debt promotes leveraged buy outs by encouraging the issuance or assumption of debt and discouraging the issuance of equity. Corporations may deduct from adjusted taxable income the amount of interest paid each year on debt, while dividends must be paid in after-tax dollars. This double taxation of corporate earnings effectively makes dividends, and thus equity, far more expensive than corporate debt.

For this reason, the rash of corporate restructurings that has occurred over the past several years has resulted in a steady decrease in the issuance of equity and a dramatic increase in the issuance of debt. Alan Greenspan, Chairman of the Federal Reserve, recently testified before the House Ways and Means Committee that the 1980's has been characterized by the retirement of substantial amounts of equity, more than $500 billion since 1983, most of which was financed by borrowing.

Chairman Greenspan continues by noting that the "accompanying increase in debt has resulted in an appreciable rise in leverage ratios for many of our large corporations." Business Week estimates that the debt of nonfinancial companies has nearly doubled in the last 6 years, to $1.8 trillion.

Mr. President, I am not a foe of corporate restructuring. I believe that in many cases, takeovers, hostile or friendly, result in beneficial streamlining and increased efficiencies that make U.S. products and services more competitive in the global marketplace. Takeovers prune businesses or complacent management and unwidely bureaucracies and put pressure on management to adopt cost-efficient, competitive labor and production strategies.

However, I am concerned over the mounting debt burden on the shoulders of corporate America. While the aggregate debt-equity ratios of corporations have increased sharply, the ability of corporate America to service this debt is decreasing dramatically. The current ratio of gross interest payments to corporate cash-flow is approximately 35 percent. This is similar to the peak level in 1982, when interest rates were much higher and profits much slimmer. This current high, however, comes at a time when profits have been handsome and interest rates reasonable. What does this augur for the next cyclical recession?

The recent surge in debt is concentrated; a Morgan Stanley report states that 95 percent of the increase in net interest outlays is concentrated in industry sectors that account for 30 percent of gross national product. Interest outlays for the three industries—nondurables manufacturing, public utilities, and services—have risen at a rate of 10 percent per year, while net interest for the remainder of the economy has risen at the modest rate of 1.4 percent per year.

Morgan Stanley notes that two of these three sectors are less sensitive to recessionary pressures. Demand for

utilities and services remains fairly constant during economic downturns but the same is not true for the manufacturing sector. Alan Greenspan estimates in his testimony that roughly two-fifths of recent mergers and acquisitions have taken place in cyclically sensitive industries which are more apt to experience problems during a recession.

We cannot know until such cyclical downturn arrives what consequences will befall our economy. The rising interest rates and narrower profit margins that characterize a recession, associated with the inordinately high debt-equity ratios of sectors of corporate America could result in record defaults and a severely sharpened recession.

The impact of widespread default on the holders of corporate debt could be catastrophic. Chairman Greenspan, characteristically succinct, indicates that the Federal Reserve is concerned over the increasing share of the restructuring loans made by commercial banks and admits that massive failures of these loans could have broad ramifications.

Other pundits are less diplomatic. Barron's ran an article last December hailing LBO loans as the son of LDC's or rather, this decade's popular means for banks to chase high returns at the expense of high risk. Merger-related loans held by banks have increased from a total of $3 billion in early 1984 to a total of $115 billion in October 1988. Pending yearend deals brought this total to approximately $150 billion.

This loan increase phenomenon is, in part, due to innovation in the capital market place. The improvements and growth of the loan-sale market and the increased presence of foreign banks in the U.S. market have made it easier for banks to participate in the mergers and acquisitions business. However, the amount of LBO loans as a percentage of bank equity is reaching questionable proportion.

Barron's reported that manufacturers Hanover's LBO exposure equaled 64 percent of equity, while Bank of America's LBO loans totaled 71 percent of equity and Wells Fargo's LBO loans equaled a whopping 135 percent of equity. These numbers suggest the need for limits on LBO loan participation by banks. I believe that limits on the participation of banks, and thus the ultimate liability to the deposit insurer should be examined in depth by Congress and the banking regulators. However, this subject should be addressed in separate legislation.

I offer this measure today with the intention that it might serve as a catalyst for debate. Providing for the deductibility of dividends is not revenue neutral; to the contrary, providing for the full deductibility of dividends would cost the Federal Government an annual estimated $20 to $25 billion in lost tax revenue. I do not offer an alternative source of revenue; and in this ERA of big budget deficits, I do not foresee passage of legislation that results in such tremendous cost to the Government.

However, it is time to begin the effort to remove the bias toward debt that the Internal Revenue Code currently holds. While I do not want to manipulate or restrict the dynamics of the market place, I firmly believe that we should not encourage through the Internal Revenue Code the assumption of debt over the issuance of equity. Corporate restructuring for the sake of efficiencies and increased productivity is right; corporate restructuring for the sake of transactional and legal fees is wrong. I urge my colleagues to consider this issue.

I ask unanimous consent that the text of the bill be printed in the RECORD.

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

S. 1161

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. DIVIDEND PAID DEDUCTION.

(a) GENERAL RULE.—Part VIII of subchapter B of chapter 1 of the Internal Revenue Code of 1986 (relating to special deductions for corporations) is amended by striking out the table of sections and section 241 and inserting in lieu thereof the following:

"Subpart A. Dividend paid deduction.

"Subpart B. Dividend received deduction.

"Subpart C. Miscellaneous corporate deductions.

"SEC. 230. ALLOWANCE OF SPECIAL DEDUCTIONS.

"In addition to the deductions provided in part VI (section 161 and following), there shall be allowed as deductions in computing taxable income the items specified in this part.

"Subpart A—Dividend Paid Deduction

"Sec. 231. Dividend paid deduction.

"Sec. 232. Qualified dividend account.

"Sec. 233. Ineligible corporations.

"Sec. 234. Special rules.

"SEC. 231. DIVIDEND PAID DEDUCTION.

"(a) ALLOWANCE OF DEDUCTION.—In the case of a corporation, there shall be allowed as a deduction an amount equal to the dividends paid by such corporation during the taxable year.

"(b) LIMITATION BASED ON AMOUNT IN QUALIFIED DIVIDEND ACCOUNT.—The amount of the dividends paid during any taxable year which may be taken into account under subsection (a) shall not exceed the amount in the corporation's qualified dividend account as of the close of such taxable year determined after the application of section 232(b)(1) for the taxable year but before the application of section 232(b)(2) for such taxable year.

"SEC. 232. QUALIFIED DIVIDEND ACCOUNT.

"(a) ESTABLISHMENT OF ACCOUNT.—Each corporation shall establish a qualified dividend account. The opening balance of such account shall be zero.

"(b) ADJUSTMENTS TO ACCOUNTS.—As of the close of each taxable year beginning after December 31, 1989, the qualified dividend account—

"(1) shall be increased by the adjusted taxable income of the corporation for the taxable year, and

"(2) shall be reduced by the amount of the dividends paid by the corporation during the taxable year to the extent the amount so paid does not exceed the limitation of section 231(c).

"(c) ADJUSTED TAXABLE INCOME.—For purposes of this section—

"(1) IN GENERAL.—The term 'adjusted taxable income' means taxable income adjusted as provided in this subsection.

"(2) ADJUSTMENT FOR CERTAIN QUALIFYING DIVIDENDS.—Taxable income shall be increased by the deduction allowed under section 243 with respect to that portion of any qualifying dividend (as defined in section 243(b)(1)) for which such deduction is determined at a rate of less than 100 percent. Similar rules shall apply in the case of dividends for which deductions are allowable under section 245(b).

"(3) ADJUSTMENT FOR TAX CREDITS.—

"(A) IN GENERAL.—Taxable income shall be reduced by the deduction equivalent of the tentative nonrefundable credits for the taxable year.

"(B) DEDUCTION EQUIVALENT.—For purposes of subparagraph (A), the deduction equivalent of the tentative nonrefundable credits for any taxable year is the amount which (if allowed as a deduction for the taxable year) would reduce the tax liability (as defined in section 26(b)) for the taxable year by an amount equal to the tentative nonrefundable credits.

"(C) TENTATIVE NONREFUNDABLE CREDITS.—For purposes of this paragraph, the term 'tentative nonrefundable credits' means the amount of the credits which would have been allowable under part IV of subchapter A of this chapter for the taxable year (other than the credit allowable under section 34) if no deduction were allowable under section 231.

"(4) ADJUSTMENT FOR CORPORATE MINIMUM TAX.—If tax is imposed by section 55 on the corporation for any taxable year, taxable income for the succeeding taxable year shall be increased by an amount equal to $^{34}/_{100}$ of the amount of tax so imposed.

"(5) DIVIDEND PAID DEDUCTION NOT TAKEN INTO ACCOUNT.—Taxable income shall be determined without regard to the deduction allowed under section 231.

"SEC. 233. INELIGIBLE CORPORATIONS.

"(a) GENERAL RULE.—No deduction shall be allowed under section 231 with respect to any dividend paid by—

"(1) a regulated investment company,

"(2) a real estate investment trust,

"(3) an S corporation,

"(4) any organization taxable under subchapter T of this chapter (relating to cooperative organizations), or

"(5) a FSC or DISC.

"(b) FOREIGN CORPORATIONS.—In the case of a foreign corporation—

"(1) no deduction shall be allowed under section 231 for dividends paid by such corporation during any taxable year unless the corporation meets the requirements of section 245(a) for such taxable year,

"(2) only adjusted taxable income effectively connected with the conduct of a trade or business in the United States and attributable to the uninterrupted period referred

to in section 245(a) shall be added to the qualified dividend account, and

"(3) any distribution shall be treated as made ratably out of income effectively connected with the conduct of a trade or business in the United States and other income.

"SEC. 234. SPECIAL RULES.

"(a) CERTAIN DISTRIBUTIONS NOT TREATED AS DIVIDENDS.—For purposes of this subpart, the term 'dividend' does not include—

"(1) any distribution in redemption of stock, in liquidation, or in a reorganization (whether or not such distribution is treated as a distribution to which section 301 applies), and

"(2) any dividend described in section 244 (relating to dividends received on certain preferred stock).

"(b) DEDUCTION NOT TAKEN INTO ACCOUNT FOR PURPOSES OF CERTAIN LIMITATIONS BASED ON TAXABLE INCOME.—For purposes of sections 246(c), 613, 613A, and 593, taxable income shall be determined without regard to the deduction allowed under section 231.

"(c) TREATMENT OF DIVIDENDS RECEIVED BY 5-PERCENT TAX-EXEMPT SHAREHOLDERS.—

"(1) IN GENERAL.—For purposes of part III of subchapter F (relating to taxation of unrelated business income of certain exempt organizations), any dividend received by a tax-exempt organization from a corporation in which such organization is a 5-percent shareholder shall be treated as unrelated business taxable income to the extent of the amount of the deduction allowable under section 231 to such corporation with respect to such dividend. Except as provided in regulations, the amount of such deduction shall be determined on the basis of the return filed by the corporation for the taxable year.

"(2) DEFINITIONS.—For purposes of this subsection—

"(A) 5-PERCENT SHAREHOLDER.—The term '5-percent shareholder' means any tax-exempt organization which owns (or is considered as owning within the meaning of section 318)—

"(i) 5 percent or more (by value) of the outstanding stock of the corporation, or

"(ii) stock possessing 5 percent or more of the total combined voting power of all stock of the corporation.

"(B) TAX-EXEMPT ORGANIZATION.—The term 'tax-exempt organization' means any organization which is exempt from the tax imposed by this chapter.

"(C) RELATED ENTITIES.—A tax-exempt organization and 1 or more other tax-exempt organizations which have—

"(i) significant common purposes and substantial common membership, or

"(ii) directly or indirectly substantial common direction or control, shall be treated as 1 tax-exempt organization for purposes of this paragraph.

"(d) TREATMENT OF SUBSEQUENT ADJUSTMENTS.—If there is any adjustment which affects the amount of the adjusted taxable income of a corporation for any taxable year (whether by reason of any carryback to such taxable year or otherwise) for purposes of this subpart and subpart B, the amount of such adjustment shall be treated as made of the close of such taxable year.

"(e) ALLOCATION OF QUALIFIED DIVIDEND ACCOUNT IN CORPORATE SEPARATIONS, REORGANIZATIONS, AND REDEMPTIONS.—Adjustments similar to the adjustments provided in subsection (h) or (n)(7) of section 312 shall be made to the qualified dividend account in the case of a transaction described in either of such subsections.

"(f) MUTUAL LIFE INSURANCE COMPANIES.—

"(1) GENERAL RULE.—In the case of a mutual life insurance company, for purposes of this subpart, 80 percent of the differential earnings amount (as defined in section 809(a)(3)) shall be treated as a dividend paid to a shareholder.

"(2) REGULATIONS.—The Secretary may prescribe regulations applying rules consistent with this subpart to mutual life insurance companies. Such regulations may include rules treating an appropriate portion of the recomputed differential earnings amount (as defined in section 809(f)(3)) as an adjustment to the amount described in paragraph (1).

"Subpart B—Dividend Received Deduction

"Sec. 243. Dividends received by corporations.

"Sec. 244. Dividends received on certain preferred stock.

"Sec. 245. Dividends received from certain foreign corporations.

"Sec. 246. Rules applying to deductions for dividends received.

"Sec. 246A. Dividends received deduction reduced where portfolio stock is debt financed.

"Sec. 247. Dividends paid on certain preferred stock of public utilities."

(b) COMPENSATORY WITHHOLDING TAX ON DIVIDENDS PAID TO NONRESIDENT ALIENS OR FOREIGN CORPORATIONS.—

(1) GENERAL RULE.—Subpart C of part II of subchapter N of chapter 1 (relating to miscellaneous provisions) is amended by adding at the end thereof the following new section:

"SEC. 898. ADDITIONAL TAX ON DIVIDENDS TO REFLECT DIVIDEND PAID DEDUCTION.

"(a) GENERAL RULE.—In addition to any tax imposed by section 871 or 881, there is hereby imposed a tax equal to the applicable percentage of the dividends received from sources within the United States by a nonresident alien individual or foreign corporation.

"(b) APPLICABLE PERCENTAGE.—For purposes of subsection (a), the applicable percentage is 30.4.

"(c) TAX NOT TO APPLY TO SHAREHOLDER'S EFFECTIVELY CONNECTED ITEMS.—The tax imposed by this section shall not apply to any dividend to the extent such dividend is effectively connected with the conduct of a trade or business by the shareholder within the United States.

"(d) CORRESPONDING INCREASE IN WITHHOLDING TAX.—In the case of any dividend subject to tax under subsection (a), the tax imposed by section 1441 or 1442 (as the case may be) shall be increased by an amount equal to the applicable percentage of such dividend.

"(e) EXCEPTION FOR CERTAIN TREATY COUNTRIES.—The tax imposed by subsection (a) shall not apply to any dividend paid to a resident or corporation of a foreign country during any period—

"(1) in which an income tax treaty between such country and the United States is in effect, and

"(2) during which there is in effect a certification by the Secretary that—

"(A) such income tax treaty has adequate provisions to prevent treaty shopping, and

"(B) if such foreign country imposes an income tax comparable to the tax imposed by this subtitle and grants relief from such tax to its residents, such country grants relief equivalent to that provided in section 231 with respect to dividends paid to United States persons.

The requirements of paragraph (2) shall not apply to dividends paid before January 1, 1992."

(2) CLERICAL AMENDMENT.—The table of sections for subpart C of part II of subchapter N of chapter 1 is amended by adding at the end thereof the following new item:

"Sec. 898. Additional tax on dividends to reflect dividend paid deduction."

(c) SECTION 381 TO APPLY TO QUALIFIED DIVIDEND ACCOUNT.—Subsection (c) of section 381 (relating to items of the distributor or transferor corporation) is amended by adding at the end thereof the following new paragraph:

"(27) QUALIFIED DIVIDEND ACCOUNT.—Under regulations prescribed by the Secretary, the acquiring corporation shall take into account (to the extent proper to carry out the purposes of this section and subpart A of part VIII of subchapter B of this chapter) the qualified dividend account of the distributor or transferor corporation."

(d) CLERICAL AMENDMENT.—Part VIII of subchapter B of chapter 1 is amended by inserting after section 247 the following:

"Subpart C—Miscellaneous Provisions

"Sec. 248. Organizational expenditures.

"Sec. 249. Limitation on deduction of bond premium on repurchase.

"Sec. 250. Certain payments to the National Railroad Passenger Corporation."

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to dividends paid during taxable years of payor corporations beginning after December 31, 1989.

By Mr. KOHL (for himself and Mr. CONRAD):

S. 1162. A bill to amend the Congressional Budget Act of 1974 to require the Committees on the Budget to adopt the economic and technical assumptions of the Congressional Budget Office in preparing the concurrent resolution on the budget for a fiscal year; pursuant to the order of August 4, 1977, referred jointly to the Committee on the Budget and the Committee on Governmental Affairs.

CONGRESSIONAL BUDGET ACT AMENDMENTS

Mr. KOHL. Mr. President, I am here today to introduce a bill. I call it the honest economic assumptions bill.

Mr. President, the budget is the most important work of Congress. It represents our view of the country and it sets out priorities for the future. How we put that budget together is, therefore, very important. It needs to be done honestly.

Economic assumptions, Mr. President, are at the very foundation of any budget we construct. Assumptions about interest rates and economic growth will determine how much money we have to spend on programs. In the past, we have manipulated these economic assumptions to hide the magnitude of our deficits. I believe that this must stop.

We need to stick with honest numbers, not subject to manipulation by anyone. There is one agency that can do this and that is the Congressional

Budget Office. The CBO is a nonpartisan economic forecasting office and it is respected by all Members of both parties.

The CBO may not always be right, Mr. President, because forecasting is a very inexact science. But theirs will represent an objective projection that is not subject to influence from any party.

I am honored to be joined in introducing this bill by Senators CONRAD and ROBB. Senator CONRAD has carried this torch ever since he arrived in this body. And Senator ROBB has already demonstrated leadership on this issue in his work on the Budget Committee and elsewhere.

This bill is not perfect. There are many ways it could be improved. And I look forward to hearing suggestions that anyone might have.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

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

S. 1162

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection (g) of section 301 of the Congressional Budget Act of 1974 is amended to read as follows:

"(g) ECONOMIC ASSUMPTIONS.—

"(1) Subject to periodic revision based on changed economic conditions or technical estimates, determinations under titles III and IV for any fiscal year shall be based upon the economic and technical assumptions of the Congressional Budget Office.

"(2) It shall not be in order in the Senate or the House to consider any concurrent resolution on the budget for a fiscal year, or any amendment thereto, or any conference report thereon, that sets forth amounts and levels that are not determined in accordance with paragraph (1). A point of order under this paragraph may be waived or suspended only by the affirmative vote of three-fifths of the Members, duly chosen and sworn.

"(3) The joint explanatory statement accompanying a conference report on a concurrent resolution on the budget shall clearly set forth the economic assumptions upon which such joint statement and conference report are based.".

Mr. CONRAD. Mr. President, I am pleased to join with Senator KOHL to introduce S. 1162 today. This bill is a very simple amendment to the Budget Act. It requires that preparation of the budget resolution be based on the economic and technical estimates prepared by the Congressional Budget Office.

As North Dakota State Tax Commissioner I was responsible for the revenue forecasts for the State. The one thing we could always be sure of was that whatever we forecast, it would be wrong. The goal was to be "least wrong". I believe that should be the goal of Congress, also. Congress should try to minimize the error, or be "least wrong" when implementing its budget decisions. Over the last several years, CBO projections have consistently been the closest to the actual budget deficit in its forecasts.

Since 1982, OMB has missed the deficit estimate by $296 billion. CBO has missed the target by $205.

This estimating difference in forecasting tells me two things: First, forecasting is a very complicated process and we can't hope to be perfect; and second, because it is so complicated, Congress should base its decisions on projections from the agency that is correct most often.

Given the track record of the two agencies, one would have to ask why Congress would ever choose to use the estimates from a partisan executive agency that is less accurate than its own agency. The answer is obvious and we have taken full advantage of those easier targets over the years. However, I believe the tough decisions must be made now. Putting them off does not make them easier.

As many in this Chamber know, I believe very strongly that Congress should make those decisions, reduce the budget deficit and set a more positive course for the Nation. I am encouraged that there may be some movement in that direction. The last budget agreement required that negotiations begin immediately on the fiscal year 1991 budget. If Congress chooses to honor that mandate we will have the opportunity to make significant progress on the budget deficit. However, the progress will be a mirage if Congress does not use credible underlying assumptions.

I urge Congress to favorably consider S. 1162 and bring credibility back to the budget process.

By Mr. HATCH:

S. 1163. A bill to amend the District of Columbia Code to limit the length of time for which an individual may be incarcerated for civil contempt in a child custody case in the Superior Court of the District of Columbia and to provide for expedited appeal procedures to the District of Columbia Court of Appeals for individuals found in civil contempt in such a case; to the Committee on Governmental Affairs.

LIMITING THE LENGTH OF TIME OF INCARCERATION FOR CIVIL CONTEMPT IN A CHILD CUSTODY CASE

Mr. HATCH. Mr. President, today I am introducing legislation which would amend the District of Columbia Code to limit to 1 year the length of time for which an individual may be incarcerated for contempt of court in a child custody case in the Superior Court of the District of Columbia. Currently there is no statutory limit.

INTRODUCTION: DANGERS OF THE CONTEMPT POWER

The contempt power is a significant tool for judges seeking to enforce their orders. Many commentators, and some courts, have noted that it is uniquely dangerous, since in civil contempt proceedings a judge has almost unfettered discretion. See, for example, Martineau, "Contempt of Court: Eliminating the Confusion Between Civil and Criminal Contempt," 50 U. Cin. L. Rev. 677 (1981).

Proceedings for criminal contempt include virtually all the protections extended to other criminal defendants: The contempt must be proven beyond a reasonable doubt; the defendant cannot be required to incriminate himself; double jeopardy is prohibited; the offense is pardonable; the accused is presumed innocent; and so on. Note, "Modern Discussion of a Venerable Power: Civil Versus Criminal Contempt and its Role in Child Support Enforcement: *Hicks* v. *Feiock,*" 22 Creighton L. Rev. 163, 170-71 (1988). Proceedings for civil contempt, however, lack many of these protections; the standard of proof is lower, for example, and the contemnor has no right to a jury trial. Id. at 171.

Clearly, the courts need sufficient independent authority to conduct their business and enforce their judgments, including the power to punish for contempt. But the broad civil contempt power must be exercised with prudence and self-restraint. Like any other power exercised by a government official, it can be abused. Any abuse of the civil contempt power is a very serious matter, for a civil contemnor may be subject to virtually unlimited fines and indefinite incarceration. Furthermore, the contempt hearing will be conducted by the very judge whose authority the contemnor challenges.

It is said that the contemnor has the jailhouse keys in his or her own hands. *In re Nevitt,* 117 F. 448, 461 (8th Cir. 1902), cited in *In Re Grand Jury Investigation,* 600 F.2d 420, 422-23 (3d Cir. 1979). In other words, the contemnor will be freed as soon as he or she complies with the court's order. However, in one poignant context this truism rings hollow. In a child custody dispute where one parent refuses to produce the child for the other pursuant to a court visitation or custody order, and the court invokes its civil contempt power to incarcerate the recalcitrant parent, the child is deprived of the nurturing, care, and love of both parents.

THE MORGAN CASE

There are several examples of this. One of the most publicized involves Dr. Elizabeth Morgan. On August 21, 1987, D.C. Superior Court Judge Herbert B. Dixon, Jr., ordered Morgan to deliver her daughter Hilary to her exhusband, Dr. Eric Foretich, for a 2-week unsupervised visit. Morgan refused, claiming that Foretich had sexually abused Hilary during past visits. During a partly closed hearing on August 26, 1987, Judge Dixon held

Morgan in contempt of court for defying the order and imposed a fine of $5,000 for each day she refused to comply. On August 28, 1987, Dr. Morgan began serving an indefinite jail sentence for contempt. She has now spent 22 months in jail and has resolutely asserted that she will stay until Hilary is 18—another 12 years—rather than allow Dr. Foretich access to her. Judge Dixon appears willing to keep Morgan imprisoned until she relents. Hers is a Hobson's choice: Either surrender her daughter to someone she believes sexually abused her child or stay in jail indefinitely.

The purpose of civil contempt is not to punish but to coerce compliance with the court's order. Once it is clear that the civil contempt sanction will not coerce a recalcitrant individual, that sanction must be removed. The failure to do so constitutes a deprivation of liberty or property without due process. That is, the coercive sanction is transmuted into a punitive sanction at the point of coercion can no longer fairly be said to be possible and, therefore, the contemnor is entitled to further procedural protections before the sanction can continue. See, for example, *Shillitani* v. *United States*, 384 U.S. 364, 371-72 (1966); *In re Grand Jury Investigation*, 600 F.2d 420, 423-24 (3d Cir. 1979); *Lambert* v. *Montana*, 545 F.2d 87, 89-90 (9th Cir. 1976); *Matter of Thornton*, 560 F. Supp. 183, 184 (1983).

Dr. Morgan has served longer than many convicted criminals, even though she endangers no one. Each prisoner costs the taxpayers tens of thousands of dollars a year. In a jurisdiction perpetually releasing these apprehended on drug busts and sweeps because the jails lack room for them, scarce jail space could be better used. Dr. Morgan's medical practice has disappeared, along with her home and other assets, and she is now the longest residing female prisoner at the D.C. Detention Center. She has nothing left to lose. She insists that she will never comply with the court order, an assertion to which her adamance thus far lends credence. There is no indication that continued imprisonment will change her mind. She appears immune to the coercive authority of the court.

After Dr. Morgan had been incarcerated for 16 months, Judge Dixon said, "The coercion has only just begun." [Washington Post, December 16, 1988.] Had she been imprisoned for criminal contempt in Federal court, her initial sentence would have been for a definite period, and a jury trial would have been required to incarcerate her for more than 6 months. See *Cheff* v. *Schnackenberg*, 384 U.S. 373, 380 (1966). Now, however, she is still serving indefinitely. No one in the District of Columbia has ever served as long on a civil contempt charge. During this whole time Hilary has been without benefit of either parent. Surely this result cannot be in the best interests of the child.

On Friday, June 9, 1989, Dr. Morgan's brother, Robert M. Morgan, appeared before Judge Dixon pursuant to subpoena. Mr. Morgan, an assistant U.S. attorney in the District of Columbia, refused 26 times to comply with the judge's orders to disclose Hilary's whereabouts, according to the June 10, 1989, Washington Post. Judge Dixon took no action against Mr. Morgan but directed him to report any change of address or employment and noted he could be jailed for contempt. Id. The specter is now raised of the court incarcerating Dr. Morgan's brother for civil contempt as a means of increasing the pressure on Dr. Morgan herself. If this happens, I suppose the judge could feel free to jail Dr. Morgan's relatives seriatim over the next 12 years before determining she will not be coerced. Enough is enough.

I am not taking sides in the Morgan-Foretich dispute. However, a brief comment on Morgan's stated reason for defying the court order may help illustrate the importance of this bill. When Dr. Morgan became concerned about possible sexual abuse, she took Hilary to several different examiners. Some of these failed to diagnose sexual abuse, but a very highly qualified specialist—Charles I. Shubin, M.D., a board certified pediatrician, associate professor of pediatrics at the University of Maryland, and cofounder and codirector of the first program in the United States for the training of pediatric health professionals in the diagnosis of child sexual injuries—found serious vaginal scarring and other injury indicative of abuse. Psychologist Mary Froning of the Chesapeake Institute in Chesapeake, MD, saw Hilary for 87 sessions from January 1986 to August 1987. Her notes document that in 21 of those visits Hilary described physical or sexual abuse. Froning explained that Hilary could not have fabricated the incidents or been coached to recite them because of the explicit detail and authentic emotional state with which she recounted them. [Washingtonian, December 1988.]

In a related case, according to the U.S. Court of Appeals for the Fourth Circuit, Dr. Shubin was prepared to testify that Heather, Foretich's daughter by his second wife—Morgan was his third—exhibited injuries similar to those suffered by Hilary. "[N]umerous other professionals and lay witnesses [were also] prepared to testify that Heather had been sexually abused during visitation periods with [Foretich and his parents]." *Morgan* v. *Foretich*, 846 F.2d 941, 943-44 (4th Cir. 1988). Evidence of Heather's injuries was excluded from both the D.C. and Federal court cases. The fourth circuit ruled that the evidence in the Federal case was excluded inappropriately. "The proferred evidence of sexual abuse suffered by Heather * * * was highly relevant," it said. In fact, "this evidence was essential in that it tended to identify the defendants [Foretich and his parents] as the perpetrators of the crime against Hilary since only the defendants had access to both girls. No other piece of evidence could have had a comparable probative impact as to the identity of Hilary's asailants. This evidence also negated several defenses raised by the defendants." *Morgan* v. *Foretich*, 846 F.2d 941, 944 (4th Cir. 1988).

Foretich denies ever molesting Hilary. Judge Dixon found the evidence of sexual abuse "in equipoise"—in other words, equally balanced. [Legal Times, December 5, 1988; New York Times, December 15, 1988.] Neither party won suits accusing the other of abuse; the courts cannot determine which party is telling the truth. Under such circumstances, a mother's protectiveness should not be punished forever. My bill makes the 12-month cap on civil contempt in such cases retroactive to January 1, 1987, and thus would free Dr. Morgan.

Elizabeth Morgan is only one of several mothers recently imprisoned under the contempt power for refusing to send their children to court-ordered visitations with ex-husbands accused of sexual abuse. Note, "Modern Discussion of a Venerable Power: Civil Versus Criminal Contempt and its Role in Child Support Enforcement: *Hicks* v. *Feiock*," 22 Creighton L. Rev. 163, 183 n.195 (1988). These cases have prompted reevaluation of the rules surrounding incarceration for contempt. Civil contempt is supposed to be coercive, not punitive; to entice the contemnor to obey the court, not to punish him or her for refusing to do so. Regardless of the merits of the Morgan case—the facts of which are detailed, complex, and partly secret—the present District of Columbia law regarding civil contempt does not take into account unique concerns arising in child custody cases.

THE 12-MONTH CAP

Under Rule 42 of the Federal Rules of Criminal Procedure, a criminal contempt may be punished summarily, but it must be prosecuted on notice, with a hearing, and the defendant is entitled to a trial by jury. If the contempt involves disrespect to or criticism of a judge, that judge is disqualified unless the defendant consents. Moreover, if found guilty, the defendant still receives a fixed punishment. Fed. R. Crim. P. 42.

Such protections are lacking for most civil contemnors. The Federal recalcitrant witness statute provides that an uncooperative witness before a

court or grand jury may be confined until he or she is willing to provide the requested information. The confinement is capped at 18 months. 28 U.S.C.A. 1826. For ordinary civil contempt, however, there is no cap either in the Federal courts or in those of 48 States. The exceptions are California, with a 12-month limit, and Wisconsin, with a 6-month limit. (For a detailed discussion of the Wisconsin law, see Martineau, "Contempt of Court: Eliminating the Confusion Between Civil and Criminal Contempt," 50 U. Cin. Rev. 677 (1981).

Moreover, if the contemnor has nothing left to lose, or demonstrates an unwillingness ever to be persuaded by the court's action, the imprisonment serves no remedial or potentially coercive purpose. Continued imprisonment under such circumstances is then punitive and is constitutionally impermissible as a deprivation of liberty without due process. See, for example, *Gompers* v. *Bucks Stove & Range Co.*, 221 U.S. 418, 442-52 (1911); *Jackson* v. *Indiana*, 406 U.S. 715, 738 (1972).

The bill I introduce today simply recognizes that after a year continued imprisonment is unlikely to coerce a contemnor in a child custody case to comply with the court order. H.R. 2136, a bill providing for an 18-month cap but otherwise virtually identical, has been introduced in the House of Representatives by Representative FRANK WOLF, with the cosponsorship of District of Columbia Delegate WALTER FAUNTROY and others. This is an appropriate exercise of congressional power. Under the Home Rule Act, only Congress can determine the jurisdiction of D.C. courts. The D.C. Council is not empowered to consider this matter itself.

As I mentioned earlier, this bill would apply to child custody cases in the District of Columbia only. This limited application has the advantages of disrupting little settled law and of preserving discretion for D.C. judges to address widely disparative civil contemnors in other kinds of cases. The limited changes applicable to child custody cases would affect basically honest people with honest disagreements. The child is the real loser in such cases, deprived indefinitely of both parents. The case for limiting the court's summary contempt power is strongest here.

Under present Federal law, imprisonment for criminal contempt may not continue for more than 6 months without a jury trial. Seen in that light, a 12-month cap on imprisonment for civil contempt in the context of child custody proceedings does not unduly restrict the power of the courts to regulate their own affairs; but it does afford an important protection to litigants in these cases—and to their children.

CONCLUSION

Traditional burdens of proof are exceptionally difficult to meet in cases of child sexual abuse, especially with respect to very young children. The evidence of abuse may be sufficient to convince a well-trained physician or therapist but insufficient to convince a court. In such a case, when the parent of the abused child refuses to submit to court-ordered demands to allow the alleged abuser access to the child, many courts are sentencing the recalcitrant parent, which is typically the mother, to contempt. Some mothers have gone underground rather than submit to the court, and taken the child with them. Others have gone to prison rather than risk endangering their children.

A 1-year limit on imprisonment for civil contempt in child custody cases before the D.C. Superior Court is a prudent and needed step to protect the interests of the children in these deeply unfortunate cases.

Mr. President, I ask unanimous consent that the text of the bill be placed in the RECORD at this point.

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

S. 1163

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. LIMITATION ON TERM OF INCARCERATION IMPOSED FOR CONTEMPT IN CHILD CUSTODY CASES.

(a) SUPERIOR COURT.—Section 11-944 of the District of Columbia Code is amended—

(1) by striking "In addition" and inserting "(a) Subject to the limitation described in subsection (b), and in addition"; and

(2) by adding at the end the following new subsection:

"(b) In any proceeding for custody of a minor child conducted in the Family Division of the Superior Court under section 11-1101(1), no individual may be imprisoned for more than 12 months pursuant to the contempt power described in subsection (a) for disobediance of an order or for contempt committed in the presence of the court.".

(b) DISTRICT OF COLUMBIA COURT OF APPEALS.—Section 11-741 of the District of Columbia Code is amended—

(1) by striking "In addition" and inserting "(a) Subject to the limitation described in subsection (b), and in addition"; and

(2) by adding at the end the following new subsection:

"(b) In the hearing of an appeal from an order of the Superior Court of the District of Columbia regarding the custody of a minor child, no individual may be imprisoned for more than 12 months for disobediance of an order or for contempt committed in the presence of the court pursuant to the contempt power described in subsection (a).".

SEC. 2. EXPEDITED APPEALS PROCESS FOR INDIVIDUALS INCARCERATED FOR CONTEMPT IN CHILD CUSTODY CASES.

Section 11-721 of the District of Columbia Code is amended by adding at the end the following new subection:

"(f) The District of Columbia Court of Appeals shall hear an appeal from an order of the Superior Court of the District of Columbia holding an individual in contempt and imposing the sanction of imprisonment on such individual in the course of a case for custody of a minor child not later than 60 days after such individual requests that an appeal be taken from that order.".

SEC. 3. EFFECTIVE DATE.

The amendments made by this Act shall apply with respect to individuals imprisoned for disobediance of an order or for contempt committed in the presence of the Superior Court of the District of Columbia or the District of Columbia Court of Appeals in the course of a case for custody of a minor child on or after January 1, 1987.

By Mr. GLENN (for himself and Mr. MCCAIN):

S. 1165. A bill to provide for fair employment practices in the Senate and the House of Representatives; to the Committee on Governmental Affairs.

CONGRESSIONAL FAIR EMPLOYMENT PRACTICES ACT

Mr. GLENN. Mr. President, I rise today to introduce legislation designed to eliminate the so-called double standard for the Congress in certain laws which we have passed. The double-standard is established when Congress passes legislation for the rest of the country and then exempts itself.

I am happy to have the Senator from Arizona [Mr. MCCAIN] as a cosponsor of this legislation.

The legislation addresses a nagging problem that exists because the Congress has traditionally excluded itself from civil rights laws, as well as health, safety, and certain labor laws that apply to the Federal executive branch and private industry but not here on Capitol Hill. These congressional exclusions, Senator Sam Ervin once said, "looks like a situation where the doctor is prescribing medicine for his patients that he himself will not take." I agree with that statement. I believe that this medicine is good for both the patient and the doctor.

I find back home when people bring this up that there is nothing that aggravates them any more than having a law that they have to comply with back home in whatever area—health, safety, or civil rights—we are talking about, but yet Congress exempts itself because we do not want to deal with it.

Mr. President, the legislation that I am introducing today attempts to take care of some of the problem areas that have been mentioned as impediments in the past with legislation of this nature. First of all, the bill mandates the application, of all the principles found in the following laws to congressional employees: Federal civil rights laws, primarily the Civil Rights Act of 1964, the Fair Labor Standards Act of 1938 which mandates a minimum wage, the Age Discrimination in Employment Act of 1976, the Occupational Safety and Health Act of 1970, and the Rehabilitation Act of 1973.

Since 1978, to my knowledge, the Senate has been on record in attempting to reach out to minorities and women in both hiring and promotions; that year we adopted a resolution stating that we would attempt to reach out to minorities and women. However, the overall record of this body is not a great record. On personal and professional committee staffs at the senior or top policy-making levels, blacks total less than 50 out of a total population of some 2,500, less than 3 percent. That is personal and committee staffs combined.

Women have done only slightly better. Less than 20 percent of the top jobs in the Senate are held by females while 80 percent of the lowest-paying jobs are reserved for female employees.

What are the implications of OSHA laws to the working conditions of many of the employees who work for the Superintendent of the Senate or the Architect of the Capitol?

Why is it, Mr. President, that we do not afford our employees the same basic rights and protection we routinely vote for other workers throughout this country.

There are two very important exceptions to the applicability of these laws to congressional employees and those two exceptions include the domicile of an individual and the political affiliation of the individual. Simply put, if I, the Senator from Ohio, wanted to give preference to an applicant from Ohio then the civil rights laws would not apply. If a Republican Senator hired all his staff on the basis of the fact that he or she wanted a purely partisan staff of Republicans, then none of the laws stated in the bill would apply to that hiring situation. The reason we included these two very important exceptions is the recognition that there are special circumstances that apply to congressional employment practices particularly with regard to personal staffs. However, it should be made very clear that those persons who prepare and serve our food, who maintain these picturesque grounds around Capitol Hill, who repair our office furniture, and who work generally in a non-legislative capacity, should have the same kind of protection that their counterparts in the executive branch and private sector enjoy. It is only fair.

The legislation establishes a procedure for the consideration of alleged violations and an enforcement mechanism in the form of the Congressional Employees Relations Office.

This takes care of the problem we had before with this legislation where we were afraid of having an executive branch group oversee the legislative branch on Capitol Hill.

A review panel consisting of House and Senate members will have final authority. If monetary awards are involved, the bill requires full Senate or House approval of any proposed settlement.

The process and procedures aspect of the legislation are self explanatory and I would invite my colleagues to read the bill and lend your support to this effort. I know that there are other Senators interested in legislating in this area including Senators LEAHY and BOSCHWITZ, both of whom have introduced their own bills to deal with this problem.

The Governmental Affairs Committee will schedule hearings on this and other bills pertaining to this issue, later this summer.

Mr. McCAIN. Mr. President, I am pleased today to cosponsor the introduction of the Fair Employment Practices Act of 1989.

At the end of the last session, I introduced legislation designed to secure civil rights for Senate employees. That bill, similar to legislation passed by the House, would have banned discrimination based on sex, race, religion, age, or handicap.

At that time, the chairman of the Governmental Affairs Committee, Senator GLENN, stated his intent to work for a broadening of those standards. Together, we crafted a bill that applies to all congressional employees the principles embodied in the following laws: The Civil Rights Act of 1964, the Age Discrimination in Employment Act of 1976, the Fair Labor Standards Act of 1938, the Occupational Safety and Health Act of 1970, and the Rehabilitation Act of 1973.

Mr. President, this law is long overdue. Congressional employees are completely unprotected against discrimination. In my experience, discrimination is not widespread on the Hill. We have all heard, however, of cases of discrimination against employees based on sex or age or other criterion.

Such bias is indefensible. Two issues are involved here. First, congressional employees have a right to the same protection as other citizens of this Nation. Second, it is, quite simply, hypocritical that Congress demands standards of other American employers that we are unwilling to apply to ourselves.

For some time, Congress had offered the explanation of "separation of powers" as a reason for nonapplication of antidiscrimination statutes. In short, Congress argued that it could not be judged by a separate, coequal branch of government.

The legislation that Senator GLENN and I are introducing today circumvents that argument by placing the mechanism for resolution of disputes within the legislative branch itself. Alleged violations would be considered by an office within the Congress, and enforcement would come from the Congressional Employees Relations Office. A review panel of Senators and Congressmen has authority to review and second such judgments. Monetary rewards would be approved by the full Senate or House.

I believe the time has long since passed when Congress could exempt itself from the laws it applies to other Americans. Recent activity in Congress has brought public esteem for this institution to an all-time low. Exempting Congress from laws that eliminate bias and discrimination can only further erode the confidence of the American people in their government. I hope that my colleagues will give serious consideration to our proposal.

By Mr. LEVIN (for himself and Mr. RIEGLE):

S. 1166. A bill to correct the tariff classification of certain chipper knife steel products; to the Committee on Finance.

RELATING TO CERTAIN CHIPPER KNIFE STEEL PRODUCTS

● Mr. LEVIN. Mr. President, the legislation which I am introducing with Senator RIEGLE today, would amend the Harmonized Tariff Schedule to correct an error in the customs classification of imported chipper knife steel.

Chipper knife steel is a specialty steel that is imported by American industrial knife companies for the production of wood chipping knives and other industrial knives.

In 1984, Senator RIEGLE and I sponsored legislation which extended duty free treatment to imported chipper knife steel. The bill passed and chipper knife steel was permanently classified for duty free treatment.

When the United States converted to the Harmonized Tariff Schedule on January 1, 1989, we adopted a new definition of bars which inadvertently excluded certain chipper knife bars. Consequently, about a third of all chipper knife imports are classified as flat rolled and are subject to an 11.6 percent ad valorem duty, instead of being duty free, as the 1984 legislation required.

The legislation Senator RIEGLE and I are introducing would correct this error in the classification of chipper knife steel, by making a technical adjustment to the Harmonized Tariff Schedule. Since the current classification is the result of unintended error, the technical correction would be retroactive and any duties collected since January 1, 1989 would be returned.

Mr. President, I ask unanimous consent that the full text of the bill be printed in the RECORD following my statement.

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

S. 1166

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subchapter XV of chapter 72 of the Harmonized Tariff Schedule of the United States is amended by striking out subheadings 7226.91.10 and 7226.91.30 and inserting the following with the article description for subheading 7226.91.05 having the same degree of indentation as subheading 7226.91.50:

"7226.91.05	Of chipper knife steel	Free		34%
	Other:			
7226.91.10	Of a width of 300mm or more	9.6%	Free (E, IL)	29%
7226.91.30	Of a width of less than 300mm.	11.6%	Free (E, IL)	34%"

SEC. 2. (a) The amendment made by the first section of this Act shall apply with respect to articles entered, or withdrawn from warehouse for consumption, on or after the 15th day after the date of the enactment of this Act.

(b) Notwithstanding section 514 of the Tariff Act of 1930 or any other provision of law, upon proper request filed with the appropriate customs officer within 90 days after the 15th day after the date of the enactment of this Act, any entry which was made after January 1, 1989, and before such 15th day with respect to which there would have been no duty if the amendment made by the first section of this Act applied to such entry, shall be liquidated or reliquidated as though such amendment applied to such entry.●

By Mr. MITCHELL (for himself and Mr. COHEN):

S. 1167. A bill to fund the Muskie Archives, and for other purposes; to the Committee on Labor and Human Resources.

FUNDING FOR THE MUSKIE ARCHIVES

Mr. MITCHELL. Mr. President, today I am introducing legislation with Senator COHEN to authorize a $5 million endowment for the Edmund S. Muskie Archives at Bates College in Lewiston, ME.

With the exception of a few former Presidents, the Muskie Archives contains one of the largest collections of a public official. The collection documents Ed Muskie's life and career from his years at Bates, his law practice in Waterville, ME, and his public career as a State legislator, 1947-55, Governor 1955-59, U.S. Senator 1959-80, and his term as U.S. Secretary of State, May 1980-January 1981.

Unlike the Office of Presidential Libraries, which assumes the cost of storing, processing, and making Presidential collections available to the public, there is no counterpart for assistance in meeting archival standards for other prestigious public officials.

Bates College has already raised $375,000 to renovate an unused women's gymnasium on the campus to accommodate the collection.

However, the collection needs to be preserved as well as housed.

Currently, the archives holds an estimated 1,900 linear feet of textual records. In addition to the paper, the archives holds another 1,800 linear feet of books, periodicals, studies, photographs, plaques, framed pictures, and other political mementos as well as over 1,000 reels or cassettes of audio tapes, 69 videotape cassettes, and 120 reels of 16mm motion picture film.

In addition to preserving the Muskie collection, Bates would like to open the archives as a learning center for those in New England and beyond. One event already held under the auspices of the Muskie Archives was a three part series last fall on the 1988 Presidential election.

The Bates College community would like to hold a number of seminars and forums at the archives to encourage an understanding of how our Government works and educate students and interested citizens in important national and international issues.

The archives would hold conferences for public officials to examine complex and controversial issues such as solid waste disposal and land use management.

For the 1989-90 academic year, the Southern Center for International Studies will sponsor with the Muskie Archives its seventh annual meeting of former U.S. Secretaries of State. This will be the first time the conference is scheduled for outside the South.

Bates College plans a Maine Scholars Program to be held each summer for 30-40 Maine high school juniors to study the history of the Senate in the 1960's and 1970's, making full use of the archives. The Maine Humanities Council has approved a grant of $5,700 for the course and the State Department of Educational and Cultural Services plans to make a substantial contribution.

A number of studies have indicated that Maine high school students have low educational aspirations. Many young people complete high school and go no further. Bates plans to introduce young Maine students from across the State to the benefits of college and the study of issues of importance throughout the world.

The archives will have a dual function. It holds and will make available a collection of documentation on the political history of Maine and the Nation. And, it will develop into a center for public programs on topics of community interest with which Senator Muskie was indentified.

I urge my colleagues to consider this legislation and approve the endowment to underwrite the costs of running the archives programs and preserving the Muskie collection.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

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

S. 1167

Be it enacted by the Senate and House of Respresentatives of the United States of America in Congress assembled,

SECTION 1. GENERAL AUTHORITY.

The Secretary of Education is authorized to provide financial assistance, in accordance with the provisions of this Act, to the Muskie Archives at Bates College, Lewiston, Maine, to establish an endowment for the Muskie Archives.

SEC. 2. AUTHORIZATION OF APPROPRIATIONS

There are authorized to be appropriated $5,000,000 to carry out the provision of this Act. Funds appropriated pursuant to this Act shall remain available until expended.

Mr. COHEN. Mr. President, I rise today to introduce a bill to authorize funds for the Edmund S. Muskie Archives at Bates College in Lewiston, ME.

I believe it can be safely said that few people have had a greater impact on public life in Maine in the last half of this century than Ed Muskie.

In part, his influence has come through the positions he has held—Governor, Senator, candidate for President and Vice President, and Secretary of State.

But beyond the roles he played, Ed Muskie made his mark through a fierce will, a restless and probing intellect, a compassion for the underdog, and an approach to public life that combines action and passion.

When I came to this body in 1979, Ed Muskie took the time to become a very special friend to me. He could have easily ignored a junior member of the other party. Instead, he taught me, guided me, and looked for ways we could work together to help Maine.

We share more than our positions as Senators. We both grew up in modest circumstances. Ed's father was a tailor; my dad is a baker. Our success in Government seemed all the more sweet since our forbearers were fairly new to the country we were serving. We both entered the field of law, both believing in moderation and rationality instead of extremism.

To understand the full significance of Ed Muskie's role in Maine's history, one must look back to 1954. In that watershed year, Ed was elected Governor of Maine. To the occasional chagrin of those of us who are Republicans, Ed's election signaled the one-man rejuvenation of the near-moribund Democratic Party in Maine.

Dating back to 1916, Repubicans had won 17 of 19 gubernatorial elections. Then along came a tall, quiet lawyer named Ed Muskie, winning a solid victory in 1954 and a landslide in 1956. Those elections galvanized the Democratic Party and converted it into an effective political force for the first time in decades.

Even the most ardent Republicans in my State would grudgingly admit that Ed Muskie is responsible for the very healthy competition between the two

major parties in Maine that exists today.

During this resurgence, Ed also inspired a generation of talented young people to enter public life. In fact, another quiet young lawyer from Waterville, ME, whose family also came from modest circumstances sought out a position on Senator Muskie's staff and served him ably for years.

He both idolized and emulated Ed, developing along the way his own considerable flair and skill as a political figure. Today, that young man honors this body through his service as majority leader, and I know that my able colleague GEORGE MITCHELL still credits Ed Muskie as his greatest teacher and mentor.

Most of us are familiar with the highlights of Ed Muskie's career, in particular, his powerful advocacy of environmental issues at a time when such questions were either unheard of or unpopular. Though the environment continues to be threatened by many forces, we should thank Ed Muskie every day that the air we breathe and the water we drink are as clean as they are.

Ed was also instrumental in producing a more rational and coherent congressional budget process through the Budget Control and Impoundment Act, which curbed excesses of the executive branch. As always, Ed operated by a simple principle; tell people what they need to know, not what they want to hear.

Ed's first priority was to serve Maine, but Maine also took special pride as Ed grew in stature as a national figure. Ed's service as his party's vice presidential candidate in 1968 was carried out with great dignity during that volatile year, and solidified his position as a dominant figure in the national political environment through the 1970's.

After seeking the Presidency in 1972, Ed continued to serve Maine in the Senate for many more years, always winning reelection by comfortable margins. In 1980, President Carter called on Ed to become Secretary of State, a post he held for a short time but with great distinction.

When that brief chapter ended, Ed left public life for the first time in more than 35 years. But, in Tennyson's words, he "knew better than others how dull it is to pause, to make an end, to rust unburnished, not to shine in use." So he continued to be extremely active in his legal practice and many other endeavors.

He answered President Reagan's call to serve on the Tower Commission in 1986, and, as always, he brought great dignity and respect for the facts to his service.

I thought it was extremely telling that in April, just a week after Ed turned 75, a small announcement appeared in the Maine papers that Ed had assumed the chairmanship of a commission on the legal needs of poor people. At the stage in his life when most people are just relaxing, Ed is still searching for ways to help people less fortunate than himself.

The Muskie Archives will represent the legacy of all these various achievements, and will forever commemorate Ed Muskie's outstanding contributions during his remarkable public career. Located on the grounds of his alma mater in Lewiston, ME, the Muskie Archives contain an unusually large and rich collection of materials and will be an indispensable resource for anyone studying the history of Maine during the latter half of this century.

Bates College has invested, and will continue to invest, important resources to care for the Muskie collection. Unfortunately, the considerable financial burden of efforts such as these has fallen to institutions with severe financial constraints—colleges, universities, and historical societies.

There is no counterpart to the office of Presidential libraries to assume the cost of storing and processing materials and of making these collections available to scholars and the general public.

This proposed $5 million authorizaton will help the college greatly to develop a suitable repository for these invaluable documents.

Of course, Bates College will continue to defray the operating expenses of the archives, which will include preserving and expanding the Muskie collection as well as other collections the college plans to acquire.

Mr. President, I would conclude by saying that Ed Muskie is one of the most distinguished Americans ever to grace this body, one of the most talented people ever to come from the great State of Maine, and one of the most generous friends I've been privileged to know. Compared to the legacy he has left Maine and America, the funding of these archives seems a very modest gesture indeed.

I thank the Chair.

By Mr. KENNEDY:

S. 1168. A bill to amend the Internal Revenue Code of 1986 to assure access to health insurance for self-employed individuals and to simplify rules governing the inclusion in gross income of benefits provided under discriminatory group health plans; to the Committee on Finance.

INCREASE IN DEDUCTIBLE HEALTH COSTS FOR SELF-EMPLOYED INDIVIDUALS

Mr. KENNEDY. Mr. President, at the time I introduced the Basic Health Benefits for All Americans Act I announced that I would be introducing companion legislation to simplify the so-called section 89 rules and to provide fairer tax treatment for the owner-operators of unincorporated small business and for other self-employed individuals. The legislation I am submitting today fulfills those objectives. Similar companion legislation has already been introduced in the House by the House sponsors of the basic health benefits bill.

The section 89 provisions initially enacted in the Tax Reform Act had a laudable objective: to assure that the Federal tax preference granted for health insurance premiums would act to provide a benefit for all workers in a business, not just for a few highly compensated employees. Despite that laudable objective, the rules actually enacted to achieve this goal have proved excessively burdensome, particularly for small business. There have even been claims that some companies have actually dropped their coverage altogether rather than undergo the administrative burdens associated with complying with the section 89 rules. The bill that I am introducing today will dramatically simplify those rules and ease the burden of compliance. I also want to take this opportunity to say that I do not believe that section 89 is necessary in any form if Basic Health Benefits is enacted, and I would be willing to work with the business community to repeal that legislation under those circumstances.

The second part of the legislation I am introducing today would provide full tax deductibility for the health insurance premiums of the self-employed. Currently, there is a basic inequity in the Tax Code. The hired manager of a large corporation need not include in taxable income any health insurance premiums paid on his behalf by the company. The self-employed owner-operator of an unincorporated small business, however, may deduct only 25 percent of the premiums he pays to insure himself and his family from income. This is unfair and the legislation I am introducing today will correct it.

By Mr. ROTH:

S. 1169. A bill to provide administrative procedures for noncontroversial tariff suspensions; to the Committee on Finance.

PROVIDING ADMINISTRATIVE PROCEDURES FOR CERTAIN TARIFF SUSPENSIONS

● Mr. ROTH. Mr. President, I am today introducing, with Senator BRADLEY, a bill to create an administrative process for U.S. import duty suspensions. A similar bill was passed by the Senate last year. We believe it is a worthwhile bill and are reintroducing it this year with certain changes.

On occasion a domestic company discovers that there is no domestic supply for a component or article they import to distribute or use in manufacturing a product in the United States. They must therefore import the necessary article and pay the U.S. duty on

that importation. Since the duty increases the cost of the product and lessens the competitiveness of U.S. industry, Congress passes legislation temporarily suspending U.S. duties on such products. These duty suspensions are particularly important when an article is imported as a raw material or component of a final product manufactured by the U.S. industry. Because many final products compete with foreign products here and abroad, decreasing the cost of materials to the U.S. manufacturer increases its competitiveness and strengthens our domestic industry. Congress generally passes legislation suspending duties only if the suspensions are considered noncontroversial; that is, neither the administration nor any significant domestic company or group opposes the suspension.

Obtaining the suspension of duties on raw materials not manufactured in the United States has become increasingly important for domestic industries. At the same time the congressional calendar is growing to the point that it is difficult to ensure the timely passage of such legislation. For example, prior to the Omnibus Trade Act of 1988, it had been 4 years since the Congress passed any duty suspension bills.

Failure to obtain noncontroversial duty suspensions on a timely basis makes it extremely difficult for companies to schedule production or enter into contracts when the date on which duties may be suspended cannot be predicted with any certainty. This adversely affects the ability of companies in my State and elsewhere to compete with foreign products both here and abroad. This is particularly true in regard to Canada and the EC, both of which have streamlined procedures for duty suspensions. I am, therefore, proposing that an administrative process be created for noncontroversial duty suspension requests.

In contrast with last year's bill, the procedure will be applicable only if Congress fails to act on a bill within 12 months of its introduction. It would work as follows. Persons who want a duty suspended will file a petition with the International Trade Commission containing sufficient information to enable it to determine whether an investigation is merited. The procedure may also be used by persons requesting a reinstatement of duties because they manufacture a product on which duties are suspended.

After its investigation of all the facts, the ITC will submit a final report to the President. The President will review the report submitted by the ITC and will, in addition, consider revenue, foreign policy and trade policy issues. This is important particularly as we are presently involved in the Uruguay Round of Multilateral Trade negotiations. The public will have several opportunities to comment during the process, and the President will only be authorized to grant duty suspensions if no person has a valid objection to the suspension.

It should be emphasized that this proposal is intended to be a supplement to the current congressional system of granting duty suspensions. All bills would continue to be introduced in Congress. Persons would be free to continue to pursue the congressional option to suspend a tariff in any case where the administrative system is viewed as inadequate or unavailable.

At the same time that this bill will help individual American companies to compete, it includes a cap on the revenue that could be foregone under this new procedure, assuring this will not be a means of proclaiming sweeping changes in tariff rates. The President may also consider the effect a duty suspension would have on revenue in determining whether or not to grant a duty suspension.

Finally, this bill is supported by industries which regularly go through the uncertain process of tariff suspensions by legislation. They seek a regularized process so that business planning can occur.

I urge favorable and early consideration of this legislation. To facilitate consideration of this bill, I ask unanimous consent that the bill be printed in the RECORD.

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

S. 1169

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. INITIATION OF INVESTIGATIONS.

(a) PETITIONS.—

(1) Any person who—

(A) uses an article in the production of a product in the United States,

(B) imports an article into the United States, or

(C) distributes an article in the United States,

may file with the United States International Trade Commission (hereafter referred to in this Act as the "Commission") a petition requesting the President to issue a proclamation under section 3(a) that suspends the duty imposed on such article by any chapter of the Harmonized Tariff Schedule of the United States other than chapter 98 or 99, if the rate of duty applicable to such article is provided in rate of duty column 1.

(2) Any person who—

(A) produces in the United States—

(i) any article for which a duty is suspended by reason of a proclamation issued under section 3(a),

(ii) any other article like, or directly competitive with, such article, or

(iii) any other article which is like, or directly competitive with, a product that is produced in the United States by means of a process which uses such article as a significant raw material or component,

(B) has—

(i) the capacity, and

(ii) the bona fide intent,

to produce such article, or any other article like, or directly competitive with, such article in the United States in significant quantities,

may file with the Commission a petition requesting the President to issue a proclamation under section 3(b) that reinstates such duty.

(3) The Commission shall not accept a petition under paragraph (1) or (2) for the suspension or reinstatement of a duty on an article before the date that is 1 year after the date on which a bill is introduced in the House of Representatives or the Senate that would, if enacted, effect such suspension or reinstatement.

(4) Each petition filed under paragraph (1) or (2) shall contain sufficient information (including a precisely defined article description) to enable the Commission to determine whether an investigation into the suspension or reinstatement of the duties is justified.

(5)(A) By no later than the date that is 15 days after the date on which a petition is filed with the Commission under paragraph (1) or (2), the Commission shall determine whether the information provided in the petition is sufficient to justify an investigation under section 2.

(B) If the determination made under subparagraph (A) is affirmative, the Commission shall—

(i) transmit a copy of the petition to the United States Trade Representative,

(ii) initiate an investigation under section 2 of the suspension or reinstatement of duties requested in the petition, and

(iii) publish in the Federal Register notice of—

(I) the initiation of such investigation, and

(II) the opportunity for public comment on such suspension or reinstatement of duties.

(C) If the determination made under subparagraph (A) is negative, the Commission shall dismiss the petition and notify the petitioner of the basis on which such negative determination was made.

(b) PRESIDENTIAL REQUEST OR SELF-INITIATION.—

(1) Upon request of the President, or upon the initiative of the Commission, the Commission shall initiate an investigation under section 2 of the reinstatement of any duties that have been suspended by any previous proclamation issued under section 3(a).

(2) Upon initiating an investigation under section 2 by the authority of paragraph (1), the Commission shall—

(A) transmit to the United States Trade Representative a written statement describing the article and duties that are the subject of such investigation and all information available to the Commission regarding justification of the reinstatement of such duties on such article, and

(B) publish in the Federal Register notice of—

(i) such investigation, and

(ii) the opportunity for public comment on such suspension or reinstatement of duties.

SEC. 2. INVESTIGATIONS BY THE COMMISSION.

(a) IN GENERAL.—If the determination made under section 1(a)(5)(A) is affirmative or section 1(b)(1) applies, the Commission shall conduct an investigation to determine—

(1) whether the article that is the subject of the petition filed under section 1(a), or of the notice published under section 1(b)(2)(B), is produced in the United States,

(2) whether any other article which is like, or directly competitive with, such article is produced in the United States,

(3) whether any other article is produced in the United States which is like, or directly competitive with, a product that is produced in the United States by means of a process which uses (or could use) such article as a significant raw material or component,

(4) whether any person has—

(A) the capacity, and

(B) the bona fide intent,

to produce such article, or any other article like, or directly competitive with, such article in the United States in significant quantities,

(5) whether any person who—

(A) produces in the United States—

(i) such article,

(ii) any other article like, or directly competitive with, such article, or

(iii) any other article described in paragraph (3), or

(B) is described in paragraph (4),

objects to a suspension of the duty imposed on such article by any chapter of the Harmonized Tariff Schedule of the United States other than chapter 98 or 99,

(6) whether any person not described in paragraph (4) or (5)(A) objects to that suspension of duty on such article,

(7) whether any quotas or other import restrictions are imposed by Federal law on such article,

(8) whether any international agreements to which the United States is a party affect trade in such article or in any other article like, or directly competitive with, such article,

(9) whether such article, or any article like, or directly competitive with, such article, is, or has been, the subject of any investigation under—

(A) title VII of the Tariff Act of 1930 or section 303 of the Tariff Act of 1930,

(B) section 337 of the Tariff Act of 1930,

(C) chapter 1 of title II of the Trade Act of 1974,

(D) chapter 1 of title III of the Trade Act of 1974, or

(E) section 232 of the Trade Expansion Act of 1962,

(10) the aggregate value of such articles imported into the United States during the calendar year preceding the calendar year in which such determination is made,

(11) the aggregate value of such articles consumed in the United States during the calendar year preceding the calendar year in which such determination is made,

(12) the principal uses of such article in the United States,

(13) the duties that are imposed by Federal law on such article and the rates of such duties, and

(14) the aggregate amount of Federal revenue derived from the duties imposed by Federal law on such article during the fiscal year preceding the fiscal year in which such determination is made.

(b) PUBLIC COMMENTS.—During the course of any investigation conducted under this section, the Commission shall provide an opportunity for any person to submit written statements regarding the subject of the investigation and, upon request and after reasonable public notice, shall hold a hearing for the oral presentation of views on the subject of the investigation.

(c) REPORTS.—

(1) By no later than the date that is 75 days after the date on which an investigation under this section is initiated, the Commission shall—

(A) complete a preliminary report on the investigation conducted under subsection (a),

(B) publish a summary of the preliminary report in the Federal Register,

(C) provide a copy of the preliminary report to the petitioner, and

(D) make the preliminary report available for public inspection.

(2) On the date that is 30 days after the date on which a summary of the preliminary report on the investigation conducted under this section is published in the Federal Register, the Commission shall submit to the President a final report on the investigation. Such report shall include—

(A) the determinations made under subsection (a),

(B) a summary of comments received by the Commission regarding such investigation, including comments on the preliminary report completed under paragraph (1), and

(C) a copy of the transcript of any hearings held in the course of such investigation.

(d) DETERMINATIONS NOT SUBJECT TO JUDICIAL REVIEW.—The determinations made by the Commission under subsection (a) shall not be reviewable in any court.

SEC. 3. ACTION BY THE PRESIDENT.

(a) SUSPENSION OF DUTIES.—

(1) During the 30-day period beginning on the date on which the Commission submits to the President under section 2(c)(2) a final report on an investigation concerning the suspension of duties on an article, the President may issue a proclamation that suspends the duty imposed on such article by any chapter of the Harmonized Tariff Schedule of the United States other than chapter 98 or 99 if the President determines that—

(A) no person has a valid objection to such a suspension,

(B) the sum of—

(i) the aggregate value of such articles imported into the United States during the calendar year preceding the calendar year in which such determination is made, plus

(ii) the aggregate value of all articles imported into the United States during such preceding calendar year that are the subject of a previous proclamation issued under this paragraph during the calendar year in which such determination is made,

does not exceed $100,000,000, and

(C) the sum of—

(i) the aggregate amount of Federal revenue derived from the duty imposed on such article by any chapter of the Harmonized Tariff Schedule of the United States other than chapter 98 or 99 during the fiscal year preceding the fiscal year in which such determination is made, and

(ii) the aggregate amount of Federal revenue derived during such preceding fiscal year from all the duties imposed on all articles that are the subject of a previous proclamation issued under this paragraph during the calendar year in which such determination is made,

did not exceed an amount equal to 0.01 percent of the aggregate amount of Federal outlays during such preceding fiscal year.

(2) The President may not issue a proclamation under paragraph (1) that suspends the duty imposed by the Harmonized Tariff Schedule of the United States on any article to which the rate of duty provided in rate of duty column 2 applies.

(3) In determining whether to issue a proclamation under paragraph (1), the President may take into account—

(A) the effect such a proclamation would have on the bargaining position of the United States in any continuing, planned, or prospective negotiations with any foreign country,

(B) the effect such a proclamation would have on the revenue of the United States,

(C) foreign policy considerations, and

(D) any other factors the President considers appropriate.

(4) If the President does not issue a proclamation under paragraph (1) with respect to any article that is the subject of a report submitted under section 2(c)(2) during the 30-day period described in paragraph (1), the President shall publish in the Federal Register the reasons why the President is unable, or has declined, to issue such a proclamation.

(5) The duration of any suspension of duties provided in any proclamation issued under paragraph (1) shall not exceed 3 years; but such suspension may be extended by proclamations issued under paragraph (1) with respect to subsequent investigations conducted under section 2 for periods which do not exceed 3 years per proclamation.

(b) REINSTATEMENT OF DUTIES.—

(1) During the 30-day period beginning on the date on which the Commission submits to the President under section 2(c)(2) a final report on an investigation concerning the reinstatement of duty on an article that have been suspended by a proclamation issued under subsection (a), the President shall—

(A) determine whether any person has a valid objection to such suspension, and

(B) if the determination made under subparagraph (A) is affirmative, issue a proclamation that reinstates the duty which would be in effect if such suspension had not been made.

(2) The President shall publish in the Federal Register any negative determination made under paragraph (1)(A).

(c) DETERMINATIONS NOT SUBJECT TO REVIEW.—Any determination made by the President under this section shall be final and shall not be reviewable in any court.

SEC. 4. ALTERNATIVE SCHEDULES.

The President may, by proclamation, establish—

(1) an annual deadline for the filing of those petitions under section 1(a) with respect to which—

(A) the Commission will be required to make determinations under sections 1(a)(5) and 2 during the calendar year, and

(B) the President will be required to make determinations under section 3 during the calendar year, and

(2) a schedule for the taking of other actions under sections 1, 2, and 3 that may differ from any time requirements set forth in such sections.

SEC. 5. EFFECTIVE DATE.

The provisions of this Act shall take effect on the date that is 6 months after the date of enactment of this Act.●

By Mr. INOUYE (for himself, Mr. ADAMS, and Mr. SIMON);

S. 1170. A bill to amend the Federal Aviation Act of 1958 to provide for the establishment of limitations on the duty time for flight attendants; to the Committee on Commerce, Science, and Transportation.

FLIGHT ATTENDANT DUTY TIME

● Mr. INOUYE. Mr. President, Senator ADAMS and I rise to introduce the Flight Attendant Duty Time Act.

The tragedy of United Flight 811 in which 9 passengers were killed when a portion of the 747's fuselage ripped open emphasizes the critical role played by alert, well-trained aviation professionals. To prevent fatigue and overwork which may threaten the ability of aviation professionals to perform their duties in a safe and effective manner, the Federal Aviation Administration [FAA] regulates the work hours permitted for airline pilots, flight engineers, flight navigators, dispatchers, and air traffic control operators.

A key group of aviation professionals unjustifiably excluded from the FAA's work-time limitations is the flight attendants. Our bill includes them under the FAA's protective regulations.

Mr. President, work as a flight attendant is a physically demanding job in a noisy, stressful and poorly ventilated environment. In addition to their routine safety procedures, flight attendants must be continually alert and prepared throughout the flight for such emergencies as rapid depressurization, cabin fires, passenger illness, and hijackings. The Department of Transportation [DOT] states that there is no conclusive evidence to demonstrate a correlation between a flight attendant's fatigue and passenger safety. However, common sense should tell you that if a flight attendant has not slept or rested for the last 18-24 hours, he or she will not be able to function in an alert and effective manner, let alone be able to respond to emergencies or other potential safety hazards that may occur on an airplane.

The DOT and the FAA have acknowledged many cases in which flight attendants have been required to work as many as 24 consecutive hours. A particularly alarming case is that of the accident involving Galaxy Airlines in Reno, NV, in 1985. An investigation disclosed that at the time of the accident, two of the flight attendants had been on duty for over 18 hours and were scheduled to continue for another 7 hours.

Irrespective of the danger that overworked flight attendants pose to the safety of our airways, as well as themselves, the DOT has consistently refused to include them in its protective class of "safety sensitive" aviation employees which currently includes airline pilots, flight engineers and navigators, dispatchers and air traffic controllers. Yet, the DOT has determined that flight attendants are "safety sensitive" employees for purposes of submitting to random drug and alcohol testing. The DOT's conflicting and inconsistent position—"safety sensitive" in one regard but not another—is not in the best interest of public safety.

Mr. President, our bill requires immediate action on the part of the DOT to rectify this inequitable situation. The DOT is mandated to initiate appropriate rulemaking within 60 days of enactment, and to promulgate final regulations within 8 months of enactment. If the DOT fails to take action, the bill provides for backup duty time limitations to be implemented. Thereafter, the Department may amend these limitations under its rulemaking authority.

The next time you fly and are greeted by flight attendants, ask them about their duty hours. You will probably be shocked and alarmed by their answers. Mr. President, I urge my colleagues to cosponsor and support the Flight Attendant Duty Time Act.●

● Mr. ADAMS. Mr. President, I rise today to introduce with Senator INOUYE the Flight Attendant Duty Time Act. This bill will limit the number of hours that flight attendants will be required to work at one stretch.

As it stands now, flight attendants are the only crew members that are not covered by Federal Aviation Administration regulations to limit work hours. Remarkably, some flight attendants have been required at times to work 24-hour shifts. Clearly, this is an aviation safety issue that must be addressed.

There is no question that fatigue is a safety risk and will diminish performance. We limit the number of hours that truck drivers can be on the road. We limit the number of hours that train engineers can operate their trains without rest. And we already limit the number of hours that pilots, air traffic controllers, navigators, dispatchers and flight engineers can work. Flight attendants must be included in the FAA regulations.

Flight attendants have many safety related functions. They are responsible for evacuating their aircraft after a crash; they must detect and extinguish in-flight fires; they treat passengers with in-flight medical emergencies; they monitor the aircraft for security threats; and they must manage the cabin during hijackings and other terrorist situations. Alert and well-trained cabin attendants are critical to maintaining air safety in emergencies. Conversely, a cabin attendant who is exhausted from long flights and quick turnarounds with no rest break is a potential hazard to passengers.

This bill requires immediate action by DOT to implement duty time regulations for flight attendants. If DOT fails to take action, the bill would limit the length of work periods required. It would impose a 14 to 20 hour duty time limit, depending on the type of flight, and require prescribed rest breaks after each duty period.

Mr. President, the FAA has consistently denied the flight attendants' petitions for rulemaking in this area, stating that flight attendants are not safety sensitive employees. Yet, they have determined that flight attendants are safety sensitive employees for the purpose of imposing random drug testing requirements. It is time that we rectified this situation and ensure that exploitation of flight attendants that hampers their performance will no longer be tolerated.●

By Mr. DOLE:

S. 1171. A bill entitled the ESOP Reform Act of 1989; to the Committee on Finance.

THE ESOP REFORM ACT OF 1989

Mr. DOLE. Mr. President, today I am introducing legislation which would help to get Wall Street out of the ESOP business.

Employee stock ownership plans were originally designed to provide tax incentives for companies to give their employees a stake in the success of the enterprise. Accordingly, repayments of loans used to establish an ESOP are fully deductible even though the proceeds of the loan remain with the sponsoring corporation as payment for stock purchased by the ESOP. My bill would not change this result.

In 1984, however, the Congress went one step further and allowed private lenders to receive one half of all interest paid by an ESOP tax-free. In effect, private corporations were authorized to issue 50 percent tax-exempt debt without limit to fund their ESOP contributions. Two weeks ago, the IRS put the final icing on this cake by ruling that Wall Street could transform these securities into publicly traded, half tax-exempt, bonds.

Mr. President, in the first 5 months of 1989, approximately 40 major companies have established ESOP's totaling $8 billion in value; the ESOP value for all of 1986 was only $1.2 billion. Now, as a result of the IRS ruling, the projected growth in ESOP's this year alone is estimated at 300-450 percent.

The legislation which I am introducing today is directed only at this last 300-plus percent of annual increase. It would repeal the lender interest exemption, effective last Wednesday—the date similar legislation was introduced in the House of Representatives by the chairman of the Ways and Means Committee.

Generally, I do not favor retroactive effective dates for tax legislation. However, I believe it is necessary in this case to stop the meters which are running nonstop on Wall Street, trying to complete leveraged ESOP transactions before the Congress can act. However, I can assure my colleagues that, when this legislation comes before the Finance Committee, I will support additional, reasonable

transitional relief crafted to protect those ESOP transactions which were negotiated in good faith before June 7, 1989. In addition, I believe the Finance Committee should consider retaining the lender interest exclusion for loans to ESOP's which acquire 50 percent voting control of a corporation.

Mr. President, tax savings are not the only factor in the ESOP explosion. ESOP's have become players in the LBO game—most recently as a favored takeover defense. Thus, rather than promoting greater worker participation in corporate affairs, ESOP's may now be protecting entrenched, mediocre, corporate managers.

For these reasons, Mr. President, I believe that it is time for the Congress to apply the brakes to this runaway benefit.

I ask unanimous consent for the text of the bill to be printed in the RECORD.

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

S. 1171

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. REPEAL OF PARTIAL EXCLUSION FOR INTEREST ON CERTAIN LOANS USED TO ACQUIRE EMPLOYER SECURITIES.

(a) IN GENERAL.—Section 133 of the Internal Revenue Code of 1986 is hereby repealed.

(b) CONFORMING AMENDMENTS.—

(1) Subparagraph (B) of section 291(e)(1) of such Code is amended by striking clause (iv) and by redesignating clause (v) as clause (iv).

(2) Section 812 of such Code is amended by striking subsection (g).

(3) Paragraph (5) of section 852(b) of such Code is amended by striking subparagraph (C).

(4) Subsection (f) of section 7872 of such Code is amended by striking paragraph (12).

(5) The table of sections for part III of subchapter B of chapter 1 of such Code is amended by striking the item relating to section 133.

(c) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall apply to loans made after June 6, 1989, including loans made after such date to refinance loans made on or before such date.

(2) EXCEPTION.—The amendments made by this section shall not apply to any loan pursuant to a written binding commitment in effect on June 6, 1989, and at all times thereafter, or in connection with a tender offer, exchange offer or registration statement filed with the Securities and Exchange Commission on or before June 6, 1989, to the extent with the ESOP transaction is described in such documents. In addition, the amendments made by this section shall not apply to any loan used to acquire employer securities which were purchased by the employer on or before June 6, 1989, pursuant to a corporate resolution adopted on or before June 6, 1989, providing for the sale of the employer's securities to an ESOP. In addition, the amendments made by this section shall not apply if a public announcement of the ESOP plan was made by the employer on or before June 6, 1989, which announcement sets forth the amount or value of the employer securities to be contributed to the ESOP, or the employer reached an agreement in principle with its lenders, which agreement was evidenced by a written confirmation on or before June 6, 1989, setting forth the principal amount, interest rate or spread and maturity of the loan.

By Mr. MACK:

S. 1172. A bill to authorize a certificate of documentation for a vessel; to the Committee on Commerce, Science, and Transportation.

DOCUMENTATION OF VESSEL "PAPA JOE"

● Mr. MACK. Mr. President, today I am introducing legislation to authorize a certificate of documentation for a vessel titled the *Papa Joe*, owned by Charles Elmer Amerson. On March 23, 1987, the 38-foot wooden shrimp boat was found to be in violation of title 46, United States Code, section 12108.

Section 12108 requires vessels of at least 5 net tons engaged in fisheries to be documented under the laws of the United States with a fishery license. For a vessel to be used with a fishery license, the owner must present evidence that the vessel was built in the United States and owned by an American.

Mr. Amerson is an American. However, neither Mr. Amerson or my office has been able to locate the manufacturer's of the *Papa Joe*. The vessel certificate of title states that the *Papa Joe* was manufactured by NOVI. Through our research we have been unable to locate the NOVI corporation or any trace to the origin of the vessel.

Mr. Amerson purchased the *Papa Joe* in North Carolina. When he received the title, State law did not require that the vessel's origin or previous owner be recorded. This fact has contributed to the difficulty of locating the origin of the *Papa Joe*.●

By Mr. CHAFEE (for himself, Mr. BAUCUS, Mr. DANFORTH, Mr. WALLOP, Mr. RIEGLE, Mr. LAUTENBERG, Mr. BOREN, Mr. SYMMS, Mr. DURENBERGER, Mr. ROTH, Mr. GRASSLEY, Mr. HEINZ, Mr. LIEBERMAN, Mr. GORTON, Mr. CRANSTON, and Mr. MCCAIN):

S. 1173. A bill to amend the Internal Revenue Code of 1986 with respect to the allocation of research and experimental expenditures; to the Committee on Finance.

RELATING TO THE ALLOCATION OF RESEARCH AND EXPERIMENTAL EXPENDITURES

● Mr. CHAFEE. Mr. President, concern about the ability of U.S. businesses to compete with foreign firms has been increasing in recent years. International competitiveness has become one of the top concerns of Congress, and rightly so. The balance of trade has gone from a surplus of $3.4 billion in 1975 to a horrendous deficit of $137.3 billion in 1988.

Given the importance of this issue, Government policies, especially in the areas of tax and trade, should be carefully scrutinized to ensure they enhance our ability to compete rather than hinder it. Our attention should be focused on helping Ameican businesses succeed in today's worldwide market. Even though a small business may not export its products, it is now competing inside the United States against the influx of imported products.

One area of tremendous importance in today's competitive environment is research and development which leads to technological innovation. Since 1929, more than two-thirds of our economic growth has resulted from technological innovation. The nations winning the competitiveness race are those that recognize the importance of advanced technology—because it results in new, marketable products and more efficient production and manufacturing. These countries work to attract companies that will establish research and development facilities within their borders.

To achieve greater economic competitiveness we must foster, not impede, U.S. investment in research and development. We must expand, not export, our technological base. With these goals in mind, Senator BAUCUS and I are introducing legislation to help U.S. business regain its competitive edge. Our bill will change a tax policy which actually impedes our ability to compete, and may, in fact, encourage the export of R&D activities and important technological advances.

Yet, the United States is falling behind in its development of new technologies. I believe one of the reasons for this is the research allocation rules contained in Treasury Regulation section 1.861-8, issued in 1977. In this environment, it is difficult to understand why the United States would adopt policies that discourage the pursuit of domestic R&D.

These rules require U.S. companies with foreign operations to allocate a portion of their domestic R&D to their foreign income. Of course, foreign countries do not allow our companies to use the cost of research performed in the United States as a deduction from the income earned in the foreign country. The net effect is to increase the worldwide tax liability of the companies performing R&D in the United States, encouraging American companies to locate their R&D efforts abroad.

While founded on perhaps valid technical tax principles, it was soon recognized that these regulations represent poor public policy, and Congress placed a moratorium on their implementation. Congress has renewed this moratorium five times. It's time to put an end to the controversy surrounding section 861—over a decade of

uncertainty is enough. We should adopt a permanent solution to the problem—we have an opportunity to do so with the legislation we are introducing today.

Stable public policies with regard to research and development are extremely important. Without stability, we cannot expect our major investors in R&D to make the long-range plans that are critical to some of our most promising research efforts. With permanent reform of section 861, we have an opportunity to both change a misguided policy and to increase long-term R&D investment.

I would like to address some of the misconceptions about reform of section 861. It has been alleged that reform is some type of tax break. I assure you that is not the case. Section 861 is a penalty on domestic R&D, in that it requires U.S. R&D performers to engage in an accounting fiction that leads to double taxation and increases their world-wide tax liability. Removal of this penalty simply allows American companies to be treated like their counterparts all over the world.

It has also been alleged that reform of section 861 will only benefit multinational corporations. In a way, this is true in that a U.S. company must have foreign operations in order to be penalized by Section 861. However, small companies that conduct U.S. R&D and sell abroad are also penalized by Section 861, just like the larger corporations. There are hundreds of small companies that will be burdened less, and made stronger and more competitive, if the section 861 penalty is removed.

Fortunately, President Bush has led the way toward settling this issue with a proposal to permanently resolve the section 861 problem. The President's proposal is consistent with the compromise agreement reached on this issue in 1987 and is identical to the legislation we are introducing today. I commend President Bush for his leadership and foresight in recognizing the need for stable, permanent, and procompetitive policies in this area.

Senator BAUCUS and I are pleased to be joined in the introduction of this procompetitiveness legislation by seven other members of the Senate Finance Committee and seven more of our fellow Senators, all of whom recognize the importance of encouraging domestic R&D. I urge my other colleagues to join us as we attempt to finally, permanently resolve the longstanding controversy surrounding Treasury Regulation Section 1.861-8 by supporting this important legislation.

Thank you, Mr. President and I ask unanimous consent that the full text of this bill appear in the RECORD following my statement.

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

S. 1173

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. ALLOCATION OF RESEARCH AND EXPERIMENTAL EXPENDITURES.

(a) RULES FOR ALLOCATING RESEARCH AND EXPERIMENTAL EXPENDITURES.—Section 864 of the Internal Revenue Code of 1986 is amended by adding at the end thereof the following new subsection:

"(f) ALLOCATION OF QUALIFIED RESEARCH AND EXPERIMENTAL EXPENDITURES.—

(1) IN GENERAL.—For purposes of sections 861(b), 862(b), and 863, qualified research and experimental expenditures shall be allocated and apportioned as follows:

"(A) any qualified research and experimental expenditures expended solely to meet legal requirements imposed by a political entity with respect to the improvement or marketing of specific products or processes for purposes not reasonably expected to generate gross income (beyond de minimis amounts) outside the jurisdiction of the political entity shall be allocated only to gross income from sources within such jurisdiction;

"(B) 67 percent of qualified research and experimental expenditures (after taking into account subparagraph (A)) shall be allocated and apportioned to income from sources within the United States and deducted from such income in determining the amount of taxable income from sources within the United States; and

"(C) the remaining portion of qualified research and experimental expenditures (after taking into account subparagraphs (A) and (B)) shall be apportioned, at the annual election of the taxpayer, on the basis of gross sales or gross income, and no limitation related to apportionment on the basis of gross sales (or otherwise) shall be imposed on apportionment on the basis of gross income.

"(2) QUALIFIED RESEARCH AND EXPERIMENTAL EXPENDITURES.—For purposes of this section, the term 'qualified research and experimental expenditures' means amounts—

"(A) which are research and experimental expenditures within the meaning of section 174, and

"(B) which are attributable to activities conducted in the United States.

For purposes of this paragraph, rules similar to the rules of subsection (c) of section 174 shall apply.

"(3) AFFILIATED GROUP.—

"(A) Except as provided in subparagraph (B), the allocation and apportionment required by paragraph (1) shall be determined as if all members of the affiliated group (as defined in subsection (e)(5) of this section) were a single corporation.

"(B) For purposes of the allocation and apportionment required by paragraph (1)—

"(i) sales and gross income from products produced in whole or in part in a possession by an electing corporation (within the meaning of section 936(h)(5)(e)); and

"(ii) dividends from an electing corporation;

shall not be taken into account, except that this subparagraph shall not apply to sales of (and gross income and dividends attributable to sales of) products with respect to which an election under section 936(h)(5)(F) is not in effect

"(C) The qualified research and experimental expenditures taken into account for purposes of paragraph (1) shall be adjusted to reflect the amount of such expenditures included in computing the cost-sharing amount (determined under section 936(h)(5)(C)(i)(I)).

"(D) The Secretary may prescribe such regulations as may be necessary to carry out the purposes of this paragraph, including regulations providing for the source of gross income and the allocation and apportionment of deductions to take into account the adjustments required by subparagraph (C)."

(b) CONFORMING CHANGES.—

(1) Subsection (f) of section 861 of such Code is amended to read as follows:

"(f) CROSS REFERENCES.—

"(1) For treatment of interest paid by a branch of a foreign corporation, see section 884(f).

"(2) For the allocation and apportionment of qualified research and experimental expenditures, see section 864(f)."

(2) Section 862 of such Code is amended by adding at the end thereof the following new subsection:

"(c) CROSS REFERENCE.—

"For the allocation and apportionment of qualified research and experimental expenditures, see section 864(f)."

(3) Section 863 of such Code is amended by adding at the end thereof the following new subsection:

"(f) CROSS REFERENCE.—

"For the allocation and apportionment of qualified research and experimental expenditures, see section 864(f)."

(4) Paragraph (6) of section 864(e) of such Code is amended to read as follows:

"(6) ALLOCATION AND APPORTIONMENT OF OTHER EXPENSES.—Expenses other than interest and qualified research and experimental expenditures which are not directly allocable and apportioned to any specific income producing activity shall be allocated and apportioned as if all members of the affiliated group were a single corporation."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after August 1, 1987; except that such amendments shall not apply to qualified research and experimental expenditures to which section 4009(c)(2) of the Technical and Miscellaneous Revenue Act of 1988 applies.●

Mr. BAUCUS. Mr. President, I am pleased to join my colleague, Senator CHAFEE, to introduce legislation to reform section 861 of the Internal Revenue Code, and thereby encourage U.S. firms to do their research and development in the United States. The legislation we are proposing will generally boost the American economy and create jobs.

As now written, the regulations known as section 861-8 discourage pursuit of domestic R&D because they require U.S. companies that operate in overseas markets to allocate a portion of their domestic R&D expenses abroad. Of course, other governments do not permit American companies to actually deduct U.S. R&D expenses from income earned in their country. As a result, U.S. R&D performers end up with a higher worldwide tax liability. None of our major competitors

impose a similar burden on their companies.

This is a misguided public policy. It penalizes the pursuit of R&D and encourages American companies to move their R&D efforts abroad—where they can fully deduct their R&D expenses and where they are often other incentives to establish research facilities.

If the United States is going to maintain, and enhance, its position as a technological world leader, we must encourage vigorous research and development here at home. Domestic R&D increases the American scientific community's knowledge base—as scientists share information on a regular basis. This results in greater, and sometimes unexpected, innovation. As cochair of the congressional competitiveness caucus, I am aware of the importance of technological innovation to a strong, competitive position in the world marketplace. I also know that leadership in the worldwide competitiveness race results in a stronger domestic economy with more jobs.

There have been allegations that, instead, reform of 861 will somehow decrease American employment. Proponents of this view argue that reform of 861 will encourage companies to move their manufacturing operations abroad because they will benefit from the 861 reform only if they have foreign operations. Nothing could be further from the truth. As discussed above, section 861 is a penalty for U.S.-incurred R&D expenses, and the presence of this penalty encourages companies to locate overseas. Reform of 861 will reduce the penalty, and thus reduce the incentive to locate abroad, but it in no way makes section 861 a tax benefit for foreign manufacturing.

We are a strong nation with significant resources, which include our highly trained, creative research community. It is time to end the years of controversy about 861 and to turn our attention to formulation of positive public policies that boost our economy—through investments in the technological innovation that we are so capable of producing. This legislation is an important, necessary step in this effort. I urge my colleagues to join us in support of this legislation.

By Mr. CRANSTON (for himself and Mr. WILSON):

S.J. Res. 156. Joint resolution to commemorate the 50th anniversary of the National Aeronautics and Space Administration Ames Research Center; to the Committee on the Judiciary.

THE 50TH ANNIVERSARY OF THE AMES RESEARCH CENTER

Mr. CRANSTON. Mr. President, I am pleased to introduce a joint resolution on behalf of Senator WILSON and myself to commend the NASA Ames Research Center on its 50th anniversary. One of the foremost centers of aeronautical and space science research and technology, California's NASA Ames has played an important role in our Nation's journey into space.

NASA Ames has been on the cutting edge of technology since its founding. Developments in atmospheric entry systems and aerodynamics made significant contributions to the Mercury, Gemini, and Apollo space programs. Advances in vehicle design and the development of materials for thermal protection contributed significantly to the space shuttle program.

Scientific discoveries at NASA Ames have paved the way for discoveries about the Earth and beyond. Spacecraft from NASA Ames have explored the solar system, enhancing our understanding of Venus, leading to the discovery of rings around Uranus, and closer to home, charting the Antarctic ozone hole in our atmosphere. In this era of heightened awareness about our environment, these contributions are invaluable.

NASA Ames developed and operated the best flight simulation complex in the world, including wind tunnels and arc-jets for model testing of aircraft. NASA Ames is also a world leader in the use of supercomputers, operating the most powerful supercomputer complex in the world.

Cooperative activities with the public and private sector, nationally and internationally, have made NASA Ames the unsurpassed leader in its field.

There being no objection, Mr. President, I ask unanimous consent that the resolution be included in the RECORD following my statement.

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

S.J. RES. 156

Whereas Santa Clara County, California is the home of the National Aeronautics and Space Administration Ames Research Center;

Whereas the NASA Ames Research Center supports America's goals and has a long tradition of award-winning advances in aeronautical, space and life science research;

Whereas the NASA Ames Research Center is a world leader in the utilization of supercomputers for computational analysis of fluid flow and such Center operates one of the most powerful supercomputer complexes in the world;

Whereas spacecraft from the NASA Ames Research Center were the first to travel through the asteroid belt between Mars and Jupiter and on to Saturn;

Whereas the NASA Ames Research Center pioneered the use of aircraft as airborne laboratories and applied such usage to chart the Antarctic ozone hole in the atmosphere of the Earth and to provide other essential information concerning the environment;

Whereas from the inception of the NASA Ames Research Center, the personnel of the NASA Ames Research Center have been the most important resource of such Center, and 2,200 civil servants and almost 3,200 contract personnel, university researchers, and research personnel from the United States Army currently work at the NASA Ames Research Center: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That—

(1) the NASA Ames Research Center is commended for 50 years of outstanding contributions to space science and technology through the work of exceptional personnel and the development and the use of premier facilities; and

(2) the President is authorized and requested to issue a proclamation acknowledging the 50th anniversary of the NASA Ames Research Center and commending the contributions of such Center.

ADDITIONAL COSPONSORS

S. 15

At the request of Mr. CRANSTON, the name of the Senator from Illinois [Mr. SIMON] was added as a cosponsor of S. 15, a bill to amend the Public Health Service Act to improve emergency medical services and trauma care, and for other purposes.

S. 16

At the request of Mr. CRANSTON, the name of the Senator from Michigan [Mr. RIEGLE] was added as a cosponsor of S. 16, a bill to require the executive branch to gather and disseminate information regarding, and to promote techniques to eliminate, discriminatory wage-setting practices and discriminatory wage disparities which are based on sex, race, or national origin.

S. 58

At the request of Mr. BOSCHWITZ, the name of the Senator from Connecticut [Mr. LIEBERMAN] was added as a cosponsor of S. 58, a bill to amend the Housing and Community Development Act of 1987 to improve the enterprise zone development program, to amend the Internal Revenue Code of 1986 to provide tax incentives for investments in enterprise zones, and for other purposes.

S. 110

At the request of Mr. KENNEDY, the name of the Senator from Vermont [Mr. JEFFORDS] was added as a cosponsor of S. 110, a bill to revise and extend the programs of assistance under title X of the Public Health Service Act.

S. 120

At the request of Mr. KENNEDY, the name of the Senator from Vermont [Mr. JEFFORDS] was added as a cosponsor of S. 120, a bill to amend the Public Health Service Act to reauthorize adolescent family life demonstration projects, and for other purposes.

S. 131

At the request of Mr. INOUYE, the name of the Senator from Wisconsin [Mr. KOHL] was added as a cosponsor of S. 131, a bill to amend title 10,

United States Code, to exclude nurse officers from the computation of authorized grade strength.

S. 148

At the request of Mr. PRESSLER, the name of the Senator from North Carolina [Mr. HELMS] was added as a cosponsor of S. 148, a bill to require the Secretary of the Treasury to mint coins in commemoration of the golden anniversary of the Mount Rushmore National Memorial.

S. 231

At the request of Mr. MOYNIHAN, the name of the Senator from Ohio [Mr. GLENN] was added as a cosponsor of S. 231, a bill to amend part A of title IV of the Social Security Act to improve quality control standards and procedures under the Aid to Families With Dependent Children Program, and for other purposes.

S. 260

At the request of Mr. MOYNIHAN, the names of the Senator from South Carolina [Mr. HOLLINGS] and the Senator from Alabama [Mr. HEFLIN] were added as cosponsors of S. 260, a bill to amend the Internal Revenue Code of 1986 to make the exclusion from gross income of amounts paid for employee educational assistance programs.

S. 335

At the request of Mr. MCCAIN, the names of the Senator from Wisconsin [Mr. KASTEN], the Senator from Oklahoma [Mr. NICKLES], and the Senator from Mississippi [Mr. LOTT] were added as cosponsors of S. 335, a bill to amend title XVIII of the Social Security Act and other provisions of law to delay for 1 year the effective dates of the supplemental Medicare premium and additional benefits under part B of the Medicare Program, with the exception of the spousal impoverishment benefit.

S. 378

At the request of Mr. ROCKEFELLER, the name of the Senator from Rhode Island [Mr. PELL] was added as a cosponsor of S. 378, a bill to extend the Steel Import Stabilization Act for an additional 5 years.

S. 416

At the request of Mr. DOMENICI, the name of the Senator from Kentucky [Mr. FORD] was added as a cosponsor of S. 416, a bill to provide that all Federal civilian and military retirees shall receive the full cost-of-living adjustment in annuities payable under Federal retirement systems for fiscal years 1990 and 1991, and for other purposes.

S. 434

At the request of Mr. REID, the name of the Senator from Florida [Mr. GRAHAM] was added as a cosponsor of S. 434, a bill to prohibit a State from imposing an income tax on the pension income of individuals who are not residents or domiciliaries of that State.

S. 435

At the request of Mr. REID, the name of the Senator from Montana [Mr. BURNS] was added as a cosponsor of S. 435, a bill to amend section 118 of the Internal Revenue Code to provide for certain exceptions from certain rules determining contributions in aid of construction.

S. 436

At the request of Mr. METZENBAUM, the name of the Senator from Tennessee [Mr. GORE] was added as a cosponsor of S. 436, a bill to strengthen the protections available to employees against reprisals for disclosing information, to protect the public health and safety, and for other purposes.

S. 479

At the request of Mr. HATCH, the name of the Senator from Alabama [Mr. HEFLIN] was added as a cosponsor of S. 479, a bill to amend the Internal Revenue Code to allow for deduction of qualified adoption expenses and for other purposes.

S. 501

At the request of Mr. D'AMATO, the name of the Senator from Alabama [Mr. HEFLIN] was added as a cosponsor of S. 501, a bill to amend the Internal Revenue Code of 1986 to make permanent, and to increase the amount of, the exclusion for amounts received under qualified group legal services plans.

S. 511

At the request of Mr. INOUYE, the name of the Senator from Kansas [Mrs. KASSEBAUM] was added as a cosponsor of S. 511, a bill to recognize the organization known as the National Academies of Practice.

S. 519

At the request of Mr. LAUTENBERG, the name of the Senator from Rhode Island [Mr. CHAFEE] was added as a cosponsor of S. 519, a bill to prohibit smoking on any scheduled airline flight in intrastate, interstate, or overseas air transportation.

S. 652

At the request of Mr. KENNEDY, the name of the Senator from Michigan [Mr. RIEGLE] was added as a cosponsor of S. 652, a bill to revise the format of the Presidential report to Congress on voting practices in the United Nations.

S. 655

At the request of Mr. HATCH, the name of the Senator from Arkansas [Mr. BUMPERS] was added as a cosponsor of S. 655, a bill to amend the Public Health Service Act to require public conveyances to certify that the public is not involuntarily exposed to passive smoke when exposed to such conveyance, and for other purposes.

S. 656

At the request of Mr. GRASSLEY, the names of the Senator from Tennessee [Mr. GORE], the Senator from Alabama [Mr. HEFLIN], and the Senator from Vermont [Mr. JEFFORDS] were added as cosponsors of S. 656, a bill to amend the Internal Revenue Code of 1986 to restore the deduction for interest on educational loans.

S. 681

At the request of Mr. BAUCUS, the names of the Senator from Pennsylvania [Mr. SPECTER], the Senator from Iowa [Mr. GRASSLEY], the Senator from Arizona [Mr. MCCAIN], the Senator from Mississippi [Mr. COCHRAN], the Senator from Mississippi [Mr. LOTT], the Senator from Kansas [Mrs. KASSEBAUM], the Senator from New Mexico [Mr. DOMENICI], the Senator from Oklahoma [Mr. NICKLES], the Senator from Wisconsin [Mr. KASTEN], and the Senator from Connecticut [Mr. DODD] were added as cosponsors of S. 681, a bill to require the Secretary of the Treasury to mint and issue coins in commemoration of the 100th anniversary of the statehood of Idaho, North Dakota, South Dakota, Washington, and Wyoming, and for other purposes.

S. 754

At the request of Mr. PACKWOOD, the name of the Senator from Maine [Mr. COHEN] was added as a cosponsor of S. 754, a bill to restrict the export of unprocessed timber from certain Federal lands, and for other purposes.

S. 785

At the request of Mr. ROCKEFELLER, the name of the Senator from West Virginia [Mr. BYRD] was added as a cosponsor of S.785, a bill to amend title XIX of the Social Security Act to provide States the option of providing quality home and community care to the elderly under their Medicaid Program.

S. 814

At the request of Mr. DOMENICI, the name of the Senator from New Jersey [Mr. LAUTENBERG] was added as a cosponsor of S. 814, a bill to provide for the minting and circulation of one dollar coins, and for other purposes.

S. 893

At the request of Mr. LAUTENBERG, the name of the Senator from Maryland [Ms. MIKULSKI] was added as a cosponsor of S. 893, a bill to establish certain categories of Soviet and Vietnamese nationals presumed to be subject to persecution and to provide for adjustments to refugees status of certain Soviet and Vietnamese parolees.

S. 919

At the request of Mr. PRYOR, the names of the Senator from Maryland [Ms. MIKULSKI] and the Senator from Maine [Mr. MITCHELL] were added as cosponsors of S. 919, a bill to enable producers of soybeans to develop, finance, and carry out a nationally coordinated program for soybean promotion, research, and consumer information, and for other purposes.

S. 933

At the request of Mr. HARKIN, the names of the Senator from North Carolina [Mr. SANFORD] and the Senator from California [Mr. WILSON] were added as cosponsors of S. 933, a bill to establish a clear and comprehensive prohibition of discrimination on the basis of disability.

S. 956

At the request of Mr. COATS, the name of the Senator from North Carolina [Mr. HELMS] was added as a cosponsor of S. 956, a bill to exclude users of alcohol and illegal substances from the definition of handicapped individuals under the Rehabilitation Act of 1973, and for other purposes.

S. 969

At the request of Mr. MOYNIHAN, the name of the Senator from Arizona [Mr. DECONCINI] was added as a cosponsor of S. 969, a bill to establish the President's Award for Addiction Research.

S. 975

At the request of Mr. METZENBAUM, the name of the Senator from Colorado [Mr. WIRTH] was added as a cosponsor of S. 975, a bill to amend the Job Training Partnership Act to encourage a broader range of training and job placement for women, and for other purposes.

S. 980

At the request of Mr. MITCHELL, the names of the Senator from Wisconsin [Mr. KASTEN], the Senator from Mississippi [Mr. COCHRAN], the Senator from Nevada [Mr. REID], and the Senator from Alabama [Mr. HEFLIN] were added as cosponsors of S. 980, a bill to amend the Internal Revenue Code of 1986 to improve the effectiveness of the low-income housing credit.

S. 1036

At the request of Mr. LEAHY, the names of the Senator from Maryland [Ms. MIKULSKI], the Senator from Illinois [Mr. SIMON], and the Senator from Montana [Mr. BURNS] were added as cosponsors of S. 1036, a bill to improve the economic, community, and educational well-being of rural America, and for other purposes.

S. 1040

At the request of Mr. WILSON, the names of the Senator from Minnesota [Mr. BOSCHWITZ] and the Senator from Alaska [Mr. STEVENS] were added as cosponsors of S. 1040, a bill to require the Secretary of Defense to establish an Anti-Drug Task Force.

S. 1063

At the request of Mr. LUGAR, the name of the Senator from Mississippi [Mr. COCHRAN] was added as a cosponsor of S. 1063, a bill to improve the conservation of cropland, and for other purposes.

S. 1091

At the request of Mr. GRAHAM, the names of the Senator from California [Mr. WILSON], the Senator from South Carolina [Mr. THURMOND], the Senator from New Jersey [Mr. BRADLEY], the Senator from North Dakota [Mr. CONRAD], and the Senator from Kansas [Mr. DOLE] were added as cosponsors of S. 1091, a bill to provide for the striking of medals in commemoration of the bicentennial of the U.S. Coast Guard.

S. 1129

At the request of Mr. BENTSEN, the names of the Senator from Vermont [Mr. LEAHY], the Senator from South Carolina [Mr. HOLLINGS], the Senator from Illinois [Mr. SIMON], the Senator from Wyoming [Mr. WALLOP], the Senator from Maryland [Mr. SARBANES], the Senator from Delaware [Mr. BIDEN], the Senator from Indiana [Mr. LUGAR], the Senator from Illinois [Mr. DIXON], the Senator from Michigan [Mr. LEVIN], and the Senator from Delaware [Mr. ROTH] were added as cosponsors of S. 1129, a bill to amend the Internal Revenue Code of 1986 to simplify the antidiscrimination rules applicable to certain employee benefit plans.

S. 1153

At the request of Mr. DASCHLE, the name of the Senator from Connecticut [Mr. DODD] was added as a cosponsor of S. 1153, a bill to amend title 38, United States Code, to provide for the establishment of presumptions of service connection between certain diseases experienced by veterans who served in Vietnam era and exposure to certain toxic herbicide agents used in Vietnam; to provide for interim benefits for veterans of such service who have certain diseases; to improve the reporting requirements relating to the "Ranch Hand Study;" and for other purposes.

SENATE JOINT RESOLUTION 15

At the request of Mr. PRESSLER, the names of the Senator from Nebraska [Mr. EXON], the Senator from Wyoming [Mr. SIMPSON], the Senator from Minnesota [Mr. DURENBERGER], the Senator from Kansas [Mrs. KASSEBAUM], and the Senator from Michigan [Mr. RIEGLE] were added as cosponsors of Senate Joint Resolution 15, a joint resolution to designate the second Sunday in October of 1989 as "National Children's Day."

SENATE JOINT RESOLUTION 57

At the request of Mr. PELL, the name of the Senator from Oklahoma [Mr. NICKLES] was added as a cosponsor of Senate Joint Resolution 57, a joint resolution to establish a national policy on permanent papers.

SENATE JOINT RESOLUTION 120

At the request of Mr. BRADLEY, the names of the Senator from Florida [Mr. GRAHAM], the Senator from Iowa [Mr. GRASSLEY], and the Senator from Mississippi [Mr. LOTT] were added as cosponsors of Senate Joint Resolution 120, a joint resolution to designate the period commencing November 12, 1989, and ending November 18, 1989, as "Geography Awareness Week."

SENATE JOINT RESOLUTION 121

At the request of Mr. DECONCINI, the name of the Senator from Maryland [Ms. MIKULSKI] was added as a cosponsor of Senate Joint Resolution 121, a joint resolution to provide for the designation of September 14, 1989, as "National D.A.R.E. Day."

SENATE JOINT RESOLUTION 132

At the request of Mr. SASSER, names of the Senator from Utah [Mr. GARN], the Senator from Connecticut [Mr. LIEBERMAN], the Senator from Georgia [Mr. NUNN], and the Senator from Pennsylvania [Mr. HEINZ] were added as cosponsors of Senate Joint Resolution 132, a joint resolution designating September 1 through 30, 1989, as "National Alcohol and Drug Treatment Month."

SENATE JOINT RESOLUTION 148

At the request of Mr. GORE, the name of the Senator from West Virginia [Mr. BYRD] was added as a cosponsor of Senate Joint Resolution 148, a joint resolution to designate the week of October 8, 1989, through October 14, 1989, as "National Job Skills Week."

SENATE CONCURRENT RESOLUTION 37

At the request of Mr. HARKIN, the name of the Senator from Alaska [Mr. MURKOWSKI] was added as a cosponsor of Senate Concurrent Resolution 37, a concurrent resolution expressing the sense of the Congress that the differential in Medicare payments made to urban and rural hospitals be eliminated.

SENATE CONCURRENT RESOLUTION 39

At the request of Mr. WILSON, the name of the Senator from Pennsylvania [Mr. SPECTER] was added as a cosponsor of Senate Concurrent Resolution 39, a concurrent resolution to commend the group of aviators known as the "Flying Tigers" for nearly 50 years of service to the United States.

SENATE CONCURRENT RESOLUTION 40

At the request of Mr. CRANSTON, the name of the Senator from Massachusetts [Mr. KERRY] was added as a cosponsor of Senate Concurrent Resolution 40, a concurrent resolution to designate June 21, 1989, as Chaney, Goodman, and Schwerner Day.

SENATE RESOLUTION 13

At the request of Mr. DOLE, the names of the Senator from Maryland [Ms. MIKULSKI], the Senator from Alaska [Mr. STEVENS], the Senator from Massachusetts [Mr. KERRY], the Senator from Mississippi [Mr. COCHRAN], and the Senator from California [Mr. CRANSTON] were added as cosponsors of Senate Resolution 13, a resolution to amend Senate Resolution 28 to implement closed caption broadcasting for hearing-impaired individuals of floor proceedings of the Senate.

SENATE RESOLUTION 99

At the request of Mr. BOSCHWITZ, the name of the Senator from Oklahoma [Mr. NICKLES] was added as a cosponsor of Senate Resolution 99, a resolution requiring the Architect of the Capitol to establish and implement a voluntary program for recycling paper disposed of in the operation of the Senate.

SENATE RESOLUTION 116

At the request of Mr. LAUTENBERG, the name of the Senator from Illinois [Mr. SIMON] was added as a cosponsor of Senate Resolution 116, a resolution commemorating the 50th anniversary of the U.S. Jewish Appeal.

SENATE CONCURRENT RESOLUTION 43—CONCERNING HUMAN RIGHTS VIOLATIONS IN YUGOSLAVIA

Mr. PRESSLER (for himself, Mr. DOMENICI, Mr. D'AMATO and Mr. DOLE) submitted the following concurrent resolution; which was referred to the Committee on Foreign Relations:

S. CON. RES. 43

Whereas the Department of State's 1988 Country Report on Human Rights Practices cites many human rights practices in Yugoslavia that violate internationally accepted human rights standards, including infringement upon and abrogation of the rights of assembly and fair trial, freedom of speech, and freedom of the press.

Whereas the Country Report also indicates that these human rights violations are targeted at certain ethnic groups and regions, including Slovenians but most particularly against the ethnic Albanians in the Socialist Autonomous Province of Kosovo;

Whereas those human rights violations, in addition to recent actions taken to limit the social and political autonomy of the Socialist Autonomous Province of Kosovo have precipitated a crisis in that region;

Whereas the Yugoslav government's response to that crisis was a brutal police crackdown that led to the deaths of many civilians and police officers, the wounding of hundreds more, and the imprisonment of additional hundreds;

Whereas the these human rights abuses violate the high ideals of mutual equality, dignity and brotherhood among all of the country's nations and nationalities which has been a guiding principle of the Socialist Federal Republic of Yugoslav since 1945; and

Whereas the European Parliament of the European Community has condemned these actions: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That the Senate—

(1) expresses grave concern regarding the action of the Government of the Socialist Federal Republic of Yugoslavia for repeated human rights violations and for its unnecessary, violent and brutal handling of the crisis in the Socialist Autonomous Province of Kosovo;

(2) urges the Yugoslav government to take all necessary steps to assure that further violence and bloodshed do not occur in the Socialist Autonomous Province of Kosovo;

(3) urges the government of the Socialist Federal Republic of Yugoslavia fully to observe its obligations under the Helsinki Final Act and the United Nations Declaration on Human Rights to assure full protection of the rights of the Albanian ethnic minority in Yugoslavia;

(4) requests the President and the Department of State to continue to monitor closely human rights conditions in the Socialist Federal Republic of Yugoslavia; and

(5) calls upon the President to express these concerns of the Congress through appropriate channels to representatives of the Socialist Federal Republic of Yugoslavia.

Mr. PRESSLER. Mr. President, in conjunction with identical action in the House of Representatives today, I am now submitting a Senate concurrent resolution expressing the sense of Congress concerning the deplorable human rights situation in Yugoslavia.

As I have noted previously in the Chamber, Yugoslavians of Albanian ethnic descent have been treated brutally by Yugoslavian police. The time for Congress to express its point of view on this injustice is long overdue.

The concurrent resolution urges the Yugoslavian Government to stop the bloodshed, and adhere to its obligations under the Helsinki Final Act and the United Nations Declaration on Human Rights. It also requests the President and the Department of State to continue close monitoring of human rights conditions in Yugoslavia and to express the concerns of Congress to Yugoslavian officials through appropriate channels.

Mr. President, the political status and human rights of Albanian-Yugoslavians have deteriorated drastically during the past year. It is appropriate that Congress call for action to address this problem, just as we have done in instances of human rights abuses in other countries. I urge the Senate to act promptly and favorably on the concurrent resolution.

Finally, Mr. President, I take note of the fact that tomorrow, June 14, hundreds of Albanian Americans will gather at 11 a.m. on the west front of the Capitol to demonstrate their concerns on this matter. I urge all Senators to attend this event. It is fitting that it is being held on Flag Day, a day when patriotic Americans like these traditionally gather to show respect for our flag and the universal principles of liberty for which it stands. These principles are now being trampled upon in Yugoslavia.

SENATE RESOLUTION 144—RELATIVE TO COMMEMORATION OF THE BICENTENNIAL OF THE SENATE

Mr. MITCHELL (for himself and Mr. DOLE) submitted the following resolution; which was considered and agreed to:

S. RES. 144

Resolved,

SECTION 1. ESTABLISHMENT OF COMMISSION.

There is hereby established a Commission on the Bicentennial of the United States Senate (referred to as the "Commission") to coordinate ceremonial events and related activities as appropriate.

SEC. 2. MEMBERSHIP OF COMMISSION.

The Commission shall be composed of the following members:

(1) the President pro tempore of the Senate;

(2) the majority leader and minority leader of the Senate;

(3) three Members of the Senate to be appointed by the majority leader; and

(4) three members of the Senate to be appointed by the minority leader.

A Member of the Senate appointed pursuant to Senate Resolution 352, agreed to April 11, 1986, to serve during the 100th Congress shall serve until the termination of the Commission.

SEC. 3. CHAIRMANSHIP; QUORUM.

The Majority Leader, or his designee, shall serve as the Chairman of the Commission and the Minority Leader, or his designee, shall serve as the Vice Chairman of the Commission. Four members of the Commission shall constitute a quorum for the transaction of business.

SEC. 4. VACANCY.

Any vacancy in the membership of the Commission shall be filled in the same manner as the original appointment.

SEC. 5. DUTIES OF COMMISSION.

The Commission shall oversee the development of projects and activities as outlined in the Final Report of the Study Group on the Commemoration of the United States Senate Bicentenary. It shall seek to coordinate Senate bicentennial activities with related organizations outside the Senate, including the Commission on the United States House of Representatives Bicentenary and the Commission on the Bicentennial of the United States Constitution.

SEC. 6. STAFF AND SUPPORT.

(a) IN GENERAL.—The Commission shall have the staff support and the expertise of Senate support staff including the Senate Historical Office and the Office of Senate Curator, under the jurisdiction of the Secretary of the Senate, and the assistance of the United States Senate Commission on Art. The Chairman shall designate an Executive Secretary of the Commission.

(b) SERVICES OF CONSULTANT.—In carrying out its functions, the Commission may, with the prior approval of the Senate Committee on Rules and Administration, procure the temporary (not to exceed one year) or intermittent service of individual consultants, or organizations thereof, in the same manner and under the same conditions as a standing committee of the Senate may procure such services.

(c) GUEST SPEAKERS.—In carrying out its functions, the Commission is authorized to engage the services of guest speakers and provide such speakers (other than speakers who are Members of Congress or officers or employees of the United States) with appropriate honoraria, transportation expenses, and per diem in lieu of subsistence.

SEC. 7. PAYMENT OF EXPENSES.

(a) PAYMENT OUT OF THE CONTINGENT FUND.—The actual and necessary expenses of the Commission, including official reception and representation expenses, the employment of staff at an annual rate of pay, and the employment of consultants at a rate not to exceed the maximum daily rate for a standing committee of the Senate, shall be paid from the Contingent Fund of the Senate, out of the account of Miscellaneous

Items, upon vouchers approved by the Chairman of the Commission or his designee; except that no voucher shall be required to pay the salary of any employee who is compensated at an annual rate of pay. This subsection is effective with respect to expenditures incurred on or after the date of agreement to Senate Resolution 293, 100th Congress.

(b) AUTHORITY OF THE SECRETARY OF THE SENATE.—The Secretary of the Senate is authorized to advance such sums as may be necessary to defray the expenses incurred in carrying out the provisions of this resolution.

SEC. 8. PRIVATE SECTOR TASK FORCE.

The Commission shall seek to assemble a private sector task force to explore ideas and funding from private sources for appropriate projects to commemorate the bicentennial.

SEC. 9. REPORTS.

The Commission may submit periodic reports on its activities to the Senate and shall submit a final report at the time of its termination.

SEC. 10. TERMINATION OF COMMISSION.

The Commission shall cease to exist at the end of the one hundred and first Congress.

SEC. 11. REPEAL OF SENATE RESOLUTION 352.

Senate Resolution 352, agreed to April 11, 1986, is repealed.

AMENDMENTS SUBMITTED

NATURAL GAS DECONTROL ACT OF 1989

METZENBAUM (AND EXON) AMENDMENT NO. 191

Mr. METZENBAUM (for himself and Mr. EXON) proposed an amendment to the bill (H.R. 1722) to amend the Natural Gas Policy Act of 1978 to eliminate wellhead price and nonprice controls on the first sale of natural gas, and to make technical and conforming amendments to such act, as follows:

At the appropriate place, insert:

"SEC. 3. INDEFINITE PRICE ESCALATOR CLAUSES.

"An indefinite price escalator clause in a contract for the purchase of natural gas shall be held to be unjust and unreasonable under section 5 of the Natural Gas Act (15 U.S.C. 717d) unless the Federal Energy Regulatory Commission finds, on application of a party to the contract, that the clause is just and reasonable under the particular circumstances of the contract in question.".

METZENBAUM (AND OTHERS) AMENDMENT NO. 192

Mr. METZENBAUM (for himself, Mr. REID, and Mr. LAUTENBERG) proposed an amendment, which was subsequently modified, to the bill H.R. 1722, supra; as follows:

At the appropriate place, insert:

SEC. . PROHIBITION OF PASSTHROUGH OF COSTS.

(a) PROHIBITION.—The Federal Energy Regulatory Commission (referred to as the "Commission") shall not permit a natural-gas company to recover in its rates costs of any nature incurred directly or indirectly as a result of an act by the company or its employees or agents that—

was a violation of Federal or State environmental law; or

was an environmentally irresponsible act unless the natural-gas company can demonstrate, using substantial evidence, that such costs that were incurred are just and reasonable.

(b) DETERMINATION OF VIOLATION.—The Commission shall determine whether a violation of environmental law has occurred in accordance with the following standards:

(1) The Commission shall consult with Federal and State agencies having responsibility for enforcement of environmental laws in determining whether a violation has occurred.

(2) The Commission shall be bound by advice from authorized officials of an agency, whether or not in the form of a formal action, that an act was a violation of environmental law.

(3) The Commission shall not be bound by a decision by an agency not to pursue a possible violation or by advice that an act was not a violation of environmental law unless the decision or advice is a formal affirmative determination by the agency that a violation did not occur.

(4) The Commission shall be bound by a judicial determination, or an administrative determination not reviewed by a court, that a violation of environmental law did or did not occur.

(5) The Commission shall not be bound by a consent decree or similar agreement entered in a judicial or administrative proceeding unless the decree or agreement specifically states a determination that a violation of environmental law did or did not occur.

(c) DETERMINATION OF ENVIRONMENTALLY IRRESPONSIBLE ACT.—Notwithstanding the absence of facts warranting prosecution of a possible violation of environmental law, the Commission may find that a natural gas company or its employee or agent committed an environmentally irresponsible act.

(d) PREVENTION OF VIOLATIONS.—Subsection (a) shall not be construed to prohibit the passthrough of costs incurred by a natural-gas company in an effort to prevent violations of Federal or State environmental law by the company or its employees or agents.

(e) DEFINITIONS.—For the purposes of this section—

(1) The term "act" means an act or a failure to act, whether intentional, negligent, or inadvertent;

METZENBAUM (AND KOHL) AMENDMENT NO. 193

Mr. METZENBAUM (for himself and Mr. KOHL) proposed an amendment to the bill H.R. 1722, supra; as follows:

At the appropriate place, insert:

SEC. 3. TAKE-OR-PAY CLAUSES.

"A take-or-pay clause in a contract for the purchase of natural gas shall be held to be unjust and unreasonable under section 5 of the Natural Gas Act (15 U.S.C. 717d) unless the Federal Energy Regulatory Commission finds, on application of a party to the contract, that the clause is just and reasonable under the particular circumstances of the contract in question.".

METZENBAUM AMENDMENT NO. 194

Mr. METZENBAUM proposed an amendment to the bill H.R. 1722, supra; as follows:

At the appropriate place, insert:

"In the case of high-cost natural gas under section 107(c)(5) of title I of the Natural Gas Policy Act of 1978, the Federal Energy Regulatory Commission shall exercise its existing authority to rescind any incentive prices on that category of natural gas within 90 days of the date of enactment. Notwithstanding any other provision of the Code, nothing in this amendment shall affect the continuation of tax credits under the Internal Revenue Code with respect to natural gas production."

AMENDMENTS SUBMITTED DURING RECESS

Under the authority of the order of the Senate of June 8, 1989, the following amendments were submitted on June 12, 1989, during the recess of the Senate:

NATURAL GAS DECONTROL ACT OF 1989

BRADLEY AMENDMENT NOS. 151 THROUGH 156

(Ordered to lie on the table.)

Mr. BRADLEY submitted six amendments intended to be proposed by him to the bill (H.R. 1722) to amend the Natural Gas Policy Act of 1978 to eliminate wellhead price and nonprice controls on the first sale of natural gas, and to make technical and conforming amendments to such Act, as follows:

AMENDMENT NO. 151

Insert the following at the appropriate place:

SEC. .

The Federal Energy Regulatory Commission may require, by rule or order, any interstate pipeline to transport natural gas. Such rules or orders may be issued under both the Natural Gas Policy Act and the Natural Gas Act.

AMENDMENT NO. 152

Insert the following at the appropriate place:

SEC. .

The Federal Energy Regulatory Commission may require, by rule or order, any interstate pipeline to transport natural gas. Such rules or orders may be issued under both the Natural Gas Policy Act and the Natural Gas Act.

AMENDMENT NO. 153

In lieu of matter proposed to be inserted, insert the following at the appropriate place:

SEC. .

The Federal Energy Regulatory Commission may require, by rule or order, any interstate pipeline to transport natural gas. Such rules or orders may be issued under both the Natural Gas Policy Act and the Natural Gas Act.

AMENDMENT No. 154

At the end of the amendment insert the following: "Such rules or orders shall be made in the public interest and shall require that natural gas be transported at just and reasonable rates. Nothing in this section shall be construed as affecting the authority of the Federal Energy Regulatory Commission with respect to the construction of new pipeline facilities.".

AMENDMENT No. 155

On page 3, line 23, strike "effective on January 1, 1993." and insert "effective on the later of—

"(1) January 1, 1993; or

"(2) the date that the Federal Energy Regulatory Commission issues regulations implementing its authority under the Natural Gas Act and the Natural Gas Policy Act of 1978 to require a natural-gas company to transport natural gas, at just and reasonable rates, in the public interest in order to prevent anticompetitive action; provided, that nothing in this subsection shall be construed as affecting the authority of the Federal Energy Regulatory Commission with respect to the construction of new pipeline facilities.".

AMENDMENT No. 156

On page 3, line 23, strike "effective on January 1, 1993." and insert "effective on the later of—

"(1) January 1, 1993; or

"(2) the date that the Federal Energy Regulatory Commission issues regulations implementing its authority under the Natural Gas Act and the Natural Gas Policy Act of 1978 to require a natural-gas company to transport natural gas.

METZENBAUM AMENDMENT NOS. 157 THROUGH 190

(Ordered to lie on the table.)

Mr. METZENBAUM submitted 34 amendments intended to be proposed by him to the bill H.R. 1722, supra, as follows:

AMENDMENT No. 157

At the appropriate place, insert:

SEC. . TAKE-OR-PAY AND CERTAIN OTHER TYPES OF CONTRACT CLAUSES.

An indefinite price escalator clause in a contract for the purchase of natural gas shall be held to be unjust and unreasonable under section 5 of the Natural Gas Act (15 U.S.C. 717d) unless the Federal Energy Regulatory Commission finds, on application of a party to the contract, that the clause is just and reasonable under the particular circumstances of the contract in question.

AMENDMENT No. 158

In lieu of the matter proposed to be stricken, insert the following:

SEC. . TAKE-OR-PAY AND CERTAIN OTHER TYPES OF CONTRACT CLAUSES.

An indefinite price escalator clause in a contract for the purchase of natural gas shall be held to be unjust and unreasonable under section 5 of the Natural Gas Act (15 U.S.C. 717d) unless the Federal Energy Regulatory Commission finds, on application of a party to the contract, that the clause is just and reasonable under the particular circumstances of the contract in question.

AMENDMENT No. 159

In lieu of the matter proposed to be inserted, insert the following:

SEC. . TAKE-OR-PAY AND CERTAIN OTHER TYPES OF CONTRACT CLAUSES.

An indefinite price escalator clause in a contract for the purchase of natural gas shall be held to be unjust and unreasonable under section 5 of the Natural Gas Act (15 U.S.C. 717d) unless the Federal Energy Regulatory Commission finds, on application of a party to the contract, that the clause is just and reasonable under the particular circumstances of the contract in question.

AMENDMENT No. 160

At the appropriate place, insert:

SEC. . TAKE-OR-PAY AND CERTAIN OTHER TYPES OF CONTRACT CLAUSES.

An indefinite price escalator clause in a contract for the purchase of natural gas shall be held to be unjust and unreasonable under section 5 of the Natural Gas Act (15 U.S.C. 717d) unless the Federal Energy Regulatory Commission finds, on application of a party to the contract, that the clause is just and reasonable under the particular circumstances of the contract in question.

AMENDMENT No. 161

To the language proposed to be stricken, at the appropriate place, insert the following:

SEC. . TAKE-OR-PAY AND CERTAIN OTHER TYPES OF CONTRACT CLAUSES.

An indefinite price escalator clause in a contract for the purchase of natural gas shall be held to be unjust and unreasonable under section 5 of the Natural Gas Act (15 U.S.C. 717d) unless the Federal Energy Regulatory Commission finds, on application of a party to the contract, that the clause is just and reasonable under the particular circumstances of the contract in question.

AMENDMENT No. 162

At the appropriate place, insert the following:

SEC. . TAKE-OR-PAY AND CERTAIN OTHER TYPES OF CONTRACT CLAUSES.

An indefinite price escalator clause in a contract for the purchase of natural gas shall be held to be unjust and unreasonable under section 5 of the Natural Gas Act (15 U.S.C. 717d) unless the Federal Energy Regulatory Commission finds, on application of a party to the contract, that the clause is just and reasonable under the particular circumstances of the contract in question.

AMENDMENT No. 163

In lieu of the matter proposed to be inserted, insert the following:

SEC. . TAKE-OR-PAY AND CERTAIN OTHER TYPES OF CONTRACT CLAUSES.

An indefinite price escalator clause in a contract for the purchase of natural gas shall be held to be unjust and unreasonable under section 5 of the Natural Gas Act (15 U.S.C. 717d) unless the Federal Energy Regulatory Commission finds, on application of a party to the contract, that the clause is just and reasonable under the particular circumstances of the contract in question.

AMENDMENT No. 164

At the appropriate place, insert:

SEC. . TAKE-OR-PAY AND CERTAIN OTHER TYPES OF CONTRACT CLAUSES.

An indefinite price escalator clause in a contract for the purchase of natural gas shall be held to be unjust and unreasonable under section 5 of the Natural Gas Act (15 U.S.C. 717d) unless the Federal Energy Regulatory Commission finds, on application of a party to the contract, that the clause is just and reasonable under the particular circumstances of the contract in question.

AMENDMENT No. 165

At the appropriate place, insert the following:

SEC. . TAKE-OR-PAY AND CERTAIN OTHER TYPES OF CONTRACT CLAUSES.

An indefinite price escalator clause in a contract for the purchase of natural gas shall be held to be unjust and unreasonable under section 5 of the Natural Gas Act (15 U.S.C. 717d) unless the Federal Energy Regulatory Commission finds, on application of a party to the contract, that the clause is just and reasonable under the particular circumstances of the contract in question.

AMENDMENT No. 166

At the appropriate place, insert the following:

SEC. . TAKE-OR-PAY AND CERTAIN OTHER TYPES OF CONTRACT CLAUSES.

An indefinite price escalator clause in a contract for the purchase of natural gas shall be held to be unjust and unreasonable under section 5 of the Natural Gas Act (15 U.S.C. 717d) unless the Federal Energy Regulatory Commission finds, on application of a party to the contract, that the clause is just and reasonable under the particular circumstances of the contract in question.

AMENDMENT No. 167

At the appropriate place, insert:

SEC. . PROHIBITION OF PASSTHROUGH OF COSTS.

(a) PROHIBITION.—The Federal Energy Regulatory Commission (referred to as the "Commission") shall not permit a natural gas company to recover in its rates costs of any nature incurred directly or indirectly as a result of an act by the company or its employees or agents that:

was a violation of Federal or State environmental law; or

was an environmentally irresponsible act, unless the natural gas company can demonstrate, using substantial evidence, that such costs that were incurred are just and reasonable.

(b) DETERMINATION OF VIOLATION.—The Commission shall determine whether a violation of environmental law has occurred in accordance with the following standards:

(1) The Commission shall consult with Federal and State agencies having responsibility for enforcement of environmental laws in determining whether a violation has occurred.

(2) The Commission shall be bound by advice from authorized officials of an agency, whether or not in the form of a formal action, that an act was a violation of environmental law.

(3) The Commission shall not be bound by a decision by an agency not to pursue a possible violation or by advice that an act was not a violation of environmental law unless the decision or advice is a formal affirmative determination by the agency that a violation did not occur.

(4) The Commission shall be bound by a judicial determination, or an administrative determination not reviewed by a court, that a violation of environmental law did or did not occur.

(5) The Commission shall not be bound by a consent decree or similar agreement entered in a judicial or administrative proceeding unless the decree or agreement specifically states a determination that a violation of environmental law did or did not occur.

29-059 O-90-49 (Pt. 8)

(c) DETERMINATION OF ENVIRONMENTALLY IRRESPONSIBLE ACT.—Notwithstanding the absence of facts warranting prosecution of a possible violation of environmental law, the Commission may find that a natural gas company or its employee or agent committed an environmentally irresponsible act.

(d) PREVENTION OF VIOLATIONS.—Subsection (a) shall not be construed to prohibit the passthrough of costs incurred by a natural gas company in an effort to prevent violations of Federal or State environmental law by the company or its employees or agents.

(e) DEFINITIONS.—For the purposes of this section—

(1) the term "act" means an act or a failure to act, whether intentional, negligent, or inadvertent; and

(2) the term "environmentally irresponsible act" means an act that is inconsistent with the ends sought to be achieved by Federal or State environmental law.

AMENDMENT NO. 168

In lieu of the matter proposed to be stricken, insert the following:

SEC. . PROHIBITION OF PASSTHROUGH OF COSTS.

(a) PROHIBITION.—The Federal Energy Regulatory Commission (referred to as the "Commission") shall not permit a natural gas company to recover in its rates costs of any nature incurred directly or indirectly as a result of an act by the company or its employees or agents that:

was a violation of Federal or State environmental law; or

was an environmentally irresponsible act, unless the natural gas company can demonstrate, using substantial evidence, that such costs that were incurred are just and reasonable.

(b) DETERMINATION OF VIOLATION.—The Commission shall determine whether a violation of environmental law has occurred in accordance with the following standards:

(1) The Commission shall consult with Federal and State agencies having responsibility for enforcement of environmental laws in determining whether a violation has occurred.

(2) The Commission shall be bound by advice from authorized officials of an agency, whether or not in the form of a formal action, that an act was a violation of environmental law.

(3) The Commission shall not be bound by a decision by an agency not to pursue a possible violation or by advice that an act was not a violation of environmental law unless the decision or advice is a formal affirmative determination by the agency that a violation did not occur.

(4) The Commission shall be bound by a judicial determination, or an administrative determination not reviewed by a court, that a violation of environmental law did or did not occur.

(5) The Commission shall not be bound by a consent decree or similar agreement entered in a judicial or administrative proceeding unless the decree or agreement specifically states a determination that a violation of environmental law did or did not occur.

(c) DETERMINATION OF ENVIRONMENTALLY IRRESPONSIBLE ACT.—Notwithstanding the absence of facts warranting prosecution of a possible violation of environmental law, the Commission may find that a natural gas company or its employee or agent committed an environmentally irresponsible act.

(d) PREVENTION OF VIOLATIONS.—Subsection (a) shall not be construed to prohibit the passthrough of costs incurred by a natural gas company in an effort to prevent violations of Federal or State environmental law by the company or its employees or agents.

(e) DEFINITIONS.—For the purposes of this section—

(1) the term "act" means an act or a failure to act, whether intentional, negligent, or inadvertent; and

(2) the term "environmentally irresponsible act" means an act that is inconsistent with the ends sought to be achieved by Federal or State environmental law.

AMENDMENT NO. 169

In lieu of the matter proposed to be inserted, insert the following:

SEC. . PROHIBITION OF PASSTHROUGH OF COSTS.

(a) PROHIBITION.—The Federal Energy Regulatory Commission (referred to as the "Commission") shall not permit a natural gas company to recover in its rates costs of any nature incurred directly or indirectly as a result of an act by the company or its employees or agents that:

was a violation of Federal or State environmental law; or

was an environmentally irresponsible act unless the natural gas company can demonstrate, using substantial evidence, that such costs that were incurred are just and reasonable.

(b) DETERMINATION OF VIOLATION.—The Commission shall determine whether a violation of environmental law has occurred in accordance with the following standards:

(1) The Commission shall consult with Federal and State agencies having responsibility for enforcement of environmental laws in determining whether a violation has occurred.

(2) The Commission shall be bound by advice from authorized officials of an agency, whether or not in the form of a formal action, that an act was a violation of environmental law.

(3) The Commission shall not be bound by a decision by an agency not to pursue a possible violation or by advice that an act was not a violation of environmental law unless the decision or advice is a formal affirmative determination by the agency that a violation did not occur.

(4) The Commission shall be bound by a judicial determination, or an administrative determination not reviewed by a court, that a violation of environmental law did or did not occur.

(5) The Commission shall not be bound by a consent decree or similar agreement entered in a judicial or administrative proceeding unless the decree or agreement specifically states a determination that a violation of environmental law did or did not occur.

(c) DETERMINATION OF ENVIRONMENTALLY IRRESPONSIBLE ACT.—Notwithstanding the absence of facts warranting prosecution of a possible violation of environmental law, the Commission may find that a natural gas company or its employee or agent committed an environmentally irresponsible act.

(d) PREVENTION OF VIOLATIONS.—Subsection (a) shall not be construed to prohibit the passthrough of costs incurred by a natural gas company in an effort to prevent violations of Federal or State environmental law by the company or its employees or agents.

(e) DEFINITIONS.—For the purposes of this section—

(1) the term "act" means an act or a failure to act, whether intentional, negligent, or inadvertent; and

(2) the term "environmentally irresponsible act" means an act that is inconsistent with the ends sought to be achieved by Federal or State environmental law.

AMENDMENT NO. 170

At the appropriate place, insert:

SEC. . PROHIBITION OF PASSTHROUGH OF COSTS.

(a) PROHIBITION.—The Federal Energy Regulatory Commission (referred to as the "Commission") shall not permit a natural gas company to recover in its rates costs of any nature incurred directly or indirectly as a result of an act by the company or its employees or agents that:

was a violation of Federal or State environmental law; or

was a environmentally irresponsible act, unless the natural gas company can demonstrate, using substantial evidence, that such costs that were incurred are just and reasonable.

(b) DETERMINATION OF VIOLATION.—The Commission shall determine whether a violation of environmental law has occurred in accordance with the following standards:

(1) The Commission shall consult with Federal and State agencies having responsibility for enforcement of environmental laws in determining whether a violation has occurred.

(2) The Commission shall be bound by advice from authorized officials of an agency, whether or not in the form of a formal action, that an act was a violation of environmental law.

(3) The Commission shall not be bound by a decision by an agency not to pursue a possible violation or by advice that an act was not a violation of environmental law unless the decision or advice is a formal affirmative determination by the agency that a violation did not occur.

(4) The Commission shall be bound by a judicial determination, or an administrative determination not reviewed by a court, that a violation of environmental law did or did not occur.

(5) The Commission shall not be bound by a consent decree or similar agreement entered in a judicial or administrative proceeding unless the decree or agreement specifically states a determination that violation of environmental law did or did not occur.

(c) DETERMINATION OF ENVIRONMENTALLY IRRESPONSIBLE ACT.—Notwithstanding the absence of facts warranting prosecution of a possible violation of environmental law, the Commission may find that a natural gas company or its employee or agent committed an environmentally irresponsible act.

(d) PREVENTION OF VIOLATIONS.—Subsection (a) shall not be construed to prohibit the passthrough of costs incurred by a natural gas company in an effort to prevent violations of Federal or State environmental law by the company or its employees or agents.

(e) DEFINITIONS.—For the purposes of this section—

(1) the term "act" means an act or a failure to act, whether intentional, negligent, or inadvertent; and

(2) the term "environmentally irresponsible act" means an act that is inconsistent with the ends sought to be achieved by Federal or State environmental law.

AMENDMENT NO. 171

To the language proposed to be stricken, at the appropriate place, insert the following:

SEC. . PROHIBITION OF PASSTHROUGH OF COSTS.

(a) PROHIBITION.—The Federal Energy Regulatory Commission (referred to as the "Commission") shall not permit a natural gas company to recover in its rates costs of any nature incurred directly or indirectly as a result of an act by the company or its employees or agents that:

was a violation of Federal or State environmental law; or

was a environmentally irresponsible act, unless the natural gas company can demonstrate, using substantial evidence, that such costs that were incurred are just and reasonable.

(b) DETERMINATION OF VIOLATION.—The Commission shall determine whether a violation of environmental law has occurred in accordance with the following standards:

(1) The Commission shall consult with Federal and State agencies having responsibility for enforcement of environmental laws in determining whether a violation has occurred.

(2) The Commission shall be bound by advice from authorized officials of an agency, whether or not in the form of a formal action, that an act was a violation of environmental law.

(3) The Commission shall not be bound by a decision by an agency not to pursue a possible violation or by advice that an act was not a violation of environmental law unless the decision or advice is a formal affirmative determination by the agency that a violation did not occur.

(4) The Commission shall be bound by a judicial determination, or an administrative determination not reviewed by a court, that a violation of environmental law did or did not occur.

(5) The Commission shall not be bound by a consent decree or similar agreement entered in a judicial or administrative proceeding unless the decree or agreement specifically states a determination that violation of environmental law did or did not occur.

(c) DETERMINATION OF ENVIRONMENTALLY IRRESPONSIBLE ACT.—Notwithstanding the absence of facts warranting prosecution of a possible violation of environmental law, the Commission may find that a natural gas company or its employee or agent committed an environmentally irresponsible act.

(d) PREVENTION OF VIOLATIONS.—Subsection (a) shall not be construed to prohibit the passthrough of costs incurred by a natural gas company in an effort to prevent violations of Federal or State environmental law by the company or its employees or agents.

(e) DEFINITIONS.—For the purposes of this section—

(1) the term "act" means an act or a failure to act, whether intentional, negligent, or inadvertent; and

(2) the term "environmentally irresponsible act" means an act that is inconsistent with the ends sought to be achieved by Federal or State environmental law.

AMENDMENT NO. 172

At the appropriate place, insert the following:

SEC. . PROHIBITION OF PASSTHROUGH OF COSTS.

(a) PROHIBITION.—The Federal Energy Regulatory Commission (referred to as the "Commission") shall not permit a natural gas company to recover in its rates costs of any nature incurred directly or indirectly as a result of an act by the company or its employees or agents that:

was a violation of Federal or State environmental law; or

was an environmentally irresponsible act unless the natural gas company can demonstrate, using substantial evidence, that such costs that were incurred are just and reasonable.

(b) DETERMINATION OF VIOLATION.—The Commission shall determine whether a violation of environmental law has occurred in accordance with the following standards:

(1) The Commission shall consult with Federal and State agencies having responsibility for enforcement of environmental laws in determining whether a violation has occurred.

(2) The Commission shall be bound by advice from authorized officials of an agency, whether or not in the form of a formal action, that an act was a violation of environmental law.

(3) The Commission shall not be bound by a decision by an agency not to pursue a possible violation or by advice that an act was not a violation of environmental law unless the decision or advice is a formal affirmative determination by the agency that a violation did not occur.

(4) The Commission shall be bound by a judicial determination, or an administrative determination not reviewed by a court, that a violation of environmental law did or did not occur.

(5) The Commission shall not be bound by a consent decree or similar agreement entered in a judicial or administrative proceeding unless the decree or agreement specifically states a determination that a violation of environmental law did or did not occur.

(c) DETERMINATION OF ENVIRONMENTALLY IRRESPONSIBLE ACT.—Notwithstanding the absence of facts warranting prosecution of a possible violation of environmental law, the Commission may find that a natural gas company or its employee or agent committed an environmentally irresponsible act.

(d) PREVENTION OF VIOLATIONS.—Subsection (a) shall not be construed to prohibit the passthrough of costs incurred by a natural gas company in an effort to prevent violations of Federal or State environmental law by the company or its employees or agents.

(e) DEFINITIONS.—For the purposes of this section—

(1) the term "act" means an act or a failure to act, whether intentional, negligent, or inadvertent; and

(2) the term "environmentally irresponsible act" means an act that is inconsistent with the ends sought to be achieved by Federal or State environmental law.

AMENDMENT NO. 173

In lieu of the matter proposed to be inserted, insert the following:

SEC. . PROHIBITION OF PASSTHROUGH OF COSTS.

(a) PROHIBITION.—The Federal Energy Regulatory Commission (referred to as the "Commission") shall not permit a natural gas company to recover in its rates costs of any nature incurred directly or indirectly as a result of an act by the company or its employees or agents that:

was a violation of Federal or State environmental law; or

was an environmentally irresponsible act unless the natural gas company can demonstrate, using substantial evidence, that such costs that were incurred are just and reasonable.

(b) DETERMINATION OF VIOLATION.—The Commission shall determine whether a violation of environmental law has occurred in accordance with the following standards:

(1) The Commission shall consult with Federal and State agencies having responsibility for enforcement of environmental laws in determining whether a violation has occurred.

(2) The Commission shall be bound by advice from authorized officials of an agency, whether or not in the form of a formal action, that an act was a violation of environmental law.

(3) The Commission shall not be bound by a decision by an agency not to pursue a possible violation or by advice that an act was not a violation of environmental law unless the decision or advice is a formal affirmative determination by the agency that a violation did not occur.

(4) The Commission shall be bound by a judicial determination, or an administrative determination not reviewed by a court, that a violation of environmental law did or did not occur.

(5) The Commission shall not be bound by a consent decree or similar agreement entered in a judicial or administrative proceeding unless the decree or agreement specifically states a determination that a violation of environmental law did or did not occur.

(c) DETERMINATION OF ENVIRONMENTALLY IRRESPONSIBLE ACT.—Notwithstanding the absence of facts warranting prosecution of a possible violation of environmental law, the Commission may find that a natural gas company or its employee or agent committed an environmentally irresponsible act.

(d) PREVENTION OF VIOLATIONS.—Subsection (a) shall not be construed to prohibit the passthrough of costs incurred by a natural gas company in an effort to prevent violations of Federal or State environmental law by the company or its employees or agents.

(e) DEFINITIONS.—For the purposes of this section—

(1) the term "act" means an act or a failure to act, whether intentional, negligent, or inadvertent; and

(2) the term "environmentally irresponsible act" means an act that is inconsistent with the ends sought to be achieved by Federal or State environmental law.

AMENDMENT NO. 174

At the appropriate place, insert:

SEC. PROHIBITION OF PASSTHROUGH OF COSTS.

(a) PROHIBITION.—The Federal Energy Regulatory Commission (referred to as the "Commission") shall not permit a natural gas company to recover in its rates costs of any nature incurred directly or indirectly as a result of an act by the company or its employees or agents that:

was a violation of Federal or State environmental law; or

was an environmentally irresponsible act, unless the natural gas company can demonstrate, using substantial evidence, that such costs that were incurred are just and reasonable.

(b) DETERMINATION OF VIOLATION.—The Commission shall determine whether a violation of environmental law has occurred in accordance with the following standards:

(1) The Commission shall consult with Federal and State agencies having responsibility for enforcement of environmental laws in determining whether a violation has occurred.

(2) The Commission shall be bound by advice from authorized officials of an agency, whether or not in the form of a formal action, that an act was a violation of environmental law.

(3) The Commission shall not be bound by a decision by an agency not to pursue a possible violation or by advice that an act was not a violation of environmental law unless the decision or advice is a formal affirmative determination by the agency that a violation did not occur.

(4) The Commission shall be bound by a judicial determination, or an administrative determination not reviewed by a court, that a violation of environmental law did or did not occur.

(5) The Commission shall not be bound by a consent decree or similar agreement entered in a judicial or administrative proceeding unless the decree or agreement specifically states a determination that a violation of environmental law did or did not occur.

(c) DETERMINATION OF ENVIRONMENTALLY IRRESPONSIBLE ACT.—Notwithstanding the absence of facts warranting prosecution of a possible violation of environmental law, the Commission may find that a natural gas company or its employee or agent committed an environmentally irresponsible act.

(d) PREVENTION OF VIOLATIONS.—Subsection (a) shall not be construed to prohibit the passthrough of costs incurred by a natural gas company in an effort to prevent violations of Federal or State environmental law by the company or its employees or agents.

(e) DEFINITIONS.—For the purposes of this section—

(1) the term "act" means an act or a failure to act, whether intentional, negligent, or inadvertent; and

(2) the term "environmentally irresponsible act" means an act that is inconsistent with the ends sought to be achieved by Federal or State environmental law.

AMENDMENT NO. 175

To the text to be stricken out, at the appropriate place, insert the following:

SEC. . PROHIBITION OF PASSTHROUGH OF COSTS.

(a) PROHIBITION.—The Federal Energy Regulatory Commission (referred to as the "Commission") shall not permit a natural gas company to recover in its rates costs of any nature incurred directly or indirectly as a result of an act by the company or its employees or agents that.

was a violation of Federal or State environmental law; or

the clause is just and reasonable under the particular circumstances of the contract in question.

AMENDMENT NO. 176

At the appropriate place, insert the following:

SEC. 17. PROHIBITION OF PASSTHROUGH OF COSTS.

(a) PROHIBITION.—The Federal Energy Regulatory Commission (referred to as the "Commission") shall not permit a natural gas company to recover in its rates costs of any nature incurred directly or indirectly as a result of an act by the company or its employees or agents that:

was a violation of Federal or State environmental law; or

was an environmentally irresponsible act, unless the natural gas company can demonstrate, using substantial evidence, that such costs that were incurred are just and reasonable.

(b) DETERMINATION OF VIOLATION.—The Commission shall determine whether a violation of environmental law has occurred in accordance with the following standards:

(1) The Commission shall consult with Federal and State agencies having responsibility for enforcement of environmental laws in determining whether a violation has occurred.

(2) The Commission shall be bound by advice from authorized officials of an agency, whether or not in the form of a formal action, that an act was a violation of environmental law.

(3) The Commission shall not be bound by a decision by an agency not to pursue a possible violation or by advice that an act was not a violation of environmental law unless the decision or advice is a formal affirmative determination by the agency that a violation did not occur.

(4) The Commission shall be bound by a judicial determination, or an administrative determination not reviewed by a court, that a violation of environmental law did or did not occur.

(5) The Commission shall not be bound by a consent decree or similar agreement entered in a judicial or administrative proceeding unless the decree or agreement specifically states a determination that a violation of environmental law did or did not occur.

(c) DETERMINATION OF ENVIRONMENTALLY IRRESPONSIBLE ACT.—Notwithstanding the absence of facts warranting prosecution of a possible violation of environmental law, the Commission may find that a natural gas company or its employee or agent committed an environmentally irresponsible act.

(d) PREVENTION OF VIOLATIONS.—Subsection (a) shall not be construed to prohibit the passthrough of costs incurred by a natural gas company in an effort to prevent violations of Federal or State environmental law by the company or its employees or agents.

(e) DEFINITIONS.—For the purposes of this section—

(1) the term "act" means an act or a failure to act, whether intentional, negligent, or inadvertent; and

(2) the term "environmentally irresponsible act" means an act that is inconsistent with the ends sought to be achieved by Federal or State environmental law.

AMENDMENT NO. 177

At the appropriate place, insert:

SEC. 3. TAKE-OR-PAY AND CERTAIN OTHER TYPES OF CONTRACT CLAUSES

A take-or-pay clause in a contract for the purchase of natural gas shall be held to be unjust and unreasonable under section 5 of the Natural Gas Act (15 U.S.C. 717d) unless the Federal Energy Regulatory Commission finds, on application of a party to the contract, that was an environmentally irresponsible act, unless the natural gas company can demonstrate, using substantial evidence, that such costs that were incurred are just and reasonable.

(b) DETERMINATION OF VIOLATION.—The Commission shall determine whether a violation of environmental law has occurred in accordance with the following standards:

(1) The Commission shall consult with Federal and state agencies having responsibility for enforcement of environmental laws in determining whether a violation has occurred.

(2) The Commission shall be bound by advice from authorized officials of an agency, whether or not in the form of a formal action, that an act was a violation of environmental law.

(3) The Commission shall not be bound by a decision by an agency not to pursue a possible violation or by advice that an act was not a violation of environmental law unless the decision or advice is a formal affirmative determination by the agency that a violation did not occur.

(4) The Commission shall be bound by a judicial determination, or an administrative determination not reviewed by a court, that a violation of environmental law did or did not occur.

(5) The Commission shall not be bound by a consent decree or a similar agreement entered in a judicial or administrative proceeding unless the decree or agreement specifically states a determination that a violation of environmental law did or did not occur.

(c) DETERMINATION OF ENVIRONMENTALLY IRRESPONSIBLE ACT.—Notwithstanding the absence of facts warranting prosecution of a possible violation of environmental law, the Commission may find that a natural gas company or its employee or agent committed an environmentally irresponsible act.

(d) PREVENTION OF VIOLATIONS.—Subsection (a) shall not be construed to prohibit the passthrough of costs incurred by a natural-gas company in an effort to prevent violations of Federal or State environmental law by the company or its employees or agents.

(e) DEFINITIONS.—For the purposes of this section—

(1) the term "act" means an act or a failure to act, whether intentional, negligent, or inadvertent; and

(2) the term "environmentally irresponsible act" means an act that is inconsistent with the ends sought to be achieved by Federal or State environmental law.

AMENDMENT NO. 178

In lieu of the matter proposed to be stricken, insert the following:

SEC. . TAKE-OR-PAY AND CERTAIN OTHER TYPES OF CONTRACT CLAUSES.

A take-or-pay clause in a contract for the purchase of natural gas shall be held to be unjust and unreasonable under section 5 of the Natural Gas Act (15 U.S.C. 717d) unless the Federal Energy Regulatory Commission finds, on application of a party to the contract, that the clause is just and reasonable under the particular circumstances of the contract in question.

AMENDMENT NO. 179

In lieu of the matter proposed to be inserted, insert the following:

SEC. . TAKE-OR-PAY AND CERTAIN OTHER TYPES OF CONTRACT CLAUSES.

A take-or-pay clause in a contract for the purchase of natural gas shall be held to be unjust and unreasonable under section 5 of the Natural Gas Act (15 U.S.C. 717d) unless the Federal Energy Regulatory Commission finds, on application of a party to the contract, that the clause is just and reasonable under the particular circumstances of the contract in question.

AMENDMENT NO. 180

At the appropriate place, insert:

SEC. . TAKE-OR-PAY AND CERTAIN OTHER TYPES OF CONTRACT CLAUSES.

A take-or-pay clause in a contract for the purchase of natural gas shall be held to be unjust and unreasonable under section 5 of the Natural Gas Act (15 U.S.C. 717d) unless the Federal Energy Regulatory Commission finds, on application of a party to the contract, that the clause is just and reasonable under the particular circumstances of the contract in question.

AMENDMENT No. 181

To the language proposed to be stricken at the appropriate place, insert the following:

SEC. 3. TAKE-OR-PAY AND CERTAIN OTHER TYPES OF CONTRACT CLAUSES.

A take-or-pay clause in a contract for the purchase of natural gas shall be held to be unjust and unreasonable under section 5 of the Natural Gas Act (15 U.S.C. 717d) unless the Federal Energy Regulatory Commission finds, on application of a party to the contract, that the clause is just and reasonable under the particular circumstances of the contract in question.

AMENDMENT No. 182

At the appropriate place, insert the following:

SEC. 3. TAKE-OR-PAY AND CERTAIN OTHER TYPES OF CONTRACT CLAUSES.

A take-or-pay clause in a contract for the purchase of natural gas shall be held to be unjust and unreasonable under section 5 of the Natural Gas Act (15 U.S.C. 717d) unless the Federal Energy Regulatory Commission finds, on application of a party to the contract, that the clause is just and reasonable under the particular circumstances of the contract in question.

AMENDMENT No. 183

In lieu of the matter proposed to be inserted, insert the following:

SEC. 3. TAKE-OR-PAY AND CERTAIN OTHER TYPES OF CONTRACT CLAUSES.

A take-or-pay clause in a contract for the purchase of natural gas shall be held to be unjust and unreasonable under section 5 of the Natural Gas Act (15 U.S.C. 717d) unless the Federal Energy Regulatory Commission finds, on application of a party to the contract, that the clause is just and reasonable under the particular circumstances of the contract in question.

AMENDMENT No. 184

At the appropriate place, insert:

SEC. . TAKE-OR-PAY AND CERTAIN OTHER TYPES OF CONTRACT CLAUSES.

A take-or-pay clause in a contract for the purchase of natural gas shall be held to be unjust and unreasonable under section 5 of the Natural Gas Act (15 U.S.C. 717d) unless the Federal Energy Regulatory Commission finds, on application of a party to the contract, that the clause is just and reasonable under the particular circumstances of the contract in question.

AMENDMENT No. 185

At the text to be stricken out, at the appropriate place, insert the following:

SEC. . TAKE-OR-PAY AND CERTAIN OTHER TYPES OF CONTRACT CLAUSES.

A take-or-pay clause in a contract for the purchase of natural gas shall be held to be unjust and unreasonable under section 5 of the Natural Gas Act (15 U.S.C. 717d) unless the Federal Energy Regulatory Commission finds, on application of a party to the contract, that the clause is just and reasonable under the particular circumstances of the contract in question.

AMENDMENT No. 186

At the appropriate place, insert the following:

SEC. . TAKE-OR-PAY AND CERTAIN OTHER TYPES OF CONTRACT CLAUSES.

A take-or-pay clause in a contract for the purchase of natural gas shall be held to be unjust and unreasonable under section 5 of the Natural Gas Act (15 U.S.C. 717d) unless the Federal Energy Regulatory Commission finds, on application of a party to the contract, that the clause is just and reasonable under the particular circumstances of the contract in question.

AMENDMENT No. 187

On page 3, line 24, insert immediately following the numeral:

"*Provided, however,* That in the case of high-cost natural gas under section 107(c)(5) of title I of the Natural Gas Policy Act of 1978, the Federal Energy Regulatory Commission shall exercise its existing authority to rescind any incentive prices on that category of natural gas within 90 days of the date of enactment.".

AMENDMENT No. 188

To the language proposed to be stricken, insert the following:

In the case of high-cost natural gas under section 107(c)(5) of title I of the Natural Gas Policy Act of 1978, permanent elimination of wellhead price controls pursuant to section 2(b) of the Natural Gas Wellhead Decontrol Act of 1989 shall not be effective unless the Federal Energy Regulatory Commission shall exercise its existing authority to rescind any incentive prices on that category of natural gas within 90 days of the date of enactment.".

AMENDMENT No. 189

In lieu of the language proposed to be inserted, insert the following:

In the case of high-cost natural gas under section 107(c)(5) of title I of the Natural Gas Policy Act of 1978, permanent elimination of wellhead price controls pursuant to section 2(b) of the Natural Gas Wellhead Decontrol Act of 1989 shall not be effective unless the Federal Energy Regulatory Commission shall exercise its existing authority to rescind any incentive prices on that category of natural gas within 90 days of the date of enactment.".

AMENDMENT No. 190

At the appropriate place insert:

In the case of high-cost natural gas under section 107(c)(5) of title I of the Natural Gas Policy Act of 1978, permanent elimination of wellhead price controls pursuant to section 2(b) of the Natural Gas Wellhead Decontrol Act of 1989 shall not be effective unless the Federal Energy Regulatory Commission shall exercise its existing authority to rescind any incentive prices on that category of natural gas within 90 days of the date of enactment.".

NOTICES OF HEARINGS

SUBCOMMITTEE ON FEDERAL SERVICES, POST OFFICE, AND CIVIL SERVICE

Mr. PRYOR. Mr. President, I would like to announce that the Subcommittee on Federal Services, Post Office, and Civil Service, of the Committee on Governmental Affairs, will hold a hearing on Friday, June 16, 1989. The focus of the hearing will be to examine policy issues regarding operational testing, as well as contracting practices. The Subcommittee will hear witnesses from the Office of Test and Evaluation, the General Accounting Office, and the Office of the Inspector General, Department of Defense.

The hearing is scheduled for 9:30 a.m., in room 628 of the Senate Dirksen Office Building. For further information, please contact Ed Gleiman, subcommittee staff director, on 224-2254.

Mr. President, I would like to announce that the Subcommittee on Federal Services, Post Office, and Civil Service, of the Committee on Governmental Affairs, will hold a hearing on Monday, June 18, 1989. The focus of the hearing will be to examine Federal recruitment policies and practices. The subcommittee will hear witnesses from the Office of Personnel Management, the General Accounting Office, the National Commission on the Public Service, the General Services Administration, the Department of the Air Force, and various employee groups.

The hearing is scheduled for 10 a.m., in room 342 of the Senate Dirksen Office Building. For further information, please contact Ed Gleiman, subcommittee staff director, on 224-2254.

SELECT COMMITTEE ON INDIAN AFFAIRS

Mr. INOUYE. Mr. President, I would like to announce that the Select Committee on Indian Affairs will be holding an Oversight Hearing on Friday, June 23, 1989, beginning at 2 p.m., in 485 Russell Senate Office Building on the administration of Indian programs by the Environmental Protection Agency.

Those wishing additional information should contact the Select Committee on Indian Affairs at 224-2251.

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. GLENN. Mr. President, I would like to announce that the Governmental Affairs Committee will hold a hearing on Thursday, June 15, at 9:30 a.m., in SD-342 Dirksen Office Building on the subject of: "Averting Alcohol Abuse," new directions in prevention policy. For further information, please call Len Weiss, staff director, at 224-4751.

COMMITTEE ON SMALL BUSINESS

Mr. BUMPERS. Mr. President, I would like to announce that the Small Business Committee will hold a full committee hearing on Tuesday, June 13, 1989, to assess the impact on small business of proposed user fees by the Food and Drug Administration in conducting drugs and device reviews. The hearing will be held in room 428A of the Russell Senate Office Building and will commence at 2:30 p.m. This hearing was originally scheduled for 2 p.m. For further information, please call Nancy Kelley, of the committee staff at 224-5175.

Mr. President, I would like to announce that the Small Business Committee will hold a full committee hearing on Wednesday, June 21, 1989, to examine the impact of enterprise zones on small business growth and development. The hearing will be held in room 428A of the Russell Senate

Office Building and will commence at 9:30 a.m. For further information, please call Marja Maddrie, at 224-5175.

SUBCOMMITTEE ON MINERAL RESOURCES DEVELOPMENT AND PRODUCTION

Mr. BINGAMAN. Mr. President, I would like to announce for the public that a field hearing has been scheduled before the Subcommittee on Mineral Resoruces Development and Production of the Committee on Energy and Natural Resources.

The hearing will take place on Thursday, June 29, 1989, at 2:30 p.m. at San Juan College, 4601 College Boulevard, Farmington, NM.

The purpose of the hearing is to address the impact upon domestic natural gas producers of developments in natural gas markets, developments in Federal natural gas regulation, and legislative initiatives in the Congress that affect natural gas production. In particular, the hearing will focus upon the competitiveness of New Mexico natural gas producers in light of these developments.

For further information, please contact Lisa Vehmas of the subcommittee staff at (202) 224-7555.

SUBCOMMITTEE ON ENERGY RESEARCH AND DEVELOPMENT

Mr. FORD. Mr. President, I would like to announce for the Senate and the public that the hearing originally scheduled to begin at 9:30 a.m. before the Subcommittee on Energy Research and Development on June 14, 1989, will now take place at 2 p.m. The purpose of this hearing is to hear testimony on the Department of Energy's role in the area of magnetic fusion research and development and demonstration. The hearing will take place in room SD-366 of the Senate Dirksen Office Building in Washington, DC.

For further information, please contact Ben Cooper or Teri Curtin, (202) 224-7569.

AUTHORITY FOR COMMITTEES TO MEET

SUBCOMMITTEE ON COURTS AND ADMINISTRATIVE PRACTICE

Mr. JOHNSTON. Mr. President, I ask unanimous consent that the Subcommittee on Courts and Administrative Practice of the Committee on the Judiciary, be authorized to meet during the session of the Senate on Tuesday, June 13, 1989, at 2 p.m., to hold a hearing on S. 594, a bill to establish a specialized corps of judges necessary for certain Federal proceedings required to be conducted, and for other purposes.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. JOHNSTON. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation, be authorized to meet during the session of the Senate on June 13, 1989, at 9:30 a.m. to hold a hearing on the nomination of Thomas J. Murrin, of Pennsylvania, to be Deputy Secretary of Commerce.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON EDUCATION, ARTS, AND HUMANITIES

Mr. JOHNSTON. Mr. President, I ask unanimous consent that the Subcommittee on Education, Arts, and Humanities, of the Committee on Labor and Human Resources, be authorized to meet during the session of the Senate on Tuesday, June 13, 1989, at 10 a.m. to conduct a hearing on the Educational Excellence Act of 1989, S. 695.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON STRATEGIC FORCES AND NUCLEAR DETERRENCE

Mr. JOHNSTON. Mr. President, I ask unanimous consent that the Subcommittee on Strategic Forces and Nuclear Deterrence of the Committee on Armed Services be authorized to meet on Tuesday, June 13, 1989, at 9 a.m. in closed session to receive testimony on strategic bomber and cruise missile programs in review of S. 1085, the Department of Defense authorization bill for fiscal years 1990 and 1991.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON SMALL BUSINESS

Mr. JOHNSTON. Mr. President, I ask unanimous consent that the Small Business Committee be authorized to meet during the session of the Senate on Tuesday, June 13, 1989, at 2:30 p.m. The committee will hold a hearing on the impact of proposed user fees by the Food and Drug Administration on small business.

The PRESIDING OFFICER. Without objection, it is so ordered.

SELECT COMMITTEE ON INTELLIGENCE

Mr. JOHNSTON. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Tuesday, June 13, 1989, at 2 p.m. to hold a closed hearing on intelligence matters.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. JOHNSTON. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Tuesday, June 13, 1989, at 10 a.m. to hold an ambassadorial nomination hearing.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Tuesday, June 13, 1989, at 2 p.m. to hold an ambassadorial nomination hearing.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FINANCE

Mr. JOHNSTON. Mr. President, I ask unanimous consent that the Committee on Finance be authorized to meet during the session of the Senate on June 13, 1989, at 2:30 p.m. to mark up the child care/child health legislation and the nondiscrimination rules applicable to employer-provided fringe benefits, referred to as section 89.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that the Committee on Finance be authorized to meet during the session of the Senate on June 13, 1989, at 11 a.m. to hold a hearing on S. 800, a bill that provides for a moratorium on and study of certain State tax laws relating to the taxation of nonresidents.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

NATIONAL AVIATION AUTHORITY

● Mr. INOUYE. Mr. President, during the 100th Congress I introduced legislation with Senator STEVENS to try and correct some of the problems that plague the Federal Aviation Administration. Senator STEVENS and I proposed a new National Aviation Authority that would have the operational flexibility and revenue base to run the Nation's air traffic control system more efficiently and effectively. Senator FORD initiated a similar effort to reform the FAA, and is pursuing the matter currently.

In a recent speech before the Aero Club of Washington, Robert Aaronson, president of the Air Transport Association, presented an excellent summary of this issue and emphasized the urgency of addressing the FAA's problems. Mr. President, I respectfully request that the text of Mr. Aaronson's speech be included in the RECORD. I believe its thoughtful approach should be of benefit to the Congress as it renews its exploration of this important matter.

The remarks follow:

REMARKS OF ROBERT J. AARONSON, PRESIDENT—AIR TRANSPORT ASSOCIATION

Today, I would like to survey briefly for you what I see as some of the major challenges confronting aviation; review what isn't being done; and perhaps point to some solutions.

I think many of you know I spent about three years at the FAA. So I'm returning to town with more than a little sense of how the problems of aviation are perceived inside as well as outside the Federal Government.

It will be exactly one year ago tomorrow—April 26, 1988—that Jack Albertine stood before this same Aero Club audience to present the findings of the President's Commission on Aviation Safety. That Commission had spent almost a year traveling around the country talking to hundreds of aviation experts and visiting dozens of facilities.

The Aviation Safety Commission concluded that the nation's air transport system was safe. But it also said that to maintain a safe system and improve its safety in the future, changes would have to be made, and they would have to be made quickly.

Central to the Commission's recommendations was that the FAA be removed from the Department of Transportation and be established as a user-funded authority which would, and I quote, "be freed from the constraints of the federal civil service and procurement system." They agreed unanimously that a major structural overhaul also was essential. The Commission's recommendations were not unique. Many of our aviation leaders have concluded the same thing.

It is inexcusable that so little has happened since last April. While there has been some shifting of responsibilities within FAA, it is mere tinkering that does not address the essential problems.

While government has failed to address its obligations, we believe that the airlines have been doing their part. Their responsibility is to provide the modern aircraft, personnel, maintenance facilities and all the rest that is needed to meet the rising demand for air travel. They have done so boldly. Airlines have bought billions of dollars worth of new aircraft, they have helped finance billions in airport facilities, and there are many more billions committed to modernize both the air and ground sides of the business. They are providing additional assurance of the airworthiness of their older aircraft by making sweeping recommendations to the FAA mandating new inspection procedures, modifications and component replacements. Deregulation of our industry, I believe, has inspired a very quick and highly professional response.

But, back to the scene here in Washington. Due in no small part to the dedication and hard work of many of you in this room, appropriations and staffing levels for the FAA have increased significantly in recent years. But the government simply does not currently have an adequate management, personnel and procurement mechanism to meet the demand. At present, the FAA doesn't even have an Administrator. Will there be one next week? No. Next month? No. Two months from now? I doubt it. Once we have one will he stay longer than his predecessor? Who knows? It is bad enough when DOT engages in micromanagement. It's really bad when there is no one they could micro-manage even if they wanted to!

The FAA's management, personnel, procurement and funding problems have been widely recognized and debated to death the last few years. Almost everyone in this room, I suspect, is aware of the many suggestions that have been put forward. The Air Transport Association played a leadership role back in 1986 in promoting the concept of a national aviation authority; that idea did not receive the needed support. Congressional leaders have since proposed that the FAA be an independent Executive Branch agency. But the Administration and others have opposed that approach.

Clearly we need some sort of meeting of the minds here because we need real reform and we need it real soon.

With that in mind, let me offer a possible scenario. It may not be everyone's ideal or entirely new. But a reasonable approach put into practice, is better than a perfect approach that we only talk about.

It is essential that air traffic control operations be conducted on a more business-like footing. An effective ATC organization must have management flexibility to hire, train, promote and transfer people quickly and easily and it must be able to procure and modernize equipment the way a private corporation does. It also must have the necessary, consistent stream of funding to do the job.

But that organization could be a public entity, and could enjoy a measure of independence, yet remain under the overall direction of the Secretary of Transportation. A public ATC corporation could provide its services much as if it were a private firm under contract to the Department.

After a significant improvement in 1988, ATC delays this year are once again increasing. Some say things have to get a lot worse before they get better. My friends, we cannot allow that to happen in aviation. Senator Ford and Congressman Oberstar, two of our key aviation leaders on the Hill, have fashioned reform legislation. We in the airlines applaud their leadership and urge them, Secretary Skinner and the Bush Administration to find the common ground necessary to solve these problems once and for all. We in the airlines want to do everything we can to support their legislative efforts.

The airlines will also continue, along with the airframe and engine manufacturers and others, to support the Partnership for Improved Air Travel (PIAT), which is gaining grass roots support around the nation for expanding and modernizing our air transportation system. The Partnership's Board has asked me, as ATA's new president, to help direct the activities of the organization and I am doing that.

Now for the page one topic of the day—Security. Recent terrorist incidents have raised new concerns about the safety of air travel, particularly international travel. Such incidents, however—are as rare as they are dramatic. Over the past six years, for example, there have been three bomb attacks on U.S. commercial aircraft. During the same six years, U.S. airlines operated approximately 36 million flights.

The record also shows that terrorist attacks are not unique to U.S. airlines, despite what some incredibly ill-advised U.S. company travel policies would have you believe. Over the past six years there have been four times as many bomb attacks against foreign airlines as there have been against U.S. carriers.

The nature of the security threat we face today is far different (and far more dangerous) from what it was in the early seventies when we first began screening passengers and their carry-on baggage. Back then, hijacking was the primary threat. Now, it is sabotage by international terrorists seeking to influence the behavior of governments through acts of violence against commercial aviation. Modification of government policy is their real goal, commercial aviation merely the surrogate target.

ATA and the airlines have made a number of recommendations recently on the subject:

People.—FAA security specialists should be assigned to airports where the threat of terrorism is greatest—specifically in Europe, the Middle East and the Far East.

R&D.—The government should speed the development and availability of emerging new technologies that detect hidden explosives.

Deployment.—Explosive detection systems should be installed on a priority basis at those foreign airports where the threat is greatest.

Funding.—The government should fund the initial purchase of explosives detection equipment, as was done in the early seventies with metal detectors installed at U.S. airports.

The government has a direct obligation to protect its citizens from criminal attacks, especially when those attacks are committed by international terrorists whose real targets are U.S. government institutions and policies and not airlines.

A few years ago the the Persian Gulf was being interrupted by Iranian gunboat attacks. We sent in the U.S. Navy for an extended period to protect the interests of our citizens and those of our allies. Our history is replete with such examples. The U.S. Marines stormed the shores of Tripoli to root out the Barbary Pirates who were attacking out ships. Laying off upgraded anti-terrorist security on private airlines, without the Government assuming any direct role, might be compared with the Pentagon telling us all to provide our own national defense albeit under their regulatory oversight.

The FAA also should impose the same security requirements on foreign carriers serving the United States as it imposes on U.S. carriers. Some 50% of U.S. citizen traveling abroad fly with foreign carriers, so beefing up security only for U.S. carriers is like having the police patrol only on odd numbered streets.

There is also another opportunity for our government to take action to combat terrorism. It's the British government's recent offer to consider preinspection of U.S.-bound passengers at British airports. Preinspection means that international passengers go through their INS inspection formalities before they board the airplane, not after they land. This offers significant security benefits. In 37 years of operation of preclearance, no precleared flight has ever been hijacked, sabotaged, or the target of any other criminal attack. The mere fact that passengers, baggage and travel documents would have to run the gauntlet of clearance by seasoned government experts with immediate access to the entire U.S. intelligence community's look-out list would make a real contribution to this part of our war against terrorism.

In sum, ladies amd gentlemen, we are now in an era where the Federal Government must act. It must act boldly and it must act quickly. That is true for capacity enhancement. It is true in security. And it is true in other areas of aviation.

America's failure so far to meet the challenge to expand and modernize its aviation system is a national mistake that has reached the crisis stage.

Successfully meeting that challenge will take strong and imaginative leadership, and I intend to be a part of that leadership.

I have returned to Washington to try to make a difference for our industry—so, you can view my remarks today as only an opening shot across the bow. Thank you.●

HERBERT HOOVER: POLITICAL ORPHAN

● Mr. HATFIELD. Mr. President, recently I had the opportunity to read the text of a talk delivered at the Hoover Institution on War Revolution and Peace on November 16, 1988, by Dr. George H. Nash, the premier biographer of our 33d President. His comments were entitled "Herbert Hoover: Political Orphan," and I will ask that his remarks appear in the RECORD following my statement.

To say that Herbert Hoover is the subject of ridicule is to state the obvious. He has become an archetype in public opinion, effectively characterized as the essence of one who maximizes greed over meeting need and "fiddles while Rome burns."

That is an absolutely false image of Herbert Hoover, as is so clearly laid out in Dr. Nash's short but incisive review of Hoover's political philosophy. Hoover was, at heart, one who stood for equality of opportunity. He felt that upward mobility was the goal of our society and that such movement should be based upon merit, not determined by race or arbitrary governmental decree. I commend to my colleagues the examples included in Dr. Nash's speech which give lie to the common perceptions of President Hoover.

That such a false impression has been so effectively fixed in the American mind is a subject for discussion itself. Dr. Nash gives four reasons: The incredible breadth and length of Herbert Hoover's career make it difficult to understand in its fullness; his laconic and private personality, with its emphasis on efficiency, hid from view the depth of his practical care for individuals; his successor in the Oval Office laid the blame for the Depression at his feet and effectively promoted this viewpoint during four terms in office; and, finally, the passions surrounding the national trauma during which Hoover left office and surrounding the radically different political and economic philosophy of his successor, have taken a great while to subside.

Thank you, Mr. President, for this opportunity to share Dr. Nash's careful examination with my colleagues.

I ask that the remarks to which I referred be printed in the RECORD.

The remarks follow:

HERBERT HOOVER: POLITICAL ORPHAN

(By George H. Nash) [1]

Many of you are no doubt familiar with a statement attributed to Abraham Lincoln: "You can fool some of the people all of the time, and all of the people some of the time, but you can't fool all of the people all the time." Some of you may also be familiar with H.L. Mencken's version of this remark. Said Mencken: "You can fool some of the people all of the time and all of the people some of the time—and that's enough!"

Perhaps some of you have heard of another mordant observation that has been ascribed to Mencken: "In politics a man must learn to rise above principle."

In 1988 it is easy to be cynical about politics. But no cloud of expediency surrounds the man whose career I shall examine this afternoon. In the half century since he left the presidency, few observers have accused Herbert Hoover of "fooling the people" or "rising above principle."

Yet for Hoover, twenty-four years after his death and more than a century after his birth, clouds of a different sort remain to be dispelled: an intellectual fog, if you will, which even now impairs our clear perception. Where in the spectrum of American statesmanship does he belong? A hero of libertarians like Rose Wilder Lane and John Chamberlain in the 1950s, he is today castigated by libertarians like Murray Rothbard as the true father of the New Deal interventionist state. A patron of *Human Events*, Young Americans for Freedom, and other conservative causes after World War II, he was hailed in the 1970s by New Left historians as a profound critic of global interventionist anti-Communism. The "principal founder" (in John Chamberlain's words) of *The Freeman* in 1950, an ally of William F. Buckley, Jr. in the founding of *National Review* in 1955, Hoover in more recent years has been stigmatized in conservative media as a cheerless apostle of balanced budgets and high taxes. Acclaimed in his day as "the greatest Republican of his generation," he has been likened in the 1980s—even on the Right—to Jimmy Carter. Surely it is noteworthy that one of Ronald Reagan's first acts as President was to hang a portrait of Calvin Coolidge in a prominent place in the White House and that he has been known to quote Franklin Roosevelt (but not Herbert Hoover) in his speeches. It is a curious datum that even now, nearly sixty years after his presidency, Herbert Hoover remains in considerable degree a political orphan, unwelcome in liberal and conservative pantheons alike.

The course of Hoover historiography has reflected this continuing confusion. Somehow, despite all the research and analysis, he remains an elusive figure. Was he, historians have wondered, an ossified nineteenth-century liberal or a sophisticated twentieth-century "corporate Liberal"? A spokesman for big business or a proto-New Dealer? A quintessential product of rural and small-town America or a modern managerial elitist? A failed adherent of "rugged individualism" or a rejected prophet whose message is valid still?

Many factors account for the historical haze that continues to envelop this man. First, there is the sheer breadth and duration of his career. Born in 1874 in a little Iowa farming community, Hoover was orphaned before he was ten. By the time he was twenty-one he had worked his way through Stanford University and had entered his chosen profession of mining engineering. At the age of twenty-four he was superintendent of a gold mine in the desolate outback of Western Australia. By the age of twenty-seven he had managed a gigantic coal-mining enterprise with 9,000 employees in northern China and had survived a harrowing skirmish with death in the Boxer Rebellion. By 1914, at the age of 40, Herbert Hoover was an extraordinarily successful mining engineer who had traveled around the world five times and had business interests on every continent except Antarctica.

With the outbreak of World War I Hoover rose to international prominence as director of the Commission for Relief in Belgium, a humanitarian relief agency that ultimately brought food to 9,000,000 French and Belgian civilians a day—an unprecedented undertaking in world history. After serving as head of President Wilson's wartime Food Administration, he returned to Europe after the armistice for ten months as Director-General of the American Relief Administration, organizing the supply of food for starving millions, facilitating the emergence of stable economies, and helping thereby to check the advance of Bolshevik revolution in central Europe. Thanks in considerable measure to the relief efforts of Hooever and his staff, perhaps one-third of the population of Europe was saved from privation and death.

In the 1920s, when he served as Secretary of Commerce under Presidents Harding and Coolidge, it was said that Hoover was undersecretary of every other department. Indeed, one distinguished historian has jocularly remarked, "While Hoover had only one term in the Presidency he had almost as many years in the White House as Franklin Roosevelt." Certainly it seems correct to say that in domestic affairs, at least, Hoover was the most influential man in American public life between 1921 and 1933. The first man to have his image transmitted over television (in 1927), the first President to have a telephone permanently on his desk, Hoover after his four years in the White House lived longer as an ex-President (31½ years) than any other former chief executive in our history. These were strenuous years, too; even in his mid-eighties he worked eight to twelve hours a day. Between the ages of eighty-five and ninety, he published a four-volume history of his gigantic relief efforts in World Wars I and II. From Wilson to Eisenhower, he served five Presidents of the United States. He wrote incessantly. A recent bibliography of his published writings and addresses contains over 1200 entries.

When Herbert Hoover died in 1964, he had lived ninety extraordinarily productive years, including a full fifty in public service. It was a record that in sheer scope and duration may be without parallel in American history.

If the formidable magnitude and variety of Hoover's accomplishments have tended to retard a complete assessment of his place in history, a second factor has also contributed, and that is the personality and character of the man himself. From the time he entered public life in World War I there was always something enigmatic about him. Blunt, laconic, protective of his personal privacy, with an aura about him of impersonal efficiency, Hoover was not an easy man to understand. Many contemporaries were puzzled by him. *Who's Hoover?* was the title of a book written about him in 1928. "Is Hoover Human?" asked a noted magazine article that same year. But if Hoover seemed almost machinelike to some, very few doubted his ability. Said a well-known Quaker to a friend about to visit Secretary of Commerce Hoover: "Don't let him get thy goat. He'll sit there and hear thee talk, and so far as thee can tell thee might just as well be talking to a stump or a stone; but he'll not miss a thing? And he was right.

Hoover's reticence and taciturnity, his tendency as an administrator to rely on intermediaries to achieve his objectives while

[1] This is the slightly revised text of a "Tower Talk" delivered at the Hoover Institution on War, Revolution and Peace on November 16, 1988.

he quietly masterminded their efforts from behind the scenes: these and other traits have made it difficult to discern his true, often catalytic role in crucial episodes throughout his career. So, too, with his benefactions: from the time he was a college graduate he systematically concealed his charitable acts toward others, preferring to give anonymously through surrogates. In the mid-1930s Hoover's brother estimated that Hoover had given away more than one-half of his profits for benevolent purposes. Characteristically, however, he did it without fanfare, with the result that even today the enormous extent of his benefactions is not known.

Given this panoply of character traits (some of them no doubt derived from his early orphanhood), it is not surprising that for many people Hoover has long remained what a famous journalist called him in 1928: "an enigma easily misunderstood."

A third, more practical factor has also contributed to the lingering perplexity about Mr. Hoover. It was only in 1966 that the bulk of his papers, comprising literally millions of documents, became available to scholars for the first time at the Herbert Hoover Presidential Library in Iowa. With this stroke all previous Hoover historiography was rendered, if not obsolete, at least subject to new and skeptical scrutiny. Only now is the "real Herbert Hoover," so to speak, emerging from obscurity.

And I might add that since 1966 new Hoover-related collections have become available here at the Hoover Institution, and old collections have been admirably processed by professional archivists, thereby facilitating research and permitting the task of historical revisionism to accelerate.

All of this helps to explain the continuing lack of consensus about our thirty-first President. To these factors I would add one more. Hoover left office in 1933 during the greatest national trauma since the Civil War. For a generation after he left the White House, he was the focus of highly personalized historiography in which he was portrayed as either the hero, or more frequently as the villain, of a great moral drama culminating in the New Deal. It has taken a long time for passions to subside, and, indeed, they have not vanished even yet.

Nevertheless, with the passage of time, the receding of partisan emotion, and the opening of the Hoover papers, we have entered a new era in Hoover scholarship. For the first time it is becoming possible to take proper measure of this unusual man.

Sixty years ago this fall, as Hoover was seeking the office of President, a certain mediocrity was running for city council in Augusta, Georgia. The candidate apparently knew his limitations, for he announced in his campaign advertisements, "I know I'm not much, but why vote for less?" With Herbert Hoover we do not, so to speak, have to "vote for less." For unlike most men in politics then or since, Hoover had a social philosophy, a coherent sense of what he was doing in public life—and why.

How, then, shall we understand this political orphan? I suggest we begin by asking how he understood himself. A son of Quaker parents living in Iowa a decade after the Civil War, Hoover grew up in a Republican village whose only Democrat, as he remembered it, was the town drunk. Identifying himself in 1910 with the Progressive wing of the Republican party, he contributed financially in 1912 to Theodore Roosevelt's Bull Moose campaign. Early in 1920, in response to pleas that he run as either a Democratic or Republican candidate for President, Hoover first labeled himself an "independent Progressive," alienated from Republican reactionaries and Democratic radical alike. A few weeks later he declared a Republican affiliation and allowed his name to be placed on the ballot in California. After losing that state's primary to Senator Hiram Johnson, Hoover declared:

"I do not believe that this country is either reactionary or radical. I believe that the country at heart is progressively liberal. . . . I believe that the better way to secure needed reforms in political, social and economic conditions is through the progressive element in the Republican Party."

This, then, was Hoover's own self-image in 1920, near the beginning of his active career in American politics. It was also how he was perceived by others. Early that year he was supported for the presidency by the *New Republic*, Justice Louis Brandeis, Walter Lippmann, and numerous other members of the "progressive" wing of American politics. It is very possible that he could have obtained the Democratic nomination. Franklin Roosevelt supported him; in a letter that historians like to quote, Roosevelt declared: "[Hoover] is certainly a wonder, and I wish we could make him President of the United States. There could not be a better one." Early in 1921, when Hoover was selected for President-elect Harding's cabinet, it was only after Harding quelled the opposition of the Old Guard of the Republican Party.

Herbert Hoover was a man of action, a man for whom the highest purpose of life was practical achievement. But he was also capable of philosophical reflection. Late in 1922, in a book entitled *American Individualism*, he expounded his understanding of the American sociopolitical system. According to Hoover, the revolutionary upheavals of World War I and its aftermath had produced a world in ferment. In this cauldron, collectivist ideologies alien to America were competing for the minds of men. To Hoover, who had just seen in postwar Europe the vicious results that emanate from the blending of "bestial instincts" (as he called them) with idealistic humanitarian jargon, the need for a definition of the American system was urgent. He called this alternative "American Individualism."

By this term he definitely did not mean unfettered, old-fashioned laissez-faire. Hoover was anxious that individual initiative always be stimulated and rewarded; initiative, in fact, was one of the character traits he most admired. Progress, he declared, "is almost solely dependent" on the few "creative minds" who "create or who carry discoveries to widespread application." These minds, he said, must be free to "rise from the mass." But "the values of individualism," he argued, must be "tempered"—tempered by "that firm and fixed ideal of American individualism—an equality of opportunity". Equality of opportunity, "the demand for a fair chance as the basis of American life"—this, in Hoover's words, was "our most precious social ideal."

Hoover did not believe that equality of opportunity was automatically self-sustaining in a modern, technological economy. As a Progressive, he believed that some governmental regulation and legislation (such as anti-trust laws and inheritance taxes on large fortunes) were necessary to prevent economic coagulation, inequality of opportunity, and the throttling of individual initiative. Like many other Progressives, Hoover abhorred the notion of a rigid, class-conscious society. To him it was imperative that "we keep the social solution free from frozen strata of classes." As he put it some years later, the uniqueness of American society lay in its ideal of "a fluid classless society." It was, he said, "the point at which our social structure departed from all others."

Hoover was not (to use today's terminology) a libertarian. He was not a "rugged individualist" in the Social Darwinist sense. He did not believe that an advanced economy could function without regulation. Many times, in fact, he explicitly rejected the philosophy of laissez-faire, which he defined as "every man for himself and the devil take the hindmost." It was, he stated, an outmoded social doctrine which America had abandoned "when we adopted the ideal of equality of opportunity—the fair chance of Abraham Lincoln."

In the context of 1921-1933 Hoover was undoubtedly a governmental "activist." As Secretary of Commerce he took the initiative in national waterway development, radio regulation, aviation regulation, stabilization of the coal and railroad industries, abolition of the twelve-hour day in the steel industry, and elimination of industrial waste. He was one of the foremost exponents of governmental public works expenditures as a form of countercyclical economic policy. Nominated in 1928 over the opposition of the Old Guard and some elements of Big Business, Hoover conceived his term of office as a reform presidency and set to work with characteristic drive. And when the Great Depression came, the Federal government under President Hoover responded with unprecedented interventions in a peacetime economy. This, he said later (and approvingly), "is hardly laissez-faire."

But if Hoover was not a free market purist, neither was he a proto-New Dealer. It is absolutely crucial, if we are to understand Hoover, that we comprehend the nature, guiding purpose, and boundaries of his activism. Time and again he insisted that the form and extent of governmental involvement in the economy must be carefully defined and, above all, kept consistent with the broad American traditions of voluntary cooperation, local self-government, and individual initiative. The purpose of Hoover's limited governmental regulation was to strengthen and preserve American Individualism, not to subvert or supplant it.

How was this to be done? As Hoover perceived it, the fundamental role of the federal government was to stimulate the private sector to organize and govern itself. "I believe cooperation among free men can solve many problems more effectively than government," he declared in 1937. During the 1920s and early 1930s Hoover in office willingly used government as a device to facilitate this cooperation—through publicity, collection and dissemination of statistical data, and the covening of conferences of private sector representatives. Between 1921 and 1924 alone, to take but one example, Hoover's Commerce Department sponsored over 900 such conferences on the single subject of efficiency and standardization.

Certainly there was much of the modernizer, the technocrat, the efficiency engineer in Hoover. Indeed, in some quarters during the 1920's, he came to be regarded as an aggrandizing bureaucrat. Franklin D. Roosevelt, for instance, told a friend in 1928 that Hoover "has always shown a most disquieting desire to investigate everything and to appoint commissions and send out statistical inquiries on every conceivable subject under Heaven. He has also shown in his own De-

partment a most alarming desire to issue regulations and to tell businessmen generally how to conduct their affairs."

Hoover, then, was no enemy of innovation. He believed in the conscious, rational use of modern social science for the amelioration of social ills. Gather the facts, publicize them, devise solutions that avoid the myopic partisanship of electoral politics (for which he had profound distaste): here, too, he showed the influence of pre-1914 Progressivism.

Yet, we must not lose sight of the fact that for all of Hoover's reforming and modernizing impluses, he also had a conserving purpose: the preservation, in an urban, industrial society, of the American tradition of equal opportunity. Whenever possible, Hoover searched for non-coercive, decentralized, cooperative arrangements to solve such problems as unemployment. In the 1920s, for instance, he tried to encourage insurance companies to establish a private system of old-age pensions long before Social Security. He organized and skillfully led such private institutions as the American Child Health Association and the Better Homes in America movement, the latter devoted to the profoundly conservative goal of wide diffusion of home ownership. He mobilized the resources of great private foundations in the cause of scientific and social research, such as studies of the business cycle. While an activist (for his time) in the use of governmental power, he employed it repeatedly to facilitate the growth of non-governmental, mediating institutions.

Hoover's apolitical and antistatist progressivism pleased neither the Left nor the Right. Not surprisingly, during his presidency his relations with Congress were abysmal. He labeled one senator "the only verified case of a negative IQ." When in 1930 one of Hoover's granddaughters was born, his first response was, "I'm glad she doesn't have to be confirmed by the Senate." In a whimsical mood one day he remarked, "There ought to be a law allowing the President to hang two men a year, and without being required to give any reason."

With the advent of the Democrats to power in 1933, Hoover, for the first time in his public life, found himself "in opposition." In the years ahead, he endeavored to define his social philosophy in the face of the challenge posed by the New Deal. "The impending battle in this country," he told an associate shortly after Roosevelt's first Hundred Days, would be between "a properly regulated individualism" and "sheer socialism." "That," he said, was "likely to be the great political battle for some years to come." As the months passed, Hoover increasingly identified his own philosophy as that of "historical liberalism" and excoriated the collectivist, regimenting "false liberalism" of the New Deal. "The New Deal," he said, "having corrupted the label of liberalsim for collectivism, coercion, concentration of political power, it seems 'Historic Liberalism' must be conservatism in contrast." And so, in the last third of his life, Hoover, the self-styled Progressive Republican of the 1920s, became in a sense a counterrevolutionary: a defender of what he called "true liberalism."

It was once remarked of Hoover that he was "too progressive for the conservatives and too conservative for the radicals." Such, I suspect, may be the response of some who appraise him today. Clearly there are elements of Hoover's thought that will not appeal to American conservatives of the 1980s: his energetic expansion of the federal government's role in economic life in the 1920s and 1930s, for instance, his unequivocal repudiation of laissez-faire; his faith is social science research as a basis for the rational reordering of our institutions. Some conservatives may be troubled by a feeling that Hoover conceived society as something to be deliberately, continuously, and endlessly reformed.

Yet if parts of Hoover's philosophy have an unconservative sound, it is also abundantly evident that he was not a modern liberal. First, as a tireless exponent of voluntarism, he emphatically repudiated the statist philosophies of Communism, socialism, fascism, and the New Deal. Unlike some of his contemporaries, Hoover never abandoned his aversion to the overweening regulatory State. He recognized in burgeoning bureaucracy a pernicious enemy of the creative impulses upon which freedom and prosperity depend. "True liberalism," he declared, "if found not in striving to spread bureaucracy but in striving to set bounds to it."

Secondly, unlike many latter-day liberals, Hoover did not believe that government exists for the primary purpose of redistributing wealth. To be sure, he believed, as he stated in 1936, that "economic fair play" required that "the economically more successful must through taxes or otherwise help bear the burdens" of "victims of misfortune and of the ebb and flow of economic life" by "providing for old age, unemployment, better homes, and health." Hoover accepted, if you will, the concept of a "safety net" provided by government and paid for by taxation. And, as I mentioned earlier, he favored stiff inheritance taxes on large fortunes. Yet he did so not out of a socialistic yen to "soak the rich" or penalize success, but because the notion of a wealthy, insulated, privileged class perpetuating its economic power for generations was anathema to his philosophy of American Individualism. Everyone should be free, he believed, to rise in the world, as he had done, without artificial encumbrance. Equality of opportunity, not equality of result, was his governing principle. "The human particles," he said, "should move freely in the social solution."

Another set of concerns that tended to separate Hoover from contemporary liberalism was his abiding interest in fostering productivity and economic growth. For all his efforts in the 1920s to rationalize and stabilize the economic order, Hoover never lost his vision of America as a perpetual frontier, offering even greater promise tomorrow. How he inveighed at the "economy of scarcity" which he believed the New Deal was imposing on our nation. "The notion that we get richer and more prosperous by producing less," he said in 1936, "is about as progressive as a slow-motion film run backwards." And how he criticized the view, popular in the 1930s and again in the 1970s, that the era of American abundance was over and that the frontiers of opportunity were closing:

"When we concede that progress is ended we concede that hope and new opportunity have departed. That is the concept of a static nation. It is necessarily the philosophy of decadence. No society can become static, it must go forward or back. . . . No society will function without confidence in its future opportunities."

Fundamentally, he was interested in multiplying wealth, not dividing it. And unlike many of his foes on the Left, he knew that the creation of wealth does not occur by accident.

Finally, more than any other man who has held the presidency, Hoover was profoundly acquainted with the social systems of the Old World. He had seen, as he later put it, "the squalor of Asia, the frozen class barriers of Europe." He had seen the haughty oligarchies of the Right, the bloody tyrannies of the Left, and the hatreds, injustices, and miseries they engendered. He had seen the terrible consequences of imperialism, war, and revolution as few Americans ever had. And he had seen America in contrast.

This perception of contrast between Old World and New was the experiential core of Hoover's social philosophy, and it had a profoundly conservative effect on him. It gave him a lifelong understanding of America as a uniquely free, humane, classless society that had come closer to implementing its ideals than any other nation on earth. Hoover judged the imperfections of the American system not as a man of the Left might—by theoretical standards never before realized and perhaps impossible to attain. He judged it as a conservative would—in the historical and the comparative perspective of other societies, other experiments, other ideologies, that had failed.

Some years ago a British member of Parliament addressed his constituency during an election campaign. Concluding his remarks, the orator proclaimed, "These are our principles. If you do not like them, we have others." Unlike this amiable cynic, Herbert Hoover was a man of principles—principles which found their touchstone in the concept of "equality of opportunity." Orphan, engineer, humanitarian, statesman, he was the veritable embodiment in his lifetime of a formative ideal in our history: the ideal of upward mobility. Since the time of Abraham Lincoln the American people by and large have stood for this principle and for the only kind of society in which such a principle makes sense: a free, dynamic, capitalist society, a society of promise and hope, in which men's and women's fulfillment in life is determined not by race, class, or arbitrary governmental decree but by their own inner resources—by merit. For as long as Americans cherish this deal and strive to create a society based upon it, they will find enduring appeal in the philosophy and vision of Herbert Hoover.●

NATIONAL BICENTENNIAL COMPETITION ON THE CONSTITUTION AND THE BILL OF RIGHTS

● Mr. MOYNIHAN. Mr. President, I wish to direct my colleagues' attention for a moment toward the outstanding achievements of a group of students from Half Hollow Hills High School, of Dix Hills, NY. These students, all members of Ms. Gloria Sesso's advanced placement American Government class of that school, recently won second place in the finals of the 1989 National Bicentennial Competition on the Constitution and the Bill of Rights.

Their achievement is considerable, not only in that they advanced so far and performed so well in an arena as competitive as the National Bicentennial Competition, but also because of the contest's basic subject matter

itself. These students competed on their depth and their breadth of understanding of the Nation's founding documents, upon which our system has depended and developed. In addition, they not only memorized and mastered the text of the Constitution and the Bill of Rights, but demonstrated their comprehension of the ideas contained in the texts by applying these ideas to the challenges and conflicts of the Nation's past, its present, and its future as well.

Clearly, the excellence of their work and the significance of their achievement is worthy of commendation. These are the citizens who will soon vote, who will serve in public office, and who will be both guardians and inheritors of the United States democratic system.

I am sure that my colleagues join me in congratulating the following students: Chad Brecher, Keith Brill, Michael Capell, Scott Davidoff, Tanisha Fazal, Jason Guttman, Craig Kurland, David Lessing, Samantha Leventhal, Shari Levine, Jeffrey Newelt, Ian Schwartz, Neil Siegal, Nayan Sivamurthy, and Debra Steinig.

Also worthy of praise is Ms. Gloria Sesso, their teacher in American Government, Principal James McCaffery on Half Hollow Hills High School, and Superintendent Kevin N. McGuire of the Half Hollow Hills Central School District.●

SALUTE TO WINIFRED BALKENOL

● Mr. BOSCHWITZ. Mr. President, many times tribute is paid to extraordinary accomplishments of famous people in this CONGRESSIONAL RECORD. Today, Mr. President, I wish to call attention to the career accomplishments of someone whose name has never appeared in front page headlines, even in her local paper, the Redwood Gazette. Winifred Balkenol, or Winnie as she is known by her friends and coworkers has worked for 45 years in dedication to her job and countless hours of volunteer work for her community and church.

Winnie's career in banking, beginning at the State Bank of Lismore, MN, in 1944 gave her the unique opportunity to serve her community at work as well as in her personal time, and she did both. She came to the Citizens State Bank of Redwood Falls, now known as Minnesota Valley Bank, in 1954. For the past 35 years she has helped build the community at work and through her many activities including the American Legion Auxiliary, VFW Auxiliary, Redwood Concert Association, and the National Association of Bank Women.

Mr. President, Winnie Balkenol is retiring from her banking career, but not her community service career. She never sought recognition, but she deserves a hearty thanks and appreciation for what she has done in contributing to her community and her country. Her hard work and dedication serve as an example to all Americans, and this Senator wishes to publicly thank Winnie and wish her a long and happy retirement.●

HOW TO MAKE AMERICA MORE COMPETITIVE

● Mr. LIEBERMAN. Mr. President, earlier this year I delivered a speech to the AFL-CIO discussing some ideas I have about how to make America more competitive. I believe that one way to do this is through strategic planning.

I hope that I will have an opportunity to further define some of the ideas I outlined in my speech as a member of the newly formed strategic planning group organized by our distinguished majority leader, Senator MITCHELL. He has asked Senator BRADLEY to head up this group which will help formulate an agenda for the Nation into the next century.

Clearly, one issue we must focus on is our Nation's ability to compete in the global economy. One way we can do this is to make certain that our economy is sound enough so that the business community will be willing to take the risks inherent in long-term investment. We must work with business as we look to the future.

I am inserting my AFL-CIO speech into the RECORD for my colleagues perusal. I look forward to working with them on these and other related issues.

The excerpts follow:

EXCERPTS FROM REMARKS OF SENATOR JOSEPH I. LIEBERMAN TO THE AFL-CIO, FEBRUARY 20, 1989

I want to share with you today some thoughts I've had about American politics that grow out of my recent campaign for the Senate in Connecticut, and the Democratic Party's third straight losing Presidential campaign, its fifth straight Presidential loss in Connecticut.

I am, as you know, a newcomer to the national scene, so these observations are fresh and personal to me. For many of you who have been here awhile, my ideas may seem naive or presumptuous, or just plain wrong. But, if so, I hope you will conclude that freshman Senators, like youth in general, deserve tolerance and the freedom to be brash.

I am fascinated and troubled by the paradox of the Democratic Party. We continue to lose Presidential elections while winning congressional and gubernatorial elections. And I believe that one of the reasons for that inconsistency is that state and congressional Democrats have continued to identify with the economic aspirations of average Americans, while Presidential Democrats have not.

Like you, I was brought up to believe in the work ethic, to respect those who labored, to have faith that America is a land of economic opportunity where people are fairly rewarded for their labor. If you work hard here, there is no limit to what you can achieve. That is our credo.

That ethic, that faith in economic opportunity, is still held by most Americans and, yet, the Presidential Democratic Party has come to be seen as a party that does not put economic growth high on its priority list.

During its greatest days in this century, the Presidential Democratic Party was seen as the party America could rely on for economic development as well as social opportunity.

Franklin D. Roosevelt and John F. Kennedy are certainly prime examples of Presidents who were elected because they had a program for economic growth. In fact, their economic policies came first. That is how they were elected, how they began to govern. Then, with that base in place, they began to meet America's social needs.

In our time, the Presidential Democratic Party lost that first issue, economic growth.

The truth is that we are never going to be able to afford to meet the social needs of our people unless we stop getting beaten in some basic economic battles by our global competitors.

If we do not act, if we do not lead, we're going to be looking at an American economy where our industrial base will shift to Asia and elsewhere, and we'll be left with an elite class of professionals in good jobs, and the bulk of our population in lower-paying jobs in the so-called service sector, or in no jobs at all.

That's not the future for America that you and I want for our children. And it's not the future that I want for the Democratic Party. In my opinion, our failure to hold high the flag of economic growth is at the the heart of the failure of the Presidential Democratic Party.

New voters are becoming Republican by a two-to-one margin, and one of the reasons is that they see it as the party of economic opportunity. Everybody talks about the lock the Republicans have on the South, and it is true that, except for Jimmy Carter, we haven't won one electoral vote in the South since 1964. But it is also true, and probably more perplexing, that Democrats haven't won a national election in California, Illinois, Kentucky, Michigan, New Jersey, Ohio, Pennsylvania and Connecticut in 20 years.

While 16 percent of Bush voters said they were dissatisfied with the field of candidates last year, 63 percent of Dukakis voters were dissatisfied. And 50 percent of Bush voters said they were against Michael Dukakis because he was a "liberal."

Yet, as you know, we win big in House, Senate and gubernatorial races. Why? Because we match candidates to the voters and their values, and one of the reasons I believe we do is that, at the state level, we are still seen as the party of economic opportunity and economic growth.

We must return to mainstream economic issues, and we must convince the average worker, investor and manager that we care about economic growth, that we are not just a bunch of social tinkerers who want to tax their money away and give it to others.

If we focus again on economic growth, our historic ability to deliver on equal opportunity, upward mobility and social justice will again fall into place. Without economic opportunity, we lose other opportunities—to educate, to house, to protect from drugs and crime.

The challenge before us today as a party is how to make our economy grow—how do

we create a strong, vibrant, job-producing, competitive economic base that will support an expanding standard of living for all our people and that will once again be the envy of the world? By working to answer that question, we can make our party a winning Presidential party and, more to the point, a party that America needs to win Presidential elections.

Let's look at some of the problems we now face. We're failing to invest in our future and in our people.

Thirty million of our people live in poverty; eight million remain out of work.

We've lost over two million jobs to overseas competition in the last six years.

One third of our students never finish high school, while our economy demands ever more well-trained workers.

We are becoming a nation of consumers, not producers. We're the market, not the makers. We're exporting American jobs and importing foreign products.

These are all symptoms of an economic disease we've caught. Let's look at the disease.

DEFICIT

First, the deficit. From 1982 to 1987, the federal government went $1.1 trillion into the hole. This deficit is tearing at our economic strength. Think about the debt service on this number! The interest on this debt is taking $75 billion a year out of our economy year after year, far into the future. This money could have gone into productive investment, but we're mortgaging our future. And to whom are we paying this debt service? Too much of it is going to Japan, Germany and many of our other trading partners. We are borrowing $10 billion a month from our economic competitors. Everyone has heard that we've gone from being the world's largest creditor nation to the world's largest debtor nation in a decade. But what that means, as you know, is that we're not going to have the money we need to have for economic development for our people.

EDUCATION

Our government is now so in debt that we're not investing in education. Our ability to compete is being damaged by inadequate investment in our most important resource—people. Put simply, we're not educating our work force for the kinds of demanding skills our economy increasingly needs. Our job force will have to depend more and more on minorities and women—but we're not teaching them the skills they will need. While one-third of our students never finish high school, as I mentioned before, 98 percent of Japan's graduate. We're in jeopardy of not having the work force we need for the economy we want.

NATIONAL SAVINGS RATE

And we're not saving money to invest in our economy, either. America's national savings rate is the second lowest in the industrial world. Our private/public savings rate has dropped from 7.5 percent in the 1970's to a terrible 1.8 percent in the 1980's. Why do we care? Because this is the money we could be investing in plants, in equipment, in jobs. And if the savings aren't there, we can't make these investments. You can bet that Germany, Japan and Korea aren't making this mistake.

RESEARCH AND DEVELOPMENT

R&D means jobs for tomorrow—new products, new technology, new industries and rebuilding existing industries. America has been the world's greatest inventor—the world's innovator. Time and time again we've come up with ideas, products and services that made our economy the envy of the world. But we're losing our edge. Our R&D growth rate is now leveling off. Our competitors are now plowing a higher percentage of their Gross National Product into R&D than we are.

Traditionally, our government has played an important role in R&D. We've sponsored countless research projects, putting R&D funds into many small baskets, and many of these efforts have worked, moving new products into our marketplace. However, we're shifting government R&D money into only a handful of huge R&D projects—like SDI—with high risks of limited returns.

LBO/TAKEOVER BINGE

If we are not putting our money into savings, economic investment, research and work force education, where is it going?

I'll give you one of the worst examples—the takeover and leveraged buyout binge. Between 1984 and 1987, we threw $160 billion into corporate debt for takeovers and LBO's. In the first few months of 1988 alone, we took another $50 billion out of possible economic investment and into these kinds of deals. These transactions amount to a kind of "musical chairs" for top management, with huge new debts built onto productive companies. Speculation is replacing productive investment. Instead of putting money into investments that will strengthen our economy for all of us, we're shifting it around among a few people at the top.

Our tax policies are partially to blame. We allow tax breaks that encourage these buyouts by taxing returns on equity investments, while letting interest on debt remain deductible. We're therefore actively encouraging these LBO's and "merger mania".

What we should have, instead, is a tax system that says: If you have wealth or want wealth, then build plants and products, and create jobs, and make money by strengthening our economy, not by gambling away our national investment funds.

We need a tax system that has a bias toward fundamental new investment, rather than the exchange of already existing assets.

QUALITY

Remember when "Made in the USA" meant the best in the world? Now there are too few world markets left where that is still true.

We invented the consumer electronics business—now we have an $11 billion trade deficit in that field. In 1960, we built nearly half the world's cars. Today, Japan is about to claim that title. The auto industry is an overall $37 billion trade imbalance for us. This is true in industry after industry.

In the words of journalist Otis Post, we're going to have to get better or get beat.

That's going to mean revitalizing aging plants and doing a much better job at turning our national talent for great ideas into actual production of new products. It's going to require a major new emphasis on education, training, and quality control.

What if we don't take action on these issues?

Our standard of living is now slipping. Average hourly earnings, when you adjust for inflation, are now below what they were in 1970. Because the growth rate in national output is over 25 percent lower than it was in the 1960-1970 period, more people have to work—two-earner families are becoming standard. But wages have stagnated. And Americans keep spending, even while their income is falling. And they're going deeper in debt—just like the federal government—to pay for it. Consumer debt is 16 percent higher now than it was in 1973. With higher personal debt and lower real income, our national living standard is falling.

The National Democratic Party must take on this challenge; one of the party's first priorities must be to put forward a program for national economic growth. Only economic growth is going to turn around this decline in our living standard; only economic growth will mean better jobs for all our people; and only economic growth will generate the funds for the social programs that will make life better for us all.

We need a national Democratic economic growth agenda.

It could promote such programs as:

Better education and training and retraining for our work force;

A turnaround in our national savings rate;

More tax incentives for research and development investment;

Incentives for revitalization of our industrial base;

Mechanisms for turning investment dollars toward productive, longer-term investments in plants, equipment and jobs;

Targeting equity investment into critical new and existing industries, possibly through an adjustment to our capital gains tax;

A strategic plan to turn around our trade imbalance and restore our national competitiveness;

A venture capital system that does a much better and faster job of bringing our inventions and ideas into actual production.

The fact that people of wealth will benefit more directly from some of these tax incentives is not reason enough to oppose them, if society benefits in new jobs, and new opportunity. After all, the aim of these tax policies is to get people with more money to invest it in ways that benefit America most.

Can we do it? Can we start competing abroad again, and expanding our economy, and improving our standard of living?

We have to, and we will.

Today and tomorrow, we need to make a national effort to compete with our world economic competitors, just as we have so successfully competed with and contained the Soviet Union in the military and diplomatic fields over the last 40 years.

U.S. businesses are still the world's best. American workers have proven that they can turn out products as good or better than the Asians and Europeans. But, until the United States places as much importance on economic development policy as it does on its social, political and military policy, the balance of world power will continue to shift to Asia and Europe. And our standard of living and our economic opportunities will go with it.●

MICHAEL CHANG

● Mr. WILSON. Mr. President, I rise today to pay tribute to the unparalleled athletic accomplishment by one of my truly unique fellow Californians, Michael Chang.

Michael has become the first American to win the French Open Men's Singles Tennis Title in 34 years. His bravery and physical stamina helped him overcome some of the greats in tennis today. Although seeded at a re-

spectable 15th in the world, young Michael bettered the No. 1 ranked Ivan Lendl in one of the early rounds. Facing debilitating muscle spasms and bouts of exhaustion, Michael relied on a reservoir of strength and perseverance normally found in a person much older than he. In the final match Michael fought back from near defeat and wrestled victory from the hands of No. 3 ranked Stefan Edberg.

It is enough that Michael Chang has brought the coveted "Simple Messieurs" trophy back to America for the first time in three decades, but to be the youngest player ever to win a "Grand Slam" men's singles title, and to do it on the trying red clay of Stade Roland Garros is a remarkable display of athletic excellence.

It is with great pride and honor that I join my fellow Californians and Americans everywhere in saluting Michael Chang for his remarkable achievement in this Chamber of the U.S. Senate.

I submit the following article detailing his achievement from the Los Angeles Times for the RECORD.

The article follows:

SEVENTEEN-YEAR-OLD STOPS EDBERG IN FIVE SETS FOR FRENCH MEN'S TITLE

(By Thomas Bonk)

PARIS.—For the first time seemingly since Mona Lisa was a baby, an American has won the French Open.

Frame this one and hang it in the Louvre.

It took 3 hours 41 minutes for a 17-year-old kid from Southern California to end a 34-year-old winless streak at Roland Garros, where the hopes of every U.S. male player since 1955 lay buried beneath its red clay.

On a sunny Sunday afternoon, Michael Chang became the youngest to win a Grand Slam men's singles title when he captured the French Open championship with a 6-1, 3-6, 4-6, 6-4, 6-2 decision over Stefan Edberg of Sweden.

Chang, from Placentia, weathered a blizzard of break points in the fourth set when Edberg, the latest in a long line of Swedes in the final here, seemed only a volley away from victory.

But Edberg found himself playing an iceberg.

And it started to wear on him in the fourth set, beginning in the third game.

From then on, 10 times Edberg was a point away from breaking Chang's serve and 10 times Chang turned him away when even he felt he couldn't.

"I really thought that the match was gone," Chang said. "But a chance went through my head. I thought, "Hey, maybe I can do this."

For Edberg, it was a demoralizing defeat. Ahead a set and a break, he was cruising along like one of those party barges on the Seine. The break points piled up, but one by one they disappeared.

Edberg had four break points that would have put him up 2-1. He had five more that would have made it 4-3 and another for 5-4. However, Chang saved them all, snatching the last one away from Edberg in what became typical fashion.

Chang sent a backhand pass at Edberg like a heat-seeking missile and the Swede volleyed the ball into the net.

So it was Edberg, not Chang, who was serving to stay in the set at 4-5 in the fourth.

Fatigued from trying to punch a volley past someone who patrolled the baseline as if he were on roller skates, Edberg double-faulted twice and put two volleys in the net to give the fourth set to Chang, 6-4.

Edberg was the 11th Swede in the past 12 years to play in the final here, but at this point he began to wonder why he ever crossed rackets with Chang.

"He played a lot of tough matches the whole tournament and he kept coming back all the time," Edberg said. "You have to admire him for that."

Maybe someone older wouldn't have, Edberg said.

"But he's young and he doesn't think that much."

Edberg, a two-time winner of the Australian Open and the reigning Wimbledon champion, had the look of a champion again. He began the fifth set by breaking Chang's serve.

But at 15-40, Chang broke back. On the first break point, he produced a Grand Slam quality drop shot, which he feathered over the net by just slightly touching the ball with his racket.

The beginning of the end for Edberg and the beginning for Chang arrived in the next game.

Quickly, Edberg fell behind 0-40. He saved two break points, but then Chang came up with a Grand Slam quality lob to get the break he needed.

Edberg forced Chang to retreat to the baseline with a powerful approach shot, but Chang put up a artful lob that flew over Edberg's head, bounced once and skipped away as if it were being pulled by a string.

The next game was longer than the French Revolution, but when it was over, Chang put the match in his bag.

Once again, he did it the hard way. Down two break points, Chang saw Edberg force the game to deuce four times, but pulled it out after the final one when two consecutive Edberg backhands sailed wide.

Chang won his service game at 15 to lead, 5-2. Edberg covered his over. It was the last one.

Another lob winner by Chang and Edberg could only wave at it with his racket. At 15-30, Edberg sent a forehand into the net.

A crowd of 16,500 filled the stadium court from the bottom row to the top and cheered in anticipation of what was soon to come. On match point, Edberg put one last forehand into the net and put Chang in the record books.

Chang, however, has to be content with being the youngest known male winner. In 1905, 17-year-old Rodney Heath of Australia won the first Australian championship, but his exact birth date is unknown.

Chang, who is 17 years 3½ months old, struggled with his new found place in tennis history, although he definitely seemed to like it.

"It's hard to really think about my head. It's definitely a great honor. It's definitely an achievement that will be with me no matter how I do the rest of my career.

"It's definitely probably the highest achievement that I could ever have."

But not definitely.

"I hope maybe one day I'll be able to achieve something greater than this."

His work began with unexpected ease. Chang closed out the first set in just 32 minutes with a forehand volley winner.

"He started playing unbelievable," Edberg said. "I don't think he made many mistakes the first hour."

Throughout the tournament, Edberg stuck to his serve-and-volley style, which although it presented a target for Chang's passing shots, often worked for him, just as it did when Yannick Noah won the 1983 final.

Chang had a tactic of his own. Edberg's serve is particularly devastating on clay because it bounces so high that returns are difficult. But Chang moved inside the baseline to take the ball quickly.

It worked. Edberg's serve, which had dismantled Alberto Mancini and Boris Becker, did not blow over Chang, who also made another change in his tactics by attacking Edberg's ground strokes.

Edberg's frustration grew.

On Chang's speed: "He's so quick, he gets a lot of time to hit the ball."

On Chang's accuracy: "He very seldom misses a passing shot."

But as well as Chang began, the middle of the match belonged to Edberg. Chang lost seven consecutive games at the end of the second set and the start of the third.

He was reeling. Then came the third set. He thought it was over.

Why wasn't it?

"I really don't know," Chang said. "The fourth set was just a couple of points here and there. Stefan gave me an opening, I guess, but I finally believed there was a chance I could come back."

The winner's share of the French Open is $291,752, which not only more than doubles his career earnings, but also goes along nicely with the distinction of winning one of his sport's biggest honors.

In the last week, Chang beat the No. 1 player in the world, Ivan Lendl, and the No. 3, Edberg. His No. 19 ranking is expected to improve to the top 10 when the new ranking come out today.

He becomes the sixth U.S. player to win the French Open, joining such players as Don Budge (1938), Don McNeill (1939), Frank Parker (1948-49), Budge Patty (1950) and Trabert (1954-55).

Chang's title is also the first Grand Slam singles title for a U.S. man since John McEnroe won the U.S. Open in 1984.

Now that he has one, Chang said there could be more.

"I don't want to limit myself," he said. "I don't want to say, 'OK, Michael, you've won Roland Garros and that's it.' I want to keep on going and do better."●

FIRST INTERNATIONAL VERY SPECIAL ARTS FESTIVAL

● Mr. KERRY. Mr. President, I rise today to call attention to an important event which will be happening this week throughout Washington. It is called the First International Very Special Arts [VSA] Festival. More than 1,000 stars will be performing at 231 events at 27 sites around the city. This event will help demonstrate that disabled Americans can and have achieve excellence in the arts, and certainly have the capabilities to excel and achieve in every aspect of life. I urge my colleagues and all who have the opportunity to attend and enjoy this festival of art.

Mr. President, I ask that an article concerning this event, from the Washington Post, be printed in the RECORD at this point.

IN WASHINGTON, IT'S THE CAN-DO ARTS FESTIVAL

(By Christina Del Sesto)

Nadine Wobus never thought she was different until the fourth grade.

"I remember going into the bathroom with some classmates," she says, "and one of them stood on the commode, looked over the stall at me and said, 'Do you need any help? and I thought: "Help with what?"'

Wobus had been stricken with polio at the age of 3. Now 35, she lives in Bowie and uses crutches, braces and most often a wheelchair to do such chores as caring for her 2-year-old daughter, teaching her music therapy students and belting out the blues at the Kennedy Center.

This week she'll be one of more than 1,000 stars at the first international Very Special Arts (VSA) Festival—231 events scheduled at 27 sites around the city—designed to celebrate the fact that people with disabilities need not be disabled.

As Wobus says, "I can do a lot of things."

An educational affiliate of the Kennedy Center, VSA was founded by Jean Kennedy Smith in 1974 to help integrate into society people otherwise isolated because of their disabilities.

"It's very important to understand the difficulties that those of us with special needs have to overcome to create art," Smith says. "Perhaps you wouldn't recognize the potential within yourself if you didn't watch a retarded child reciting Shakespeare. Seeing them makes you examine your own life."

But the art itself is the attraction, says the festival's creative director, Ron Miziker. "We don't want an audience to come because they're curious to see a disabled performer. They're all good performers and artists."

Adds Eugene Maillard, VSA's chief executive officer: "In some cases the public will see some great performances and exhibits by any standard."

Wobus' is one of them.

"I had the whole Broadway bit in mind when I was younger," she says. "Then I went to New York to pursue my dreams." What she found was that agents were reluctant to promote a women blues singer in a wheelchair.

"As much as they loved me, I knew what was going through their minds," she says. "Women are suppose to be svelt and sexy. That's still marketable if you're dealing with a blind women, but if she's in a wheelchair it doesn't look so great on stage or TV."

This week Wobus will be on stage a lot. Besides her own three performances, she's project coordinator of Special Gifts, Special Friends Musical Theater, which started 2 years ago to bring disabled and non-disabled children together. More than 20 elementary school children from Ivymount and Beverly Farms Day Care Center in Rockville will be performing "True Friends," which Wobus co-wrote, during the festival.

"Eventually a person with a disability has to deal with people that aren't disabled—your neighbors, employers, co-workers and friends," she says. "Very Special Arts is important because it emphasizes mainstreaming people with disabilities who would otherwise be at a disadvantage later on. This festival is a celebration of integration."

One of those celebrating is Tony Melendez, 27, born in Nicaragua without arms to a mother who had been prescribed the drug thalidomide during her pregnancy. Melendez hoped originally to be a priest but was told in inquiries to the Vatican that he needed hands to bless his congregation.

So Melendez changed his plans. Now he sings, and plays the guitar with his feet—so skillfully that he's won a recording contract, appeared on major television shows and—in what for him remains the apex of his career so far—played for Pope John Paul II last September in Los Angeles.

"Music has helped me express myself," he says. "Talent is within a person, and no matter what sort of disability they have, it eventually will shine."

Even though Melendez occasionally wishes he could do things quicker and "normal like everybody else," he's proud of his achievements. His album "Never Be the Same" was released just two months ago on the Starsong label, and now he's working on an entirely Spanish recording.

"If I was behind a curtain," he says, "no one would know" of his disability. "I know people are curious," he says. "It doesn't bother me because I've always been stared at. So I might as well be onstage."

Less at ease in the limelight is Randy McGill, 14, of Towson, Md. He's having his first solo exhibition this week. It's in the Atrium of the Kennedy Center, and so far, he says, "it's just been one big stage fright. . . . I'm shy."

Randy has suffered for years with a series of learning disorders, including one that affects his concentration. None of it, however, affects his talent for painting, which was noticed and nurtured by one of his teachers at the School of Contemporary Education in Baltimore.

"Most people don't realize how talented others with disabilities are," says Randy's mother, Sue. "They have these great talents because it's a way of compensating for another area of weakness. You just have to find out where the disabled person's strength is and work on it."

When she looks at her son's art she sees parts of this personality that he never reveals. "He's so reserved and quiet," she says, "but there's an exuberance about his paintings that has so much more to it than the subject he's depicting."

It's been an uphill struggle for Randy and his family to reach this stage of achievement. His mother remembers it well. At the public school he was attending, she says, other children taunted him and even wrecked his bike. "I've grown tremendously because of my two boys with learning disabilities," she says. "I've had to fight for my children."

Randy has grown too. He now feels ready to take on the challenges of attending high school next year.

"I really try hard," he says. "My painting makes me feel like I'm doing something with my life."

The effort involved for those with disabilities can barely be imagined by those without them. Zina Bethune, for example, grew up in New York determined to be a dancer. But there were a few problems, including dysplastic hips, tumors in her nerves and others. "I'm a doctor's picnic," she says, wryly.

But the picnic has included a double career as a dancer with the New York City Ballet and as a television actress (Gail Lucas in "The Nurses" during the mid- to late 1960s).

"People have always said, 'You'll never dance,'" she says. "But I never believed them."

She still doesn't. She'll be dancing at the Kennedy Center this week. Fitted with a prosthetic hip, she's also artistic director of the Bethune Theatredanse of Los Angeles and creator of Dance Outreach, a performance program to teach dance to children with all sorts of disabilities.

Bethune and one of her first pupils, 13-year-old Sarah Anderson, will be doing a ballet together. Anderson, who has osteogenesis, or brittle bones, uses a wheelchair.

"I was 8 when Zina told me she was going to teach me to dance," says Anderson. "And I thought to myself, 'Now wait a minute. I can't get out of my chair.' But I believed in her."

"She's graceful and has the soul of a dancer," says Bethune. "You quickly forget that her bottom half is stuck in a wheelchair."

"I like to transcend the technical and focus on the spiritual creativity within my student," she says. When a professional dancer is on stage, she notes, one leg is weaker than the other. "There's always an imbalance," she says. "It's the job of the artist to find the balance, disabled or not, and to learn what their speciality is so that the imbalance is perceptually eliminated."

Bethune and Anderson will be dancing to the theme from the film "The Rose." Bethune says they chose the music because it's about evolution and potential. "Art is a form of communication for all of us to share, and that is terribly important," she says.

Blues singer Wobus agrees. The way she figures it, her disability is a disadvantage in some ways but not with her audience. "Without my disability I might never have had the chance to perform at the Kennedy Center," she says. "And if there's one thing I've learned it's that you've got to use everything you've got. I know that as soon as I open my mouth people will realize that not only can I schlep my way out to the stage, but I can sing. I mean really sing."●

ELMER L. ANDERSEN—MINNESOTA'S PREMIER "SERVANT LEADER"

● Mr. DURENBERGER. Mr. President, this week, Minnesotans are helping one of our State's outstanding public servants celebrate his 80th birthday. And, as we honor former Gov. Elmer L. Andersen, an amazing cross section of the State is pausing to recall his contributions, not only as a public official, but as a business leader, environmentalist, journalist, and inspiration to all who view public service as a means rather than an end.

Others have described Elmer Andersen at various times in his distinguished career as "Minnesota's most respected public citizen," as "the best example of our State's enlightened establishment," as "unfailingly polite * * * capable of charming the socks off a snake."

At successive times in his career, Elmer has called himself a businessman, a farmer, and now a newspaper publisher.

I distinctly remember asking Elmer—at a time when he was my employer—what he considered to be his job. And, he answered without hesitation, "I'm a salesman."

But, with all his vocations—and avocations—no label better suits Elmer Andersen than the two words "servant leader."

This spring, I have had the privilege of being the commencement speaker at three of Minnesota's best educational institutions. And, at each, I have urged the graduating seniors to seek out—and become the very best kind of leaders—"servant leaders."

Elmer Andersen is just the kind of "servant leader" I have been talking about.

Robert Greenleaf describes servant leaders as those who lead by listening, learning and empowering others.

They do not grab power—or headlines—at the expense of others. They share in the fulfillment of the potential of those they serve with.

Elmer described himself in that same kind of role in an interview with the business publication, Corporate Report, almost 12 years ago.

Elmer's reference point that day was the Dutch Catholic scholar and theologian, Desiderius Erasmus. Erasmus, Elmer recalled, was neither a revolutionary nor an apologist for the status quo. In the midst of the Protestant Reformation, he was looking for common ground. His goal was to get rid of the abuses within the Catholic Church while preserving its more positive parts—to reform the church without leaving it.

"That's why he's so special to me," Elmer told his interviewer. "I'm all for finding the common ground, the area where those with different points of view can meet and agree on the basics. I'm all for conciliation, for working out the differences for the common good of all."

In an era of cynics, that attitude might be called deliberate avoidance of conflict—perhaps even copping out.

I would prefer to call it "servant leadership."

It took servant leadership to build popular support for Voyageurs National Park.

Servant leadership helped pass the Taconite amendment, opening up thousands of new jobs in the hard-pressed Minnesota Iron Range.

Servant leadership got the University of Minnesota through some of its most challenging days.

And, servant leadership is what has made Elmer Andersen the first citizen of a State known for the quality of its public leadership.

Mr. President, one of the first goals of a true servant leader is making it possible for others to serve—and lead—as well.

And, I hope you will allow me a point of personal privilege here to say "thank you, Elmer," for giving me that opportunity when he was my boss.

There are a lot of good corporate citizens in Minnesota—a lot of business people who know that there is much more to the bottom line than quarterly profits.

But, nobody practiced that principle better than Elmer Andersen.

And, the amazing thing is that he's still applying that principle today.

That is why Minnesotans are not throwing Elmer Andersen a retirement party. Rather, Minnesotans are celebrating the contributions of a man who is 80 years of age and still in his prime.

I am proud to have worked for Elmer Andersen and I am grateful for the opportunity he gave me to serve this State and this community.

Mr. President, because of the outstanding contributions Elmer L. Andersen continues to make to the betterment of his State and his Nation, I ask that the following article documenting both his contributions and the affection held for him by his State be printed at this point in the RECORD.

The article follows:

FORMER GOV. ANDERSEN'S 80TH IS OCCASION FOR A CAPITOL BASH

(By Bill Salisbury)

In 1945, Elmer L. Andersen wanted to do something special for the employees of the industrial adhesive manufacturing firm he headed, the H.B. Fuller Co. of St. Paul.

The workers got days off for Washington's birthday, Lincoln's birthday and a variety of other holidays recognizing other people, but nothing for themselves. Andersen decided to recognize each employee's value to the company by giving each a holiday on his or her birthday.

The idea was a hit. It was reported in newspapers around the country and quickly became a popular benefit at many companies.

It was a typical Andersen idea: It was innovative and warm-hearted and helped cement employee loyalty.

That's the sort of imaginative thinking and selfless approach that has made Andersen one of Minnesota's most popular public figures. He is a businessman and newspaper publisher and former governor, legislator, University of Minnesota regent, foundation president and member of numerous civic organizations.

"Usually historians are hestitant to say anything about living people, but in Elmer's case, there's no reason to wait," said Nina Archabal, director of the Minnesota Historical Society. "His accomplishments are so extraordinary on so many levels—in government, politics, the environment, education, philanthropy, the standards that he set for business. I can't think of another person in Minnesota history who represents that range and level of interests and accomplishments."

Gov. Rudy Perpich said Andersen was the most politically independent, centrist and open-minded governor in the state's history. "He had it all," Perpich said.

Andersen's friend Wheelock Whitney calls him "Minnesota's No. 1 citizen."

That's why all Minnesotans are invited to celebrate Andersen's 80th birthday on the front steps of the state Capitol on Friday.

Andersen is eager to see old acquaintances at the party.

"At 80, what really matters are family and friends," he said in an interview last week.

"It's wonderful to be 80. You're not a callow 20, a frustrated 30, a disappointed 40, an overweight 50 or a pill-ridden 60. All is wiped away, and you're a wise 80, and it's beautiful."

Born in Chicago on June 17, 1909, Andersen grew up in Muskegon, Mich. His parents both died when he was 14, and he worked as a paper boy and door-to-door salesman while attending high school and Muskegon Junior College.

After graduating from junior college in 1928, he arrived in St. Paul as a traveling salesman and fell in love with the Twin Cities. The next year, he enrolled at the University of Minnesota's school of business administration.

"I had three reasons for going to college," he recalled. "One was I wanted to find someone to marry, and I thought, boy, there's got to be a lot of wonderful young women over at that university.

"The second reason was to get a degree for protective purposes. I didn't want some guy to be pushed ahead of me because he had a degree and I didn't.

"My third reason was that I wanted to have a little college fun. I had been working steadily since I was 14—weekends, vacations, nights, whenever I could—and I had gotten ahead a little financially and thought I deserved to enjoy life a little."

During his first week at the university, he spotted "a spectacularly beautiful blonde woman" named Eleanor Johnson at a Lutheran student reception. They were married during his senior year. He also found time to serve as editor of the business school's newspaper, class president and member of the debate team.

In 1934, after two years of traveling as a salesman and being away from his wife, Andersen settled down and joined Fuller, "a little paste outfit," his previous boss called it. He became the firm's president in 1941.

That's where he honed a philosophy of business that differs markedly from the corporate raiders who dominate the news today.

"The only consideration, it seems to me, in all these takeovers is who's going to pay the shareholders the highest price. That's the big deal," he said. "Nowhere near enough consideration is given to how the customers and employees are going to come out of it.

"At Fuller, we said the first responsibility of this company is to serve customers. To be a U.S. corporation is a privilege that gives owners limited liabilities and other amenities. They only justification for giving all that to a corporation is that they produce a service or product that is a contribution to society."●

CONGRESSIONAL CALL TO CONSCIENCE VIGIL FOR SOVIET JEWS

● Mr. METZENBAUM. Mr. President, Vladimir Raiz is a refusenik. I had hoped that by this time, with the rapid changes taking place in the Soviet Union, the term "refusenik" would have become an anachronism.

Unfortunately, refusenik can still be used to describe the condition of Soviet Jewish men and women in the present tense. They are still living in fear, they are still being denied permission to emigrate, and they are still being forced to put their lives on hold.

I am sorry to say that the term "refusenik" still applies to over 600 families—more than 2,500 individuals who have applied to leave the Soviet Union.

Mr. President, the case of Vladimir Raiz, his wife Karmela, and sons Moshe and Saul is typical of the conditions of Soviet Jews. It is typical in that, amidst the veritable floodtide of exit visas that have been issued in the past year, the Raiz family lives under a cloak of fear imposed by the capricious Soviet emigration system. Although their case shares much in common with those of other refuseniks, the Raiz's situation is also unique. It is unique because of the four individual people waiting to emigrate. Over the years, refusenik has been a common title for tens of thousands of Soviet Jews. But we cannot view these people simply as numbers: These are each special individuals who continue to suffer the scourge of religious persecution.

Vladimir and Karmela Raiz first applied to emigrate from the U.S.S.R. in 1972. During the 17 intervening years, they have suffered continual harassment by the KGB, they have been subjected to prolonged interrogations, have lost their jobs—a natural consequence of applying to leave—and they have repeatedly had their appeals refused on the grounds that Vladimir's medical research exposed him to state secrets. The fact that they were able to start a family under this tremendous stress is a tribute to the Raiz's tremendous strength of character.

Mr. President, it goes without saying that Vladimir Raiz possesses no state secrets. The only work he has found since being dismissed from the Soviet Academy of Sciences in 1972 has been with the postal service. Even if he did hold a sensitive position, the knowledge is now 17 years old. The secrecy canard has been a frequent modus operandi for OVIR, the Government visa office. Karmela worked as a concert violinist with the Lithuanian State Philharmonic Orchestra. Apparently, OVIR fears the loss of Karmela's musical talent as well as Vladimir's phantom state secrets.

Mr. President, we are witnessing great changes in the Soviet attitude toward emigration, with upward of 50,000 Jews having left the U.S.S.R. in the past year. We all hope and pray that the changes are permanent, and that freedom of movement will become a simple matter of choice for Soviet citizens. There have been too many examples in the past of Soviet Jews being used as pawns in bilateral relations.

However, the changes in emigration levels must be accompanied by changes in emigration laws. The thousands of Jews who left in the past year did so because the Soviet Government decided to allow it. Emigration is still a matter of luck, a windfall arbitrarily granted by OVIR to the citizens it chooses. As Senator Henry Jackson, a great advocate for Soviet Jews, said in 1974:

> . . . We would expect that if there are 75,000 applicants there will be 75,000 visas, if there are 100,000 applicants there will be 100,000 visas, and so on.

Mr. President, there is clearly a human rights agenda yet to be fulfilled.

Mr. President, Vladimir Raiz and his family are at the top of that agenda. Most recently, one of Vladimir's former employing agencies indicated that it no longer opposes his emigration. However, he has not been informed of any change in his secrecy classification. What more does OVIR want? When will Raiz and his family get their exit visas?

While we rejoice at the recent wave of Soviet Jewish emigration, I implore my colleagues not to forget Vladimir Raiz and the many, many Soviet Jews who give the word "refusenik" painful relevancy each and every day.●

A CAPITAL GAINS DIFFERENTIAL IS VITAL FOR U.S. ECONOMIC GROWTH

● Mr. BOSCHWITZ. Mr. President, I rise today to share with my colleagues recent testimony which Charls E. Walker, the chairman of the American Council on Capital Formation, presented before the Senate Finance Committee. In his testimony, Dr. Walker makes a strong case for reinstating a capital gains differential in the Tax Code.

Mr. Walker presents data which clearly shows how the high current capital gains tax compares unfavorably with the capital gains rates of many of our rival trading partners—including Japan. In fact, according to Mr. Walker, the United States taxes capital gains at a rate higher than in most other industrialized countries. The bottom line is that Americans are at a great disadvantage when it comes to capital formation which makes the U.S. economy less competitive compared to other industrialized countries.

Dr. Walker outlines some of the benefits which a capital gains differential would provide. These benefits include improved U.S. savings rates and a reduction in the cost of capital which will encourage business startups and expansion. Furthermore, the capital formation "playing field" with our trading partners would be leveled. Clearly, a rate reduction would help the U.S. economy.

Mr. President, we need to reinstate a capital gains differential if we are going to remain competitive in world markets. President Bush recognizes this and has proposed a reduction in the capital gains rates which I support in principle. In my judgment, a reduction in the capital gains rates should primarily encourage long-term investments. That's why I have proposed legislation—S. 411—to create a two-tiered capital gains tax rate based on the length of the taxpayers capital amount holding period.

I encourage my fellow Senators to consider Mr. Walker's research carefully, and to join me in supporting a reduction in the capital gains rates.

Mr. President, I ask that Dr. Walker's testimony before the Senate Finance Committee be printed in full in the CONGRESSIONAL RECORD.

The summary follows:

A CAPITAL GAINS TAX DIFFERENTIAL IS VITAL FOR U.S. ECONOMIC GROWTH

(On April 13, ACCF President Mark A. Bloomfield testified in support of President Bush's proposal to restore a capital gains tax differential before the House Ways and Means Committee. His remarks were similar to testimony presented by ACCF Chairman Charls E. Walker when he appeared as an invited witness before the Senate Finance Committee in mid-March. The full text of Dr. Walker's testimony is available upon request. What follows is the executive summary of Mr. Bloomfield's testimony.)

EXECUTIVE SUMMARY

1. President Bush's capital gains tax initiative is an important first step toward a constructive, bipartisan dialogue on capital gains tax reform.

2. The restoration of a capital gains tax differential will benefit the U.S. economy in several important ways.

U.S. saving

The tax code contains numerous provisions which tend to encourage consumption and discourage saving. The President's proposal will help reduce the bias against saving by increasing the after-tax return on realized capital gains.

Cost of capital

The cost of capital in the U.S. is considerably higher than in Japan, West Germany, and most of our other foreign competitors. The President's proposal will reduce the cost of capital for U.S. firms. Lower capital costs promote higher investment and, ultimately, a higher standard of living.

International comparisons

U.S. capital gains taxes are among the highest in the world. Research indicates that the favorable treatment of capital gains in Germany and Japan is an important element in their lower capital costs. The President's proposal will reduce the U.S. disadvantage. (See Table 1.)

Entrepreneurial effort

Restoring a capital gains tax differential will have a particularly powerful impact on the entrepreneurial sector of the American economy, making possible new technological breakthroughs, new start-up companies, and new jobs.

3. A capital gains tax cut is "fair" in its impact on taxes paid by different income classes. The voluntary nature of the tax, historical data, and Treasury analysis show that capital gains taxes lower than current law result in higher government revenues from upper-income taxpayers because a reduced tax rate will stimulate the unlocking of their unrealized gains. Although a large percentage of capital gains is realized from these high-income taxpayers. IRS data show most taxpayers who would benefit from the Administration's proposal have low and moderate incomes. They also have a significant amount of actual capital gains. (See Chart 1.)

4. The Treasury estimate that the President's capital gains tax proposal will raise revenue can be substantiated by logic, historical experience, and recent academic and government studies. With lower capital gains taxes, taxpayers choose to realize accrued gains. When the capital gains tax was cut from 50 percent in 1978 to 20 percent in 1985, tax revenues from capital gains were 179 percent higher in 1985 than in 1978. The Treasury estimates of "elasticity" (behavioral response) are comfortably in the middle of the range of recent academic and government studies.

CHART 1.—*Who gets capital gains?*

	Percent
Non-capital-gains income: [1]	
Less than $20,000:	
Percent of returns with long-term capital gains	33.0
Share of total dollar volume of long-term capital gains	26.0
Less than $50,000:	
Percent of returns with long-term capital gains	74.0
Share of total dollar volume of long-term capital gains	44.0
Over $200,000:	
Percent of returns with long-term capital gains	1.8
Share of total dollar volume of long-term capital gains	26.2

[1] Adjusted gross income without capital gains for 1985; the major components are wage and salary income.

Source: U.S. Department of the Treasury data, March 1989. Chart prepared by the American Council for Capital Formation.

TABLE 1.—Comparison of Individual Taxation of Capital Gains on Portfolio Stock Investments in 1989

Countries	Capital gains tax rate [1]		Period to qualify for long-term gains treatment	Maximum annual net worth tax rate
	Maximum short term	Maximum long term		
Industrialized:				
United States [2]	33 percent	33 percent	1 year	None.
Australia [3]	50.25 percent	50.25 percent	1 year	None.
Belgium	Exempt	Exempt	None	None.
Canada [4]	17.51 percent	17.51 percent	None	None.
France [5]	16 percent	16 percent	None	None.
Germany [6]	56 percent	Exempt	6 mo	0.5 percent
Italy	Exempt	Exempt	None	None.
Japan [7]	5 percent	5 percent	None	None.
Netherlands	Exempt	Exempt	None	0.8 percent
Sweden	45 percent	18 percent	2 years	3 percent
United Kingdom [8]	40 percent	40 percent	None	None.
Pacific basin:				
Hong Kong	Exempt	Exempt	None	None.
Indonesia	35 percent	35 percent	None	None.
Malaysia	Exempt	Exempt	None	None.
Singapore	Exempt	Exempt	None	None.
South Korea	Exempt	Exempt	None	None.
Taiwan	Exempt	Exempt	None	None.

[1] State, provincial and local tax rates not included.

[2] The nominal tax rate for long- and short-term capital gains is 28 percent. The marginal rate, however, rises to 33 percent for joint returns between $74,850 and $155,370 and for single returns between $44,900 and $93,130 for calendar year 1989.

[3] Indexing is allowed on long-term gains.

[4] Canadian residents are allowed an annual capital gains exemption of Canadian $30,000 ($22,998—see footnote 2) subject to a cumulative exemption of up to Canadian $500,000 ($383,300 based on exchange rates of Mar. 31, 1987) in 1990.

[5] Gains from proceeds of up to FF 272,000 ($45,288 based on exchange rates of Mar. 31, 1987) are exempt from taxation in a given taxable year.

[6] The first DM 1,000 ($554 based on exchange rates of Mar. 31, 1987) of short-term capital gains is exempt from tax.

[7] Japan's tax reform plan, which takes effect in 1989, imposes a maximum tax of approximately 5 percent on the sale of securities.

[8] Only gains and losses accrued since 1982 will be taxed; gains since 1982 are indexed.

Source: Prepared by Arthur Andersen & Co. for the Securities Industry Association; updated by the ACCF Center for Policy Research, March 1989.

BUDGET SCOREKEEPING REPORT

● Mr. SASSER. Mr. President, I hereby submit to the Senate the latest budget scorekeeping report for fiscal year 1989, prepared by the Congressional Budget Office in response to section 308(b) of the Congressional Budget Act of 1974, as amended. This report was prepared consistent with standard scorekeeping conventions. This report also serves as the scorekeeping report for the purposes of section 311 of the Budget Act.

This report shows that current level spending is over the budget resolution by $0.9 billion in budget authority, and over the budget resolution by $0.4 billion in outlays. Current level is under the revenue floor by $0.3 billion.

The current estimate of the deficit for purposes of calculating the maximum deficit amount under section 311(a) of the Budget Act is $135.7 billion, $0.3 billion below the maximum deficit amount for 1988 of $136 billion.

The report follows:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, June 12, 1989.

Hon. JIM SASSER,
Chairman, Committee on the Budget, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The attached report shows the effects of congressional action on the budget for fiscal year 1989 and is current through June 9, 1989. The estimates of budget authority, outlays, and revenues are consistent with the technical and economic assumptions of the most recent budget resolution, for fiscal year 1989, House Concurrent Resolution 268. This report is submitted under section 308(b) and in aid of section 311 of the Congressional Budget Act, as amended, and meets the requirements for Senate scorekeeping of section 5 of Senate Concurrent Resolution 32, the 1986 first concurrent resolution on the budget.

Since my last report, Congress has taken no action that affects the current level of spending or revenues.

Sincerely,

ROBERT D. REISCHAUER,
Director.

CBO WEEKLY SCOREKEEPING REPORT FOR THE U.S. SENATE, 101ST CONG., 1ST SESS., AS OF JUNE 9, 1989

[In billions of dollars]

	Current level [1]	Budget resolution H. Con. Res. 268 [2]	Current level +/− resolution
FISCAL YEAR 1989			
Budget authority	1,233.0	1,232.1	0.9
Outlays	1,100.1	1,099.8	.4
Revenues	964.4	964.7	−.3
Debt subject to limit	2,772.5	[3] 2,824.7	−52.2
Direct loan obligations	24.4	28.3	−3.9
Guaranteed loan commitments	111.0	111.0	
Deficit	135.7	[4] 136.0	[5] −.3

[1] The current level represents the estimated revenue and direct spending effects (budget authority and outlays) of all legislation that Congress has enacted in this or previous sessions or sent to the President for his approval and is consistent with the technical and economic assumptions of H. Con. Res. 268. In addition, estimates are included of the direct spending effects for all entitlement or other mandatory programs requiring annual appropriations under current law even though the appropriations have not been made. The current level of debt subject to limit reflects the latest U.S. Treasury information on public debt transactions.

[2] In accordance with sec. 5(a)(b) the levels of budget authority, outlays, and revenues have been revised for Catastrophic Health Care (Public Law 100-360).

[3] The permanent statutory debt limit is $2,800 billion.

[4] Maximum deficit amount [MDA] in accordance with section 3(7)(D) of the Congressional Budget Act, as amended.

[5] Current level plus or minus MDA.

PARLIAMENTARIAN STATUS REPORT 101ST CONG., 1ST SESS., SENATE SUPPORTING DETAIL, FISCAL YEAR 1989 AS OF CLOSE OF BUSINESS JUNE 9, 1989

[In millions of dollars]

	Budget authority	Outlays	Revenues
I. Enacted in previous sessions:			
Revenues			964,434
Permanent appropriations and trust funds	874,205	724,990	
Other appropriations	594,475	609,327	
Offsetting receipts	−218,335	−218,335	
Total enacted in previous sessions	1,250,345	1,115,982	964,434
II. Enacted this session:			
Adjust the purchase price for nonfat dry dairy products (Public Law 101–7)		−10	
Implementation of the Bipartisan Accord on Central America (Public Law 101–14)	−11		
Total enacted this session	−11	−10	
III. Continuing resolution authority			
IV. Conference agreements ratified by both Houses			
V. Entitlement authority and other mandatory items requiring further appropriation action:			
Dairy indemnity programs	(2)	(2)	
Special milk	4		
Food Stamp Programs	253		
Federal crop insurance corporation fund	144		
Compact of free association	1	1	
Federal unemployment benefits and allowances	31	31	
Worker training	32	32	
Special benefits	37	37	
Payments to the Farm Credit System	35	35	
Payment to the civil service retirement and disability trust fund [1]	(85)	(85)	
Payment to hazardous substance superfund [1]	(99)	(99)	
Supplementary security income	201	201	
Special benefits for disabled coal miners	3		
Medicaid:			
Public Law 100–360	45	45	
Public Law 100–485	10	10	
Family support payments to States:			
Previous law	355	355	
Public Law 100–485	63	63	
Veteran's Compensation COLA (Public Law 100–678)	345	311	
Total entitlement authority	1,559	1,121	
VI. Adjustment for economic and technical assumptions	−18,925	−16,990	
Total current level as of June 9, 1989	1,232,969	1,100,103	964,434
1989 budget resolution H. Con. Res. 268	1,232,050	1,099,750	964,700
Amount remaining:			
Over budget resolution	919	353	
Under budget resolution			266

[1] Interfund transactions do not add to budget totals.
[2] Less than $500 thousand.

Note.—Numbers may not add due to rounding.●

JAPANESE TRADE PRACTICES

● Mr. BOSCHWITZ. Mr. President, the United States Trade Representative recently placed Japan on its list of super 301 countries with unfair trading practices. At the same time, it announced the formation of an interagency committee to propose negotiations with Japan on impediments to expanded United States trade. To be included in these talks would be subjects such as anticompetitive practices of Japanese businesses in the Japanese market. I wish to commend the administration on these initial steps, because it recognize the problems as significant.

On a related point, the Washington Post recently featured an article written by my good friend T. Boone Pickens, describing his experiences in investing in a Japanese manufacturing firm. It is an excellent account of the difficulties faced by Americans trying to invest in Japan and the differences in our business systems.

Because only a small percentage of a Japanese company's stock is freely traded and most shares are controlled by an informally closed system of interlocking corporate ownership, it is difficult for outside investors to make a serious investment in a Japanese company. Nevertheless, Boone managed to purchase 20 percent of the stock of Koito Manufacturing Co., which makes interior lights for automobiles and aircraft. He quickly found his presence as an outsider decidely unwelcome. Although he is the largest single shareholder, Boone was denied representation on the board of directors, at the same time that a Japanese investor with 5 percent of the stock was given a seat. The registration of his stock was delayed until the deadline for voting in the June stockholders meeting had passed. And at this meeting, Boone will not be allowed to attend with anyone but an interpreter.

If a businessman with as much experience and as many resources as T. Boone Pickens has such difficulty in dealing with Japan, Mr. President, what an we expect of our smaller and less experienced companies? How are American firms, accustomed to open, fair competition, going to break into the Japanese market? The United States Trade Representative's 1989 national trade estimate report on foreign trade barriers details a myriad of unfair trading practices in Japan. I support the administration in its effort to widen trade negotiations with Japan, for it appears that only through such efforts can we hope to achieve some sort of balanced trading relationship with that country.

Mr. President, I ask that the attached article by T. Boone Pickens in the June 4, 1989, Washington Post be printed in the RECORD.

The article follows:

[From the Washington Post, June 4, 1989]

T. BOONE TAKES ON TOKYO: HOW A CORPORATE DEALMAKER LEARNED THAT JAPAN DOESN'T PLAY BY TEXAS RULES

(By T. Boone Pickens)

Maybe I should have been worried when I got off the bullet train in Tokyo on April 16 and picked up a newspaper. I was amazed to read that the Japanese press was comparing my recent investment in a Japanese manufacturing firm and my trip to Japan with the historic "Black Ships in the Harbor" visit by another American, Commodore Matthew Perry, in 1853. Perry's visit forced Japan's economy to open to the outside world.

I'm not trying to sell the idea that T. Boone Pickens was so naive as not to have considered cultural and symbolic issues before acquiring, in March of this year, almost a billion dollars' worth of stocks in Koito Manufacturing Co., a Japanese supplier of automobile lighting. Still, I had observed how over the past decade the Japanese, with relative ease, invested billions of dollars in the American economy, and I took it almost for granted that our investment in Japan would be received similarly.

After all, I have been giving speeches since the early 1980s about the emerging global economy and the opportunities it would offer for U.S. as well as foreign investors. I can hear myself now. I would say that American executives should quit whining for protection and get back to the workbench and compete. I said I was skeptical about claims that countries like Japan played by two sets of rules, one for their home companies and another for ours. I said that with the right corporate leadership, all you would have to do is show us the court, tell us the rules, and Americans could win most of the time.

It was always a popular speech. I gave it, for example, to a middle management seminar at Harvard in 1986. There were about 30 managers from Japanese companies in the class. They grinned broadly throughout the speech and came up to me afterward to register their complete agreement. I think I understand better now what it was they were smiling about. The reason for my new understanding is this: When I visited Japan back in April, I got a first-hand introduction to what it is like to do business—wait a minute—to try to do business in Japan.

After my unexpected welcome in the press, my second tip-off to the fact that it wouldn't be business-as-usual came when I walked into a luncheon to deliver a speech to the American Chamber of Commerce at Tokyo's New Otani Hotel. The crowd was so large that they had to change rooms to accommodate it. I learned later from the Japanese press that the press conference that followed was the largest in Japanese business history.

What amazed me most, however, were the quizzical looks we received when my wife Bea accompanied me to the table from which my partner Sidney Tassin and I would answer the media's questions. It's well known that women are not included in Japanese business circles, but I didn't realize that a woman's presence in today's world would draw such attention. After all, it seemed natural that Bea would be by my side. She was there in 1976 when Mesa tested its discovery well off the coast of Scotland in the North Sea. She was there when I addressed Gulf Oil's shareholders in 1983. In fact, Bea has been at my side at every major juncture in my career since our marriage in 1972.

This reaction struck home not just because it ran contrary to American instincts, but because I was involved in one of the largest business transactions of my career. And I was quickly coming to realize that it involved conflicts of culture and custom the likes of which I had never experienced—and I have experienced some pretty good clashes of culture with entrenched management in this country.

Through shares in Japanese companies are ostensibly traded freely on world markets, a clubby system of interlocking ownership governed by an unwritten corporate

code ensures that control of these companies will remain in Japanese hands. It also ensures that stocks on the Tokyo Stock Exchange trade at unusually high multiplies of share price to earnings because only a small percentage of a company's shares actually trades freely.

In a typical Japanese public company, 60 to 80 percent of its shares are held by what is known as a *kierestu*—a web of "stable" stockholders, most of whom either do business directly with the company or with one of the company's major holders. Koito is a classic case. Toyota Motor Corp. owns 19 percent of Koito's shares—and at the same time is Koito's largest customer, buying almost half of its products. Another 40 percent is held by Koito's other customers, banks, insurance companies and suppliers. These stockholders do not expect to make money through the stock, but through the business relationships that come with being a member of the club.

The opportunity to purchase a 20 percent interest in Koito was unique: It was the first time in history that a major block of shares in a Japanese company had become available to an outsider without the approval of the kieretsu. We purchased the stock from a Japanese investor who had accumulated it from various sources, including disgruntled members of Koito's founding family.

The press reports that the Japanese markets were "stunned" by our investment caught me by surprise. I saw it as an unusual, but fairly straightforward, transaction posing no threat to Koito management. Our intention was to obtain representation on the company's board and to play a constructive role in planning Koito's future, especially in expanding its customer and operating base in America and Europe. We had no thoughts of taking over the company—that would be impossible given the structure of Koito's ownership. Nor did we have any plans for accepting greenmail, despite rumors to the contrary. In an April 19 letter, we expressed all these assurances, and requested a meeting with Koito's management.

The first roadblock we came to was Koito's concern about the completeness of our filings. We had consulted the Japanese Ministry of Finance and Ministry of International Trade and Industry on our transaction and had been assured that our filings were complete. Still, by March 31, the last day on which ownership entitled us to vote at the June stockholders meeting, Koito had not registered our stock. When we got to the bottom of the matter, it rested on Koito's complaint that we had failed to note that Koito did business with a "sensitive" national security-related industry because it produced inferior lighting for aircraft. Sensitive? Maybe they don't realize that American planes have interior lights too.

By the time we left for Japan on April 15 for my speech to the Chamber of Commerce, Koito had still not registered our stock or agreed to a meeting. Finally, on the day of the speech, Koito—having failed to convince the Japanese government that our filings were incomplete or inaccurate—agreed to register the stock in the name of Boone Co., a private company through which the investment was made. After the press conference, our Japanese lawyer received word that Koito would meet with us.

The next morning we met with Takao Matsuura, Koito's president, and other Koito representatives. After exchanging pleasantries, and briefly discussing Koito's U.S. operations, Matsuura stated that he was glad to have this first meeting but he did not want to address any "difficult" questions. He explained that in Japan, a first meeting was often just an exchange of business cards. But, objected my partner, Signey Tassin, we had come a long way, and none of our few questions seemed to us particularly difficult.

We asked for the date and time of Koito's annual shareholders meeting, and we asked to be allowed to send observers to their next board of directors meeting. Finally, we asked for representation on Koito's board of directors equal to that of their other large shareholder, Toyota, which has three representatives.

With this last question Matsuura stiffened. The Koito managers did a lot of talking and exchanged disdainful looks. In the end, all we got was the date and time of the shareholders meeting—10 a.m. on June 29.

As to the other questions, we were told that we didn't understand Japan's prevailing custom and practice. "In the future," said Matsuura, "we [Koito] would consider thinking about whether you [Boone Co. representatives] could be on the board. But we are not saying you could be."

To this I responded, "I am hearing that you do not consider us owners. That we have to work our way in. I understand your custom but not the logic."

Matsuura replied, "We have a different system. This will take time, trust must be built, logic is hard to explain. . . ."

They asked that we send a formal letter requesting representation on the board for "full consideration." I was about to learn that the Japanese notion of trust isn't much like the one we know in Texas.

Finally, Matsuura asked that we not discuss with the press what went on in the meeting—that we honor the Japanese custom of portraying the first meeting as cordial and introductory. We were not trying to put Koito's management in an uncomfortable position, so we agreed; and when I was later met by the press, I honored Matsuura's request.

We went directly from the meeting to Tokyo's Narita airport for the 10-hour flight back home. Upon arriving in Texas, we learned that Koito had held a press conference shortly after our meeting to announce that we had requested board representation and that our request had been turned down. So much for the required portrayal of first meetings—or for giving our request "full consideration."

Nevertheless, we went ahead and sent a formal request on April 21. We also asked that four representatives of Boone Co., including an interpreter, be allowed to attend the June 29 shareholders meeting. The first response we received was that Koito management was using its "best efforts" to accommodate the request—at the same time that Tokyo's financial press was reporting that our requests have been rejected. Then on May 23, we got a letter saying that it would be all right if I came to the stockholders meeting with an interpreter—but no one else!

I wonder what Matsurra meant by "building trust?"

At the same time, Koito denied our request for representation on their board. Yet at the very same meeting where the decision was made, Koito directors voted to add a new director to represent Matsushita Corp., a Japanese company with only a 5 percent holding in Koito stock, compared with Boone Co.'s 20.2 percent holding.

It's becoming very clear that Koito's management does not want me or any Boone Co. representatives on the inside. But why? We are requesting three seats. With Koito's 20-member board, we couldn't be a threat. What could we do to disrupt the company, and why would we want to? With a 20 percent investment, our interests are the same as all the shareholders and Koito's managers—to maximize Koito's potential.

Admittedly, I'm a four-day wonder on the subject of Japan (though negotiation of the purchase agreement did involve 10 lengthy meetings over four months), but I have come to the conclusion that investment between our two countries is not a two-way street. Every day we read about a Japanese company or investor making a major investment in American real estate or taking over an American corporation. I see that as healthy—but only if Americans have the same opportunities to invest with full rights in Japan. What makes this problem so tough to deal with is that the most powerful impediments are not legal restrictions but silent barriers produced by nationalistic custom and practice.

As the world's second largest economy, Japan wants to live by a double standard. It wants open markets in which to sell and invest, but it doesn't want to provide the openness at home on which stable global trading relationships must depend in the long run. In fact, after getting a glimpse of their financial structure, I don't buy all the rhetoric about how the Japanese are long-term thinkers. Their policy of exclusion is the shortest of short-term strategies. If Japan expects to go into the next century with a closed system, it's not going to work—especially when the rest of the world is headed in another direction.

I am convinced that Japan will never be a meaningful market for our products, and our $55 billion trade imbalance will not be reduced, until its financial markets—along with its whole approach to trade—are restructured. That's why I was delighted to read the week before last that, in deciding to list Japan as an "unfair trader" under Sec. 301 of the Trade Act, President Bush has also proposed undertaking wide-ranging talks with Japan aimed at altering "structural impediments to trade." This means truly free markets where shares are not locked up to facilitate clubby economic relationships but are bought and sold freely based on an underlying system of risks and rewards.

We plan to do our part by pressing on until we receive full and equal treatment commensurate with Koito's Japanese shareholders. I am looking forward to attending Koito's annual shareholders meeting on June 29 with my interpreter to let me know what's going on. And, I expect that Bea will join me.●

NATIONAL VALUES AND PRIORITIES

● Mr. KERREY. Mr. President, the mail that comes into our offices daily from our constituents is an important anchor for us. It enables us to keep in touch with the people we represent and provides us with a base from which to work. These letters help guide us, motivate us, and inspire us as we attempt to make this Nation and this world a better place.

But occasionally a letter arrives that touches us dramatically; that conveys

a message better than we could ever hope to.

I was fortunate to receive such a letter from a fellow Nebraskan, Lisa Shulman. This brave and thoughtful 17-year-old woman writes about our national values and priorities with an insight and clarity that I believe should impress, educate, and inspire each of us. Mr. President, I ask that Ms. Shulman's letter be printed in the RECORD, and I encourage all of my colleagues to read this letter, and benefit from Ms. Shulman's eloquent wisdom and insight.

The letter follows:

OMAHA, NE,
February 3, 1989.

Senator BOB KERREY,
194 Dirksen Building, Washington, DC.

DEAR SENATOR KERREY: As I sit at the dinner table each night with my parents, I am constantly reminded of the tragedy and plight of the human situations throughout the world as they are relayed to us through the network news. After listening to these types of things night after night, one tends to build up an immunity to them: rarely does any one story stand out to me.

However, on the February 2nd broadcast of NBC Nightly News, my attention was drawn to John Chancellor's commentary. He was addressing the problem of technological advancement in the U.S. as compared to that of Japan and West Germany, where the governments contribute largely to their country's research and development programs. He believed that the reason the U.S. was falling behind in the technology race was its lack of funding in that area: funding that was being spent on military advancements should perhaps be used to fund the research and development of consumer goods.

Later in the broadcast was a story about the small town of Blue Hill, Mississippi, where its residents were living, in 1989, as they always had—without running water or indoor plumbing. Imagine, in a time when my friends and I face computers, compact discs, and automatic ice-makers as everyday facts of life, that people in this supposedly wonderful nation are driving 35 miles a day to gather buckets of creek water just to take a bath! This not only frustrates me, but as an American, embarrasses me. Our government spends billions of dollars to build mechanisms to defend us in case of a war that we aren't even sure will ever happen, yet won't spend the money to give 2% of its population a standard of living that the other 98% practically take for granted. To me, this is absurd. If the government were to cut back just a small fraction of its defense spending and use that money to raise the standard of living not only of its own unfortunate, but perhaps, someday, for the world.

I am not what I would consider a great follower of politics and the many things that go on in our government each day. There are a lot of things that I don't know or understand, and I realize that what may sound like the ideal solution may not always be such. But I know that it is possible to overcome obstacles that lay in our path. When I was twelve I was diagnosed with cancer and though the battle has been long and hard, I have managed to come out winning so far (I am now seventeen). Were it not for the technology that we have, I would probably not be alive today. But just because I have survived does not mean that research for the cause and cure of cancer should stop. Likewise, just because our Nation has prospered or made a few advancements does not mean that we should delay further achievements. If our government continues to spend money on defending its people instead of enriching the projects that contribute to their well-being, it may someday have nothing to defend.

Sincerely yours,

LISA SHULMAN.●

DEDICATION OF THE GUS J. SOLOMON U.S. COURTHOUSE

●Mr. HATFIELD. Mr. President, on April 28, 1989, I had the honor and privilege of attending a ceremony which celebrated the renaming of the U.S. courthouse in Portland, OR, in honor of the late Judge Gus J. Solomon. The ceremony was attended by Judge Solomon's family, Gov. Neil Goldschmidt, Congressman LES AUCOIN, jurists from around the country and a host of dignitaries and friends.

The late Judge Solomon was an inspiration to everyone who had the pleasure of knowing him. He was a dedicated and honest man with a keen intellect and a fierce love of the law. His life was most eloquently honored by an address given by Stephen Gillers, a friend and former law clerk who is now a professor of law at New York University.

Mr. President, in honor of the late Judge Solomon, I ask that the comments of Professor Gillers be printed in the RECORD.

The comments follow:

Libby, Chief Judge Panner, Chief Judge Goodwin, Senator Hatfield, Congressman AuCoin, Governor Goldschmidt, relatives, friends and guests:

We gather today to place Gus J. Solomon's name on this stately courthouse. Gus Solomon worked here for more than thirty-five years, advancing the law in conscientious service to the United States and to the people of Oregon. I want to share with you some of my memories of this building and of Gus.

I spent a lot of time here: mornings, afternoons, evenings, Saturdays, Sundays. More Saturdays. Researching, writing, arguing, researching some more. Arguing some more. Gus worked hard and his clerks worked almost as hard.

I recall that Ted Goodwin was appointed to the district court during my clerkship year, after the elevation of Judge Kilkenny to the Ninth Circuit. At about that time, Judge Solomon had a case in which a man who owned a store in Portland had been convicted in state court of selling obscene books.

Paul Meyer represented the man in a First Amendment challenge to the conviction in federal court. "We" got the case and it was my dubious assignment to read all nine of the books that had been the subject of the criminal trial.

I did and found them without any redeeming literary value whatsoever, but also boring and in no sense obscene under what was then the Supreme Court's Roth test. Judge Solomon agreed and vacated the conviction, a decision the Ninth Circuit affirmed en banc.

At about that time Judge Goodwin had lunch (arranged by Gus) with all the district court clerks. I told him about this case. I remember Judge Goodwin's observation that, throughout history, elite groups in society used terms like "obscene," "blasphemous" and "seditious" to exercise control over the entertainment and diversions of the masses.

I recall my astonishment and joy at hearing a class-conscious view of history from a federal judge—and a Republican no less. I began to see the wisdom of the life tenure provision of Article III of the Constitution. And I realized that President Nixon had no chance of radically altering the federal bench—no President does.

The last time I was in this courthouse with Governor Goldschmidt he was a Legal Aid lawyer. He appeared before Judge Solomon on behalf of a class of tenants challenging the conduct of a public housing authority. I remember thinking that Neil's efforts for his indigent clients represented the purest and most noble work a lawyer could pursue. I could not imagine where Neil could possibly go, or want to go, from there. He could imagine, of course, and I have been proud and happy to watch his career from the sidelines.

But I bet if you asked Neil over a couple of glasses of Oregon wine, late at night, he'd admit that representing legally indigent people as a Legal Aid lawyer twenty years ago offered him some of the deepest professional satisfactions he has ever had.

Those are some of my memories of this building, and two of the people here today. Now I want to say a word about this dedication.

There's an old joke about the first Solomon, King Solomon. It goes this way: The Lord came to Solomon and offered him one of three choices. Solomon could have either wisdom, or fame, or wealth. Solomon chose wisdom and the Lord gave him wisdom. And, once wise, Solomon realized that he should have picked wealth.

The American public expects its judges to be wise but not wealthy. Today a federal judge's salary is less in real dollars than it was twenty years ago when I was a clerk. (A clerk's salary is also less.) My students earn more in the first year or two after graduation than do federal judges with thirty years experience.

What I see is a public ambivalence about the judiciary. On one hand, the public has deep regard for its judges collectively. Judges are probably the one group of officials about whom the public is willing to suspend the reflexive suspicion and cynicism often reserved for other categories of officeholders.

On the other hand, judges also take their share of undeserved blame. They are easy to scapegoat because they live and work under constraints that do not encumber the rest of us. For example, judges are often blamed for high crime rates. That's about as fair as blaming the weather forecaster for a storm or the family doctor for a flu epidemic.

Perhaps most interesting, given our purpose here today, is that judges are largely anonymous. The public is not generally aware of the identities of the particular men and women who set on its courts. For example, in this time when the national debate over Roe v. Wade is at a peak, probably very few members of the public can identify the Justice who wrote the opinion. I think, too, that most members of the public, even those

who consider themselves well informed, would be unable to name a majority of the judges of the United States or their state supreme courts.

The public's ambivalence about judges and the individual anonymity of judges may partly explain why it is so rare for the people, through their elected representatives, to name a building after a judge. Indeed, if it were not rare, our Supreme Court building in Washington would long ago have been named for Chief Justice John Marshall. The very rarity of our purpose here today therefore bespeaks Judge Solomon's importance to the people of this state.

Gus Solomon was, of course, decidedly not anonymous. Nor were Oregonians ambivalent in their fondness for him. Gus was a son of this state and this city. As lawyer, judge and citizen, he was visibly part of public life here for nearly six decades. I haven't done an opinion poll, but I bet that for the man or woman on the street, Judge Solomon's name recognition would set some kind of record. And outside the state, travelling, Gus was the best good will ambassador one could wish for.

It is entirely proper that the name of Gus J. Solomon should be physically linked with this building as, for so many years of his life, it was in fact linked in the minds of Oregonians.

Following Gus' funeral, I sent Edward Weinfeld, a friend of Gus' and a district judge in New York, a copy of the eulogy I gave. Judge Weinfeld, who died last year after a long and distinguished judicial career, wrote back the following letter:

"APRIL 27, 1987.

"DEAR STEVE: Thank you for sending on your moving and eloquent eulogy of my dear friend Gus Solomon. He was indeed a great man; he was a noble person and an outstanding jurist. I enjoyed reading how deeply he felt about being a District Court Judge and his relationship to his law clerks. He often talked to me about what that relationship meant to him and how proud he was of their achievements.

"As for the District Court judgeship, I read an item recently, I believe in a biography of Professor Zechariah Chafee, that William Howard Taft said that of all the public positions he held the District Court judgeship was the greatest.

"With warmest regards,

"Sincerely,

EDWARD WEINFELD."

I have imagined telling Gus that the courthouse in which he labored so long would be named after him. And I have imagined his response. At first, he'd wave it off. "Oh, they don't have to go and do that over there," he'd say.

"Well," I say in my imagination, "they're doing it anyway, and it's not because they have to. It's because they want to."

Then Gus would be silent for a moment, smile, look down, and say: "Well, heck, tell them that's a very nice thing for them to do."

Thank you.●

COMMENDING PRINCE HALL GRAND CHAPTER, ORDER OF THE EASTERN STAR

● Mr. LUGAR. Mr. President, it is my pleasure to commend Prince Hall Grand Chapter, order of the Eastern Star, jurisdiction of Indiana for their outstanding charitable work.

This grand body was organized at a conventional held in Greencastle, IN, at Rogan Hall No. 19, October 25, 1888, under the name Grand Court Order of the Eastern Star, State of Indiana.

Based on the recommendations of Charles Wills, attorney-at-law, the name of this grand body was changed in 1947 to Prince Hall Grand Chapter, order of the Eastern Star, State of Indiana.

During the Grand Session in South Bend, IN, in 1908, a resolution was passed to purchase a home for its indigent members and orphans. Subsequently 43 acres of land was purchased in Grant County near Marion, IN. Today, a small lake, pavilion, and picnic grounds provide a recreational area that is used by residents of the surrounding communities as well as members of the Prince Hall family.

Prince Hall Grand Chapter, order of the Eastern Star and its subordinate chapters have maintained a long history of providing aid to the less fortunate, providing scholarships and awards to students and are actively engaged in numerous community and civic involvements.

I would like to take this opportunity to urge my colleagues to join me in saluting this great institution.●

AMERICANS SUPPORT THE UNITED NATIONS

● Mr. KENNEDY. Mr. President, a recent Roper poll of the American public's attitudes on the United Nations reveals widespread support for the organization.

The poll shows that while the Congress continues to withhold funds from the United Nations—despite a treaty obligation to pay our assessments—60 percent of the American public believes that the United States should not withhold funds. Many Americans say we should be paying more than our current share to support a wide range of U.N. activities including improving world health care, controlling population, increasing food production, protecting the environment, and monitoring human rights violations.

Almost 50 percent of those surveyed support the use of U.N. forces in resolving international conflicts, including those in which the United States has an interest. And a majority also believe that we should abide by the decisions of the World Court, even when the Court's ruling is against the United States.

I believe this poll, which indicates strong support by the American public for the United Nations, will be of interest to my colleagues. I ask that the poll be printed in the RECORD.

The poll follows:

U.S. PUBLIC ATTITUDES ON THE UNITED NATIONS, A POLL CONDUCTED BY THE ROPER ORGANIZATION, SPONSORED BY THE UNITED NATIONS ASSOCIATION OF THE USA MARCH 1989

Q. 1. In general, do you feel that the United Nations is doing a good job or poor job in trying to solve the problems it has had to face?

	Percent
Good job	38
Poor job	29
Don't know	34

Q. 2. Do you think that the U.S. should increase or decrease its participation in the U.N.?

	Percent
Increase	34
Decrease	16
No change (volunteered)	31
Don't know	19

Q. 3. Do you think that the United States and the other U.N. member countries should provide the United Nations with more money that it has now to (read items below), or less money, or are they providing the U.N. with the right amount of money now for that purpose?

[In percent]

	More	Less	Right amount	Don't know
a. Stop disease and improve health care around the world	53	8	28	11
b. Help poor countries develop their economies	40	15	35	10
c. Slow population growth by providing birth control information and devices	48	11	30	12
d. Help increase world food production	58	7	26	9
e. Improve and protect the environment	58	6	26	10
f. Bring peace to regional conflicts	46	11	31	11
g. Provide relief to victims of disaster	53	6	32	9
h. Help manage the world's economy	31	20	36	14
i. Monitor violations of human rights throughout the world	45	12	31	12

Q. 4 (A) Should the member countries of the U.N. give or not give the United Nations the power to control the manufacture and spread of chemical weapons by the countries of the world, including the United States?

(B) What about nuclear weapons—should the U.N. have or not have the power to control the manufacture and spread of nuclear weapons in both the U.S. and other countries?

	Chemical weapons (percent)	Nuclear weapons (percent)
Should	49	46
Should not	33	36
Don't know	18	18

Q. 5 When there are conflicts among other countries where the United States has an interest, should the United States be prepared to use U.S. forces so that the conflicts are resolved the way we think they ought to be, or should we support the use of United Nations forces so that they are resolved in a way that tries to accommodate all sides?

	Percent
U.S. forces	17
U.N. forces	49
Depends (volunteered)	20
Don't know	14

Q. 6 Some say environmental problems are now worldwide and that unified international action on such things as pollution is needed. Others say different countries have

different priorities, and environmental problems should be handled on a country-by-country basis. Do you think the United States and other member countries should or should not give the United Nations more power to deal with environmental problems on a worldwide basis?

	Percent
Should	56
Should not	27
Don't know	17

Q. 7 As you may know there is an organization called the "World Court" that tries to settle international disputes peacefully among countries that accept its jurisdiction. If the World Court finds that actions by the United States Government have violated international law, should the U.S. accept the Court's decisions or should it feel free to ignore the Court's decisions if it disagrees with them?

	Percent
Accept Court's decisions	58
Ignore the Court	15
Don't know	26

Q. 8 Do you think that an international agency on trade negotiations should be given the power to settle trade disputes among nations, or should the U.S. and other countries rely on their own actions against trade competitors?

	Percent
International agency	25
Rely on own actions	54
Don't know	21

Q. 9 Do you believe that U.N. member states, including the U.S., should always pay their full dues to the U.N. on a regular basis, or should a country—perhaps even the U.S.—hold back its dues to pressure other members to agree to changes it believes are needed?

	Percent
Always pay	60
Hold back	14
Depends (vol.)	14
Don't know	12●

TRIBUTE TO ARCH PEASE

● Mr. DURENBERGER. Mr. President, it is with privilege and respect that I rise today to inform and inspire my colleagues through an article appearing in the Minnesota Star and Tribune. The article recognizes and commends the work and character of an exemplary newspaperman and fellow Minnesotan, Arch Pease. At age 80, after 43 years of leadership and initiative, the extraordinary Pease is retiring.

I believe, and I am confidant my colleagues in the Senate will share my opinion, that Arch Pease is worthy and deserving of America's thanks and recognition. Persons such as Pease exist in that rare but lofty and uncommon stratum, reserved solely for those individuals whose moral and social consciences demand fairness, equality, and keep the less fortunate in the forefront of consideration.

Pease demonstrated throughout his career an unrelenting and stubborn ability to pursue those objectives he felt in his heart to be correct, justifiable, and derived from the most distinguished motivations. Of course, this brand of bold conduct often necessitated disputes and conflicts with the dictates of politicians and authority figures. Yet, even in his seemingly disadvantaged position, Pease never backpedaled nor capitulated from his commitment to the people. In fact, no matter the weight, prestige, or relation of the foe or obstacle, Pease addressed the situation in the same manner: Do what it takes to defeat the problem, present the truth, and gain support. Furthermore, Pease always conducted himself in such a manner that gained the respect and esteem from even his worst enemies.

Pease never could be bullied from the outside. His purpose and motivation comes from within, and he is involved because he wants to be, because—my colleagues in the Senate—like other great Americans, Pease's obligations to the common benefit of the people comes above all else.

Arch Pease is not a faultfinder, a criticizer, or a complainer. He is, however, a builder and improver of the way things are and could be. Quite simply, the man constantly moved to explore the bounds of society's potential. Indeed, Arch Pease is an igniter, carving out the best atmosphere for all around him.

Mr. President, I ask that this article be inserted into the RECORD, and I hope it will serve as an inspirational path for my colleagues to observe and follow. I challenge everyone to act as Arch Pease did.

The article follows:

CONSCIENCE OF ANOKA COUNTY: PUBLISHER ARCH PEASE LAYS HIS SLINGS AND ARROWS ASIDE

(By Cheryl Johnson)

Politicians can relax. The days when Arch Pease might refer to you in print as rodents and kumquats are history.

Last week, the opinionated publishing curmudgeon of Anoka County sold his three newspapers and ad shopper in a move that means he's really retiring after two earlier tries at it.

"Haven't got anything to go back to, kiddo," said Pease, 80, as he lapsed into his familiar poker face pout.

For 41 years, Pease has been the feisty, but aloof conscience of Anoka County through the Anoka County Union, the Coon Rapids Herald and the Blaine-Spring Lake Park Life.

A player in most major decisions from the establishment of Mercy Medical Center to the Anoka County Airport. Pease has been a cheerleader for what he says was once a hillbilly county. At the same time, he has been willing to publicly whack political buddies over the head, especially when they got arrested for private foibles such as driving while intoxicated.

"Newspapers are good things," said Pease. "You can use them to swat flies, mosquitoes or politicians."

Once he labeled a politician, who had flimsy ideas, as a kumquat through Pease's favorite nonprofane name is any variation of the word rat.

"I called the Board of Regents the Board of Rodents because of the way they handle some things. Boy, I tell you, they have handled everything wrong. What the hell did they fire (Athletic Director Paul) Giel for? He didn't do anything.

"I've always liked Paul Giel * * * but * * * I told Paul this: 'Look, Paul, I supported the hell out of you when you wanted to put a roof on Memorial Stadium * * * and what did you do.' "

You got those big town guys down there in Minneapolis, Carl Pohlad, Wheelock Whitney, Curt Carlson, and pulled the rug out from under me because you decided you were going to build a dome and you were going to build it in downtown Minneapolis.

"And I said, 'That was stupid. That's a stupid act.' Called it stupid," he said with a vehemence.

Everyone was generally careful about running afoul of Pease, who was unpredictable. An oft-heard question from one commissioner to another during former County Board Chairman Al Kordiak's 32-year tenure was "I wonder what Arch would say?"

"We loved him and we feared him," said Kordiak. "We knew we could have lunch with him, shake hands and have a fine time and that the next day he might virtually blast us out of our chairs when that editorial came out. We learned to respect the man because he was deeply honest, committed."

Former County Attorney R.W. Johnson said, "I never asked him not to print something, even unflattering things. That was the quickest way to get it on the front page."

Pease was born in Anoka on Sept. 25, 1908. While he was still in Anoka High School, he was sports editor for the Anoka Union, the newspaper that his grandfather Granville Pease bought in 1866. Arch Pease later became publisher-editor-columnist-reporter-bookkeeper and also pan for the paper. He graduated from the University of Illinois in 1931 with a bachelor's degree in education.

Pease learned the importance of political connections before he went to work on the family paper.

In Missouri in the 1930s, he met a young National Guard officer named Harry Truman, to whom Pease became an aide and a life-long friend. He helped a Minnesota candidate win a congressional seat in 1940 and wound up an administrative aide in Washington, D.C., although Pease said he never wanted anything but to defeat the other guy.

Many, including Arch Pease, believe Anoka County is a better place because Pease settled there.

Kordiak—one of his best friends—said Pease has assisted in a long list of county amenities.

Without Pease's influence, Anoka County might not have been first to have a county administrator, first to have a countywide police radio dispatch system, first to have a major crimes investigation unit or have a high-quality park system. Kordiak said.

"Arch Pease was, in one way or another, back of all of (those projects)," said Kordiak. "He would support us on the County Board) editorially and the legislators paid keen attention."

Johnson said Pease always worried about losing his candor because he was friends with people who might someday be the subject of newspaper criticism.

If standing by his commitment to cover the news was hard on his friends, it also was difficult for Pease sometimes.

In November, Pease put Commissioner Nick Cenaiko's drunken driving arrest on Page 1.

"That hurt me because Nick Cenaiko is a great guy. I was asked 'maybe you can soft pedal that?" And I said I can't soft pedal that. Too many people get killed' "

Pease took a hard line on public officials driving drunk long before it was the thing to do.

That special Page 1 treatment wasn't just reserved for politicians, it also was promised to Pease employees and family members.

Pease's wife, Amy, said, "We always told our children * * * if you get into any trouble, your name is going to be on the front page. Fortunately, they didn't. But that is what would have happened."

The couple has been married 54 years.

Once, while doing volunteer work at Mercy, a patient noticed Amy Pease's name tag and asked how she could stand being married to Arch Pease. "I said, 'It's real easy' and walked out of the room," she recalled with a faint chuckle.

Living with Arch has helped Amy Pease perfect an exit. "If he got mad, I always walked away. It takes two to fight," she said.

But even as often as Pease has been willing to fight for causes, there have been occasions when he wouldn't choose sides.

Attorney Charles Weaver, Sr., a former legislator, said that the first time he ran for office he was anxious to see whom Pease would endorse. "He wrote an editorial that said nice things about both of us and suggested 'Wouldn't it be nice if it was a tie?' "

Weaver recalled. "That wasn't exactly what I was looking for because he usually took strong stances and supported candidate for both parties."

Weaver won the election. "I always looked up to Arch. I always thought he knew more about what was going on than anybody else," he said. "He pretty much always made up his own mind on things, except that he didn't look for a lot of counsel on some of the positions he took over the years."

Although Pease enjoyed taking harsh positions, he was capable of kindness. Once a young bride asked that her marriage not be noted in the paper because she was pregnant at the altar and when the vital statistics about the birth were printed everyone would know.

Pease said he put the wrong date in the paper. How'd he justify that?

"I didn't say it. It was a typographical error in the paper," he said with a smile. "* * * the stigma was on the child. You don't want the kid going through life" being called names, Pease said.

"I've had a good life," he said. "I'm living on borrowed time."

Pease learned in July that he has a recurrence of cancer, which he thought he'd licked in 1982. This time, the disease is in his bones.

He's now channeling the spirit that even he characterizes as curmudgeonly into his fight with cancer.

"I want to be remembered for the fact that we put out a newspaper, we did a good job and we kept the community informed. We became the eyes and ears of the people," said Pease. "I want this on my headstone: 'Born in Anoka, lived in Anoka, moved to Coon Rapids, died in Coon Rapids.' I've got something to look forward to." ●

COMMEMORATION OF THE BICENTENNIAL OF THE SENATE OF THE UNITED STATES

Mr. MITCHELL. Mr. President, on behalf of myself and Senator DOLE I send to the desk a resolution commemorating the Bicentennial of the U.S. Senate and I ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the resolution by title.

The legislative clerk read as follows:

A resolution (S. Res. 144) relating to the commemoration of the bicentennial of the Senate of the United States.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 144) was agreed to as follows:

S. RES. 144

Resolved,

SECTION 1. ESTABLISHMENT OF COMMISSION.

There is hereby established a Commission on the Bicentennial of the United States Senate (referred to as the "Commission") to coordinate ceremonial events and related activities as appropriate.

SEC. 2. MEMBERSHIP OF COMMISSION.

The Commission shall be composed of the following members:

(1) the President pro tempore of the Senate;

(2) the majority leader and minority leader of the Senate;

(3) three Members of the Senate to be appointed by the majority leader; and

(4) three members of the Senate to be appointed by the minority leader.

A Member of the Senate appointed pursuant to Senate Resolution 352, agreed to April 11, 1986, to serve during the 100th Congress shall serve until the termination of the Commission.

SEC. 3. CHAIRMANSHIP; QUORUM.

The Majority Leader, or his designee, shall serve as the Chairman of the Commission and the Minority Leader, or his designee, shall serve as the Vice Chairman of the Commission. Four members of the Commission shall constitute a quorum for the transaction of business.

SEC. 4. VACANCY.

Any vacancy in the membership of the Commission shall be filled in the same manner as the original appointment.

SEC. 5. DUTIES OF COMMISSION.

The Commission shall oversee the development of projects and activities as outlined in the Final Report of the Study Group on the Commemoration of the United States Senate Bicentenary. It shall seek to coordinate Senate bicentennial activities with related organizations outside the Senate, including the Commission on the United States House of Representatives Bicentenary and the Commission on the Bicentennial of the United States Constitution.

SEC. 6. STAFF AND SUPPORT.

(a) IN GENERAL.—The Commission shall have the staff support and the expertise of Senate support staff including the Senate Historical Office and the Office of Senate Curator, under the jurisdiction of the Secretary of the Senate, and the assistance of the United States Senate Commission on Art. The Chairman shall designate an Executive Secretary of the Commission.

(b) SERVICES OF CONSULTANT.—In carrying out its functions, the Commission may, with the prior approval of the Senate Committee on Rules and Administration, procure the temporary (not to exceed one year) or intermittent service of individual consultants, or organizations thereof, in the same manner and under the same conditions as a standing committee of the Senate may procure such services.

(c) GUEST SPEAKERS.—In carrying out its functions, the Commission is authorized to engage the services of guest speakers and provide such speakers (other than speakers who are Members of Congress or officers or employees of the United States) with appropriate honoraria, transportation expenses, and per diem in lieu of subsistence.

SEC. 7. PAYMENT OF EXPENSES.

(a) PAYMENT OUT OF THE CONTINGENT FUND.—The actual and necessary expenses of the Commission, including official reception and representation expenses, the employment of staff at an annual rate of pay, and the employment of consultants at a rate not to exceed the maximum daily rate for a standing committee of the Senate, shall be paid from the Contingent Fund of the Senate, out of the account of Miscellaneous Items, upon vouchers approved by the Chairman of the Commission or his designee; except that no voucher shall be required to pay the salary of any employee who is compensated at an annual rate of pay. This subsection is effective with respect to expenditures incurred on or after the date of agreement to Senate Resolution 293, 100th Congress.

(b) AUTHORITY OF THE SECRETARY OF THE SENATE.—The Secretary of the Senate is authorized to advance such sums as may be necessary to defray the expenses incurred in carrying out the provisions of this resolution.

SEC. 8. PRIVATE SECTOR TASK FORCE.

The Commission shall seek to assemble a private sector task force to explore ideas and funding from private sources for appropriate projects to commemorate the bicentennial.

SEC. 9. REPORTS.

The Commission may submit periodic reports on its activities to the Senate and shall submit a final report at the time of its termination.

SEC. 10. TERMINATION OF COMMISSION.

The Commision shall cease to exist at the end of the one hundred and first Congress.

SEC. 11. REPEAL OF SENATE RESOLUTION 352.

Senate Resolution 352, agreed to April 11, 1986, is repealed.

Mr. MITCHELL. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. JEFFORDS. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

APPOINTMENT BY THE PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The Chair, on behalf of the Acting Presi-

dent pro tempore, pursuant to Public Law 99-624, appoints the Senator from Pennsylvania [Mr. HEINZ] to the Eisenhower Centennial Commission, vice the Senator from Colorado [Mr. ARMSTRONG], resigned.

REPLICATION OF THE HOUSE OF REPRESENTATIVES TO THE ANSWER OF JUDGE WALTER L. NIXON, JR.

The PRESIDING OFFICER. The Chair submits to the Senate for printing in the Senate Journal and in the CONGRESSIONAL RECORD the Replication of the House of Representatives to the Answer of Judge Walter L. Nixon, Jr., to the articles of impeachment against Judge Nixon, pursuant to Senate Resolution 127, 101st Congress, 1st session, which replication was received by the Secretary of the Senate on June 12, 1989, and the Chair further notes for the RECORD the receipt by the Secretary of the Senate of the House of Representatives' Request for Discovery, which will be forwarded to the committee appointed under rule 11 of the Rules of Procedure and Practice in the Senate When Sitting on Impeachment Trials.

The replication is as follows:

HOUSE OF REPRESENTATIVES,
COMMITTEE ON THE JUDICIARY,
Washington, DC, June 12, 1989.

Re impeachment of Judge Walter L. Nixon, Jr.

Mr. WALTER J. STEWART,
Secretary of the Senate, U.S. Senate, Capitol Building, Washington, DC.

DEAR MR. STEWART: Enclosed please find the Replication of the House of Representatives to the Answer of Judge Nixon to the Articles of Impeachment, and the House of Representatives' Request for Discovery, for filing in the above matter.

Sincerely,

PETER E. KEITH,
Assistant Special Counsel.

[In the Senate of the United States Sitting As a Court of Impeachment]

IN RE IMPEACHMENT OF JUDGE WALTER L. NIXON, JR.

REPLICATION OF THE HOUSE OF REPRESENTATIVES TO THE ANSWER OF JUDGE WALTER L. NIXON, JR. TO THE ARTICLES OF IMPEACHMENT

The House of Representatives, through its Managers and counsel, replies to the Answer to Articles of Impeachment of Respondent, Judge Walter L. Nixon, Jr., as follows:

Article I

The first paragraph of Respondent's Answer to Article I simply summarizes that Article and requires no response by the House of Representatives.

The House of Representatives denies each and every allegation set forth in the second, third and fourth paragraphs of Respondent's Answer to Article I.

Article II

The first paragraph of Respondent's answer to Article II simply summarizes that Article and requires no response by the House of Representatives.

The House of Representatives denies each and every allegation set forth in the second and third paragraphs of Respondent's Answer to Article II.

Article III

The first paragraph of Respondent's Answer to Article III simply summarizes that Article and requires no response by the House of Representatives.

With regard to all remaining paragraphs of Respondent's Answer to Article III, the House of Representatives denies each and every allegation in the Answer that denies the acts, knowledge, intent or wrongful conduct charged against Respondent in Article III, or that otherwise suggests that Respondent's grand jury testimony and interview statements were true and correct. The House of Representatives further states that Article III properly alleges an impeachable offense, is not subject to a motion to dismiss, and should be considered and adjudicated by the Senate sitting as a Court of Impeachment. The House of Representatives incorporates by reference, in its Replication to Respondent's Answer to Article III, its response to the Answer of Respondent to Articles I and II.

1. Article III(1)

In addition to the foregoing, the House of Representatives responds to Respondent's Answer to the specific allegations of Article III(1) (A) through (G) as follows:

(A) The House of Representatives denies that the impeachment charge alleged in Article III(1)(A) is "virtually identical" to the Count II perjury charge on which Respondent was acquitted by the jury, and further denies that the jury verdict of acquittal on Count II of Respondent's criminal indictment in any way bars consideration by the Senate of Article III(1)(A).

(B) The House of Representatives denies that the impeachment charge alleged in Article III(1)(B) is "virtually identical" to the Count II perjury charge on which Respondent was acquitted by the jury, and further denies that the jury verdict of acquittal on Count II of Respondent's criminal indictment in any way bars consideration by the Senate of Article III(1)(B). The House of Representatives also denies that the allegations in subsections (A) and (B) of Article III(1) are "duplicitous and redundant." Subsections (A) and (B) of Article III allege two distinct false or misleading statements by Respondent, and both subsections should be considered and adjudicated by the Senate.

(C) The House of Representatives denies that Article III(1)(C) "does not accurately describe or refer" to actual statements by Respondent.

(D) The House of Representatives denies that the statement by Respondent referred to in Article III(1)(D) is "vague and imprecise," and states that the Senate can and should deem this to be a material false or misleading statement.

(E) The House of Representatives denies that Article III(1)(E) "distorts" or "omits material portions" of Respondent's actual statement in a "misleading manner."

(F) The House of Representatives denies that the allegations in subsection (E) and (F) of Article III(1) are "duplicitous and redundant." Subsections (E) and (F) of Article III(1) allege two distinct false or misleading statements by Respondent, and both subsections should be considered and adjudicated by the Senate.

(G) The House of Representatives denies that Article III(1)(G) "does not accurately describe" Respondent's statement during the April 1984 interview.

2. Article III(2)

In addition to the foregoing, with regard to Respondent's Answer to the specific statements alleged in Article III(2), the House of Representatives agrees that the statement of Respondent set forth in Article I is also the basis for Article III(2)(A), and that the statements of Respondent set forth in Article II are also the basis for Article III(2) (D), (F), and (G). The House of Representatives denies that the statement of Respondent set forth in Article II is also the basis for Article III(2)(E), inasmuch as the specific statement set forth in Article III(2)(E) was not an "underscored material declaration" in Count IV of Respondent's criminal indictment found by the jury to be false. However, the House of Representatives acknowledges that the statements set forth in Articles II and III(2)(E) were each part of Respondent's response during his grand jury testimony to the question, "Judge, do you have anything you want to add?"

The House of Representatives denies that Article III(2) is "multiplicitous, redundant and fundamentally unfair." Article III properly alleges an impeachable offense, is distinct from Articles I and II, and should be considered and adjudicated by the Senate. The House of Representatives denies that any portion of Article III is defective, and will oppose any motion to dismiss all or part of Article III.

The House of Representatives denies that Article III(2)(B) "distorts and misstates" Respondent's actual grand jury testimony.

First Affirmative Defense

The House of Representatives denies each and every allegation of this purported defense. The House of Representatives further states that this purported defense is not relevant to the Impeachment Articles and is insufficient as a matter of law. This purported defense of "vindictive prosecution" is a question particularly appropriate for judicial resolution and has been finally resolved by the judicial branch against Respondent without pending appeal. Respondent should thereby be estopped from raising this issue during the impeachment proceedings. The House of Representatives further asserts that such "vindictive prosecution," even if true as alleged, cannot excuse or be a defense to the misconduct by Respondent set forth in the Articles of Impeachment.

Second Affirmative Defense

The House of Representatives denies each and every allegation of this purported defense. The House of Representatives asserts that this purported defense is not relevant to the Impeachment Articles and is insufficient as a matter of law. This purported defense of prosecutorial misconduct is a question particularly appropriate for judicial resolution and has been resolved by the judicial branch against Respondent. Respondent should thereby be estopped from raising this issue during the impeachment proceedings. The House of Representatives further asserts that such prosecutorial misconduct, even if true as alleged, cannot excuse or be a defense to the misconduct by Respondent set forth in the Articles of Impeachment.

Wherefore, the House of Representatives states that each of the Articles of Impeachment presents a valid basis for removing Respondent from office. Each of the three Articles should be considered and adjudicated by the Senate.

With regard to Respondent's demand for "trial before the full United States Senate," the House of Representatives denies that Article I, Section 3 of the Constitution requires that evidence be taken by the full Senate, rather than by a Committee formed pursuant to Senate Impeachment Rule XI.

Respectfully submitted,

The U.S. House of Representatives,

ALAN I. BARON,

Special Counsel.

Managers of the House of Representatives: Jack Brooks, Don Edwards, Benjamin L. Cardin, F. James Sensenbrenner, William E. Dannemeyer.

Impeachment Trial Staff: Alan I. Baron, Special Counsel; Peter E. Keith, Assistant Special Counsel.

House Judiciary Committee Staff Participating in the Impeachment Proceedings: William Jones, General Counsel; Daniel Freeman, Counsel; Catherine A. LeRoy, Counsel; Colleen Kiko, Counsel.

RECESS UNTIL 9 A.M. TOMORROW

Mr. MITCHELL. Mr. President, I now ask unanimous consent that the Senate stand in recess under the previous order until 9 a.m. on Wednesday, June 14, 1989.

There being no objection, the Senate, at 7:31 p.m., recessed until Wednesday, June 14, 1989, at 9 a.m.

NOMINATIONS

Executive nominations received by the Secretary of the Senate after the recess of the Senate on June 9, 1989, under authority of the order of the Senate of January 3, 1989:

DEPARTMENT OF STATE

THOMAS PATRICK MELADY, OF CONNECTICUT, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE HOLY SEE.

DEPARTMENT OF JUSTICE

WILLIAM BRANIFF, OF CALIFORNIA, TO BE U.S. ATTORNEY FOR THE SOUTHERN DISTRICT OF CALIFORNIA FOR THE TERM OF 4 YEARS VICE PETER K. NUNEZ, RESIGNED.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

SKIRMA ANNA KONDRATAS, OF VIRGINIA, TO BE AN ASSISTANT SECRETARY OF HOUSING AND URBAN DEVELOPMENT, VICE JACK R. STOKVIS, RESIGNED.

U.S. INTERNATIONAL DEVELOPMENT COOPERATION AGENCY

MARK L. EDELMAN, OF MISSOURI, TO BE DEPUTY ADMINISTRATOR OF THE AGENCY FOR INTERNATIONAL DEVELOPMENT, VICE JAY F. MORRIS, RESIGNED.

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

JAMES R. THOMPSON, JR., OF ALABAMA, TO BE DEPUTY ADMINISTRATOR OF THE NATIONAL AERONAUTICS AND SPACE ADMINISTRATION, VICE DALE D. MYERS, RESIGNED.

Executive nominations received by the Senate June 13, 1989:

DEPARTMENT OF STATE

JOSEPH BERNARD GILDENHORN, OF THE DISTRICT OF COLUMBIA, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO SWITZERLAND.

DEPARTMENT OF THE INTERIOR

MARTIN LEWIS ALLDAY, OF TEXAS, TO BE SOLICITOR OF THE DEPARTMENT OF THE INTERIOR, VICE RALPH W. TARR, RESIGNED.

JOHN F. TURNER, OF WYOMING, TO BE DIRECTOR OF THE U.S. FISH AND WILDLIFE SERVICE, VICE FRANK H. DUNKLE, RESIGNED.

DEPARTMENT OF COMMERCE

DEBORAH WINCE-SMITH, OF OHIO, TO BE ASSISTANT SECRETARY OF COMMERCE FOR TECHNOLOGY POLICY, VICE D. BRUCE MERRIFIELD, RESIGNED.

IN THE ARMY

THE FOLLOWING-NAMED OFFICER TO BE PLACED ON THE RETIRED LIST IN GRADE INDICATED UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 1370:

To be general

GEN. MAXWELL R. THURMAN, [redacted] U.S. ARMY

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT TO THE GRADE INDICATED, UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 601(A), IN CONJUNCTION WITH ASSIGNMENT TO A POSITION OF IMPORTANCE AND RESPONSIBILITY DESIGNATED BY THE PRESIDENT UNDER TITLE 10, UNITED STATES CODE, SECTION 610(A):

To be general

LT. GEN. JOHN W. FOSS, [redacted], U.S. ARMY.

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT TO THE GRADE INDICATED, UNDER IN CONJUNCTION WITH ASSIGNMENT TO A POSITION OF IMPORTANCE AND RESPONSIBILITY DESIGNATED BY THE PRESIDENT UNDER TITLE 10, UNITED STATES CODE, SECTION 610(A) AND TO BE APPOINTED AS SENIOR ARMY MEMBER OF THE MILITARY STAFF COMMITTEE OF THE UNITED NATIONS UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 711.

To be lieutenant general and Army senior member of the Military Staff Committee of the United Nations

MAJ. GEN. GORDON R. SULLIVAN, [redacted] U.S. ARMY

IN THE NAVY

THE FOLLOWING NAMED OFFICER TO BE PLACED ON THE RETIRED LIST IN THE GRADE INDICATED UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 1370.

To be vice admiral

VICE ADM. JOSPEH B. WILKINSON, JR. [redacted] 1230, U.S. NAVY.

HOUSE OF REPRESENTATIVES—*Tuesday, June 13, 1989*

The House met at 12 noon.

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

May our hearts, O gracious God, be open to Your renewing spirit so that our eyes can see the opportunities for life and love and service that are all about us. May not the attention that we give to that which is immediate and necessary, keep us from lifting our hearts, our minds, and our souls to experience the boundless riches of Your grace and to share with others the goodness of all Your gifts. This 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.

PLEDGE OF ALLEGIANCE

The SPEAKER. The Chair will ask the gentleman from Kansas [Mr. GLICKMAN] to lead the House in the Pledge of Allegiance.

Mr. GLICKMAN led 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.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had passed joint resolutions and concurrent resolutions of the following titles, in which the concurrence of the House is requested:

S.J. Res. 55. Joint resolution to designate the week of October 1, 1989, through October 7, 1989, as "Mental Illness Awareness Week";

S.J. Res. 67. Joint resolution to commemorate the twenty-fifth anniversary of the Wilderness Act of 1964 which established the National Wilderness Preservation System;

S.J. Res. 73. Joint resolution to designate the week beginning October 29, 1989, as "Gaucher's Disease Awareness Week";

S.J. Res. 76. Joint resolution to designate the period commencing on June 21, 1989, and ending on June 28, 1989, as "Food Science and Technology Week";

S.J. Res. 78. Joint resolution to designate the month of November 1989 and 1990 as "National Hospice Month";

S.J. Res. 85. Joint resolution to designate the week of July 24 to July 30, 1989, as the "National Week of Recognition and Remembrance for Those Who Served in the Korean War";

S.J. Res. 95. Joint resolution to designate the week of September 10, 1989, through September 16, 1989, as "National Check-Up Week";

S.J. Res. 96. Joint resolution designating July 2, 1989, as "National Literacy Day";

S.J. Res. 105. Joint resolution to designate October 7 through October 14, 1989, as "National Week of Outreach to the Rural Disabled";

S.J. Res. 108. Joint resolution designating October 3, 1989, as "National Teacher Appreciation Day";

S.J. Res. 109. Joint resolution to designate the period commencing September 11, 1989, and ending on September 15, 1989, as "National Historically Black Colleges Week";

S.J. Res. 110. Joint resolution designating October 5, 1989, as "Raoul Wallenberg Day";

S.J. Res. 117. Joint resolution to designate the week of November 19, 1989, through November 25, 1989, and the week of November 18, 1990, through November 24, 1990, as "National Family Week";

S.J. Res. 118. Joint resolution designating October 6, 1989, as "German-American Day";

S.J. Res. 120. Joint resolution to designate the period commencing November 12, 1989, and ending November 18, 1989, as "Geography Awareness Week";

S.J. Res. 122. Joint resolution to designate October 1989 and 1990 as "National Down Syndrome Month";

S.J. Res. 124. Joint resolution to designate October as "National Quality Month";

S.J. Res. 126. Joint resolution commemorating the bicentennial of the U.S. Coast Guard;

S.J. Res. 130. Joint resolution designating February 11 through February 17, 1990, as "Vocational-Technical Education Week";

S.J. Res. 133. Joint resolution designating October 1989 as "National Domestic Violence Awareness Month";

S.J. Res. 136. Joint resolution designating August 8, 1989, as "National Neighborhood Crime Watch Day";

S.J. Res. 137. Joint resolution designating January 7, 1990, through January 13, 1990, as "National Law Enforcement Training Week";

S.J. Res. 138. Joint resolution designating October 16, 1989, and October 16, 1990, as "World Food Day";

S.J. Res. 142. Joint resolution designating the week beginning July 23, 1989, as "Lyme Disease Awareness Week";

S.J. Res. 143. Joint resolution to designate the week of December 10, 1989, through December 16, 1989, as "National Drunk and Drugged Driving Awareness Week";

S.J. Res. 146. Joint resolution designating the week of September 24, 1989, as "Religious Freedom Week";

S.J. Res. 148. Joint resolution to designate the week of October 8, 1989, through October 14, 1989, as "National Job Skills Week";

S.J. Res. 150. Joint resolution to designate August 1, 1989, as "Helsinki Human Rights Day";

S.J. Res. 151. Joint resolution to honor the U.S. Customs Service on the 200th anniversary of its establishment;

S. Con. Res. 39. Concurrent resolution to commend the group of aviators known as the "Flying Tigers" for nearly 50 years of service to the United States; and

S. Con. Res. 40. Concurrent resolution to designate June 21, 1989, as Chaney, Goodman, and Schwerner Day.

SUPPORTING MOVE FOR DEMOCRACY IN CHINA

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

Mr. MAZZOLI. Mr. Speaker, this summer it is my pleasure to have as an intern in my office Braxston Banks, a student at the University of Notre Dame. Last summer Braxston traveled to China and spent 3 weeks there and, therefore, when the events occurred recently in Tiananmen Square and throughout Beijing, Braxston was able to put these things into better perspective and to help me to frame my own thoughts on this issue.

I think what we have before us today, Mr. Speaker, in the People's Republic of China is a crisis, a situation crying for resolution, a country and a people possibly ready to explode.

The Chinese students in my home town of Louisville who attend the University of Louisville and other schools are joining in solidarity with their friends and the students in China, and I join them in that same solidarity. We must make it clear, Mr. Speaker, to the Chinese authorities that their conduct is not acceptable among civilized nations of the world and that stern sanctions must be invoked by the free peoples of the world if they do not improve the conditions for their people in China seeking demoracy and seeking freedom.

NO DEALS FOR RELEASE OF MR. FANG AND MISS LI

(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, today I read a disturbing newspaper report suggesting that the two outspoken Chinese dissidents being harbored in the American Embassy in Beijing may not be as secure in our Embassy as they thought they might be.

A headline in today's New York Times reads: "Washington wants vow that couple living in Embassy will not be harmed." That headline tells me that the American people are being prepared for some kind of deal with the Chinese Government.

The Chinese leaders can make all the vows they want, but they will never convince me that they will treat Mr. Fang and Miss Li any differently than the protesters they have arrested in the days since the Tiananmen Square massacre.

The students look to the United States as a model for human rights. Let's not disappoint them by entering into some cynical arrangement for the release of Mr. Fang and Miss Li. Secretary Baker should tell the Chinese: "No deals. America is standing by its commitments."

THE MIRACLE BASEBALL TEAM OF WICHITA STATE UNIVERSITY

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

Mr. GLICKMAN. Mr. Speaker, in the current hit movie "Field of Dreams," a fantasy takes place. The old baseball legend Shoeless Joe Jackson returns from the past to play baseball once again. It is possible for him to do this only because the movie's star, Kevin Costner, believed a fantasy could really happen and so he built a baseball field of dreams in the middle of his Iowa cornfield. After a day of playing baseball on that field with a team of other baseball legends, Shoeless Joe asks Costner, "Is this Heaven?" to which Costner replies, "No, it's Iowa."

This past weekend, another fantasy took place on a different Midwest baseball diamond; on a true field of dreams. The Wichita State University baseball team won the 1989 College World Series, and showed the world that if you are willing to dream, then fantasies really can come true. Nicknamed the Shockers to represent the shocks of wheat grown in our State, they proved that there is a different interpretation of the mascot. They shocked college baseball by becoming the first team in almost 25 years from outside the traditional baseball States of Florida, Texas, Arizona, or California to win the national championship.

It was a miracle team coached by Gene Stephenson that beat the second-seeded Texas Longhorns, and it would not have been possible without the superb pitching in the final game by the city of Wichita's own Greg Brummett. In fact, over half of the team hails from Kansas, which just proves that great baseball can be played outside of the Sun Belt. The team was also motivated by Bryant Winslow, who played much of the season with a stress fracture in his shin. Although his leg finally gave out and broke playing against Texas, he symbolized the guts and the can-do spirit of the Shockers and made everyone believe the dream was attainable.

But baseball is a team sport, and credit must go to everyone associated with this team that made this championship happen. From the assistant coaches and trainers to every single player, who in their own way contributed during the entire season, reaching this pinnacle would not have been possible without a complete team effort. Listed below is a roster of the players and coaches. Even the sports department and the faculty of the university share in this victory, for it is these leaders who teach the players that academics is just as important as athletics, and that it is possible to succeed in both sports and scholarship.

This was the second appearance in 7 years for Wichita State in the championship round of the College World Series, and last year they came within one strike of reaching the championship game. Perhaps it was that setback which caused the Shockers to set their sights on this year's championship. They dared to dream what others said was impossible, and played with a fire in their hearts that could not be put out.

After watching the Cinderella team from Wichita State University play determined, back-to-the-wall, never-say-die baseball during the 2-week long College World Series in Omaha, one had to wonder "was it Heaven?" Clearly, this time the correct response "No, it was Nebraska, and the fantasy team was the Wichita State University Shockers."

Coaches and players roster of the 1989 NCAA College World Series:

Gene Stephenson, head coach; Brent Kemnitz, pitching coach; Loren Hibbs, assistant coach; Gregg Miller, graduate assistant coach; Randy Fox, assistant trainer; Jim Audley, Jeff Bluma, Jeff Bonacquista, Greg Brummett, Brian Buzard, Pat Cedeno, Todd Dreifort, P.J. Forbes, Charlie Giaudrone, Tyler Green, Jay Haffley, Mike Jones, Mike Lansing, Morgan LeClair, Mike McDonald, Pat Meares, Jim Newlin, Darrin Paxton, Eric Wedge, Mike Wentworth, Jeff Williams, Bryant Winslow, Joey Wilson.

TRIBUTE TO GEN. JULIUS W. BECTON, JR.

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

Mr. SHUMWAY. Mr. Speaker, I ask that my colleagues join with me today in paying tribute to Gen. Julius W. Becton, Jr., as he retires from his position as Director of the Federal Emergency Management Agency [FEMA].

While none of us enjoys dealing with severe disasters, I am sure we can all agree that General Becton has made such emergencies more manageable. His leadership, experience, and combat-proven abilities under pressure made his stewardship at FEMA impressive. Regrettably, virtually all members of the California delegation have had more than one occasion to appreciate General Becton's efficiency during his tenure. Under his command, FEMA's 2,400 employees provided rapid, effective response and relief to disasters, be they natural or man-made. During his tenure, FEMA has mitigated 73 disasters and emergencies of sufficient severity to be declared eligible by the President for Federal assistance. His prioritizing has seen some $1.5 billion well applied.

General Becton has dedicated 44 years of his life to Federal service, 39 of them in the U.S. Army. His military career reflects his determination, drive, and excellence: he rose through the ranks from private to lieutenant general. His meritorious service, courage, and valor have been recognized repeatedly: he won 13 awards for meritorious service and 7 decorations for valor in combat during World War II, and the conflicts in both Korea and Vietnam.

Prior to his nomination as FEMA Director by then-President Reagan, General Becton extended his expertise around the world, through his service as Director of the Office of Foreign Disaster Assistance, Agency for International Development.

Now, General Becton will apply his knowledge and leadership in the private sector, assuming the position of senior vice president for operations with American Coastal Industries, Inc. Fortunately, he will not be moving far away, as the company is headquartered in Arlington.

I am pleased to have this opportunity to express my appreciation and commendation to Gen. Julius Becton for a job well done. Additionally, I know that my colleagues will join me in wishing the very best to him, his wife, Louise, and their family as they enter another challenging chapter in their lives.

DEATH PENALTY FOR MASS MURDERERS

(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, a decade ago Richard Speck attacked eight nurses in Chicago. He bound them one at a time; he raped three of them. Then Speck brutally executed all eight of those young ladies.

Meanwhile, there was a young Spanish-speaking nurse who rolled under-

neath the daybed and out of view and who witnessed this terrible nightmare, and later wrote a passage that we should all be cognizant of down here: "God, don't let him hear the pounding of my heart." God spared her life. She gave the testimony that convicted Richard Speck.

Now to really confuse the situation, the Illinois Bureau of Corrections and Rehabilitation 2 years later recommended that Richard Speck be sent to college as a model prisoner. That is how out of hand things have gotten.

Mr. Speaker, I have introduced a bill that will call for the death penalty for mass murderers like Speck. I think Congress should be starting to concern themselves with the victims' rights and the would-be victims, and I am asking for the support of my colleagues and the Democratic leadership for my bill, H.R. 2102.

□ 1210

The SPEAKER. The Chair is obliged to advise our guests in the gallery that much as we appreciate their attendance, any demonstration of approval or disapproval is barred by the rules of the House.

The Chair recognizes the gentleman from Wisconsin [Mr. ROTH].

ADMINISTRATION IS NOT RETREATING ON CAPITAL STANDARDS FOR S&L'S

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

Mr. ROTH. Mr. Speaker, the Washington Post today has an article stating the administration is retreating on capital standards on our savings and loan bill. This is totally inaccurate.

I have talked to people at the Department of the Treasury. There is no retreat. There is going to be no sell-out of the American taxpayer and the President is going to veto any bill that does not have a strong capital standard.

The present House bill targets 3-percent tangible assets, by 1994, that is in 5 years, is certainly not too much to require.

In the State of Wisconsin we have had over 6-percent tangible assets. That is why we have not had an S&L insolvency problem in the State of Wisconsin.

Capital is the cash that thrift institutions use to absorb bad loans and protect depositors.

The President on February 6 came before Congress and asked that in 45 days he have legislation on his desk. Now 127 days later we still do not have the bill.

It is time we act. It is costing us $10 million every day, of taxpayers' money, every day we do not act.

Mr. Speaker, I ask all the Members to take a look at the capital standards and you will see that the States that are in trouble are mostly in the negative column with capital assets. Use that as a guide when you vote on this bill.

CONDEMNING BEIJING MASSACRE

(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, on June 3 countless numbers of Chinese students and workers were wantonly slain by the Chinese Army. Since that fateful day, the world has mourned the deaths of these prodemocracy reformers—and an even greater tragedy, the loss of progress toward an open society where people could freely air their thoughts and ideas.

While the military's massacre of protestors appears to have stopped, make no mistake, Government suppression still exists in China. I would like to warn the Chinese rulers that all Americans are still aware of your violent repression. Your brutal military tactics cannot be covered up. American television may be banned from broadcasting pictures of police intimidation and the numerous arrests of innocent workers and students. But what we cannot see can still be felt. Peace in the People's Republic of China can never be attained under these repressive conditions.

I urge Deng Xiaoping: heed your own words and "Seek Truth From Facts." Throughout Chinese history, the people have repeatedly demonstrated for greater democracy. The people's desire for democracy cannot be suppressed. Allow the people of China to strive openly for reform and end this period of fear and pain.

THE BUSH CLEAN AIR PROPOSAL

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

Mr. CONTE. Mr. Speaker, yesterday, the President unveiled sweeping revisions to the Clean Air Act, addressing acid rain, urban air pollution, and toxic air.

This announcement marks the first time that any President has proposed major strengthening of our Nation's clean air law since the 1977 amendments. By all accounts, the President has changed the character and parameters of the clean air debate. No longer can we tolerate excuses or delays.

The research is done. The problem is scientifically documented. And the damage is mounting year-by-year and month-by-month.

To control acid rain, the President proposed significant reductions in sulfur dioxide emissions.

These deadly airborne killers have wreaked havoc on the lakes, streams, and reservoirs of New England. In my State of Massachusetts alone, over 200 waterways are already dead, and thousands more are on the verge of environmental extinction.

Although this plan goes a long way to addressing the devastation of acid rain and other clean air problems, not everyone interested in this issue will agree with every detail of the President's proposal.

I have some reservations myself, but with this announcement, President Bush has put clean air on the front burner of the national legislative agenda. He has opened the door for a new and revitalized clean air act.

Mr. Speaker, let us take up the President's challenge and put a strong clean air act on his desk by the end of this session. As he said yesterday, "we've seen enough of this stalemate. It's time to clear the air."

PRESIDENT BUSH GIVES THE NATION A BREATH OF FRESH AIR

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

Mr. ALEXANDER. Madam Speaker, the Nation owes President Bush its thanks for proposing a clean air plan which provides the American people with a solution to the dirty air problem in America. About three out of five Americans live in areas where breathing is hazardous to their health, according to the Environmental Protection Agency.

Nearly 100 percent of the carbon dioxide and 50 percent of the smog is caused from automotive emissions. The hazardous toxins can be eliminated from automobile emissions if Congress requires the use of clean fuels to achieve minimum health air quality standards.

We are indeed grateful to President Bush for taking the initiative to give the American people a breath of fresh air.

LET US SEND A STRONG MESSAGE TO THOSE MURDERERS

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

Mr. SOLOMON. Madam Speaker and my colleagues, last year this U.S. Government, with the approval of this Congress, approved the transfer and the licensing to the People's Republic of China, the Communist government

in China, of the know-how for launching satellites.

At that time on this floor I raised concern that we could not trust the Communist Chinese Government, and I guess with the events that have taken place these last 2 months that that certainly has come true.

Today, I am offering legislation which will prohibit that satellite launch technology agreement from going through. This will not place sanctions on the suffering Chinese people, but it will place a very strong sanction on that Government which has committed all of these atrocities, the crimes they now are denying to the world press.

I urge all of my colleagues to sponsor that legislation. Let us reconsider it and let us send that strong message to the murderers in the Great Hall of the People.

PIRACY ALIVE AND WELL IN U.S. WATERS

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

Mr. MILLER of Washington. Madam Speaker, I would like to take 1 minute to remind you and all my colleagues of tales we read as children, tales of adventurous pirates searching the oceans for riches to plunder. We may have imagined that pirates preying on American commerce was a thing of the past. Well, piracy is alive and well.

In the 17th century pirates went after gold; today they go after fish. Last week, the Coast Guard caught a Taiwanese vessel, the *Ta Chieh No. 3.* The vessel, supposedly fishing for squid, was catching salmon bound for U.S. waters. This ship was 500 miles south of the Aleutian Islands. That's far outside of legitimate squid fishing areas.

Madam Speaker, the Coast Guard has video tapes of the crew throwing trays of frozen salmon over the side of the ship. They found logs on this ship which prove that the *Ta Chieh* violated Taiwanese and international law 64 times over the past 2 years—64 times. The Coast Guard boarding party was offered a bribe to look the other way. There is mounting concern this ship is part of a well-organized fleet which is pirating our fish. It is pirating our jobs. And, Madam Speaker, it is pirating the future of our fishing industry. Such fleets operate not only out of Taiwan but out of other nations such as Korea and Japan.

Madam Speaker, the Taiwanese Government granted the Coast Guard permission to board this vessel. But, they need to do more. They need to show this Nation, the world, and the fishing industry that pirates will be caught and punished. The *Ta Chieh* should be prosecuted to the full extent of Taiwanese law.

The Government of Taiwan should take the following three steps: First, place observers aboard their fishing fleet; second, outfit their ships with transponders—finding their fleet should not be a game of hide and seek. Third, they should make their enforcement officers more readily available to our Coast Guard.

Taiwan and the United States have worked hard to build good, solid relations and we should be proud we have just that. Let's not endanger those relations by allowing this piracy to continue.

Madam Speaker, 2 years ago, I joined in cosponsoring legislation to keep foreign drift net fleets from stealing our salmon. The Taiwanese and others have flagrantly ignored this law. The time has come to stop the pirating of our fish.

CALLING ON VIETNAM TO RELEASE CAMP DETAINEES

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

Mr. INHOFE. Madam Speaker, I rise today to support House Concurrent Resolution 113 calling upon the Government of the Socialist Republic of Vietnam to expedite the release and emigration of the "reeducation" camp detainees.

□ 1220

I think we, in this country, would call many of these reeducation camps labor camps or prisons.

A year ago we had a young man who had come to the United States of America, by the name of Thi Van Nguyen. He came here to be trained in 1974 to fight for the freedom of his people. Then after a period of time went by he was detained here, of course, and could not go back in and had not seen his wife and three small children since 1974.

Last year I went to New York. I talked to the Ambassador to the United Nations of Vietnam and negotiated the release of Thi Van Nguyen's wife and three children whom he had not seen for 15 years. Thi Van Nguyen has become one of our most valuable citizens in Tulsa, OK. On Saturday, he will become a naturalized citizen.

I call upon Congress to encourage that Government to release those others trying to reunite with their families in the United States of America, because they have ended up being great and valued citizens.

BILL PROVIDING REMOVAL OF CONVICTED FEDERAL JUDGES

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

Mr. SANGMEISTER. Madam Speaker, today I will be introducing a bill to provide for the automatic removal of Federal judges who have been convicted of a serious crime.

This bill, Madam Speaker, would spare American taxpayers from paying the salary and exorbitant investigation costs that precede a convicted judge's impeachment. The American taxpayer does not deserve to bear the financial burden of an impeachment process that is too long, too redundant, and too costly in the case of convicted judges.

Recently, we considered articles of impeachment against Judge Walter Nixon. Judge Nixon was convicted of perjury in February 1986 and sentenced to 5 years in prison; however, since his conviction, he has received more than a quarter of a million dollars in salary. Madam Speaker, we should not pay Judge Nixon a salary while he resides in the Eglin Air Force Base prison camp; we should not pay for investigations that have already been conducted and needlessly linger on; and we should not stick the American taxpayer with the tab every time a Federal official betrays the public trust.

LEE ATWATER RESPONSIBLE FOR REPUBLICAN NATIONAL COMMITTEE

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

Mr. WILLIAMS. Madam Speaker, a good many of my colleagues on the Democratic side, and many Democrats throughout the country, have strenuously suggested, some demanded, that the chairman of the Republican National Committee, Lee Atwater, resign his position. Folks have suggested this primarily because Mr. Atwater's organization has put out a memo which George Bush and reportedly Mr. Atwater, as well, have called disgraceful.

Although that memo may not have been put out under Mr. Atwater's imprimatur, it nonetheless came out of the organization of which he is the chairman. I disagree with my colleagues who are saying that Mr. Atwater should resign. I do not think he should. I, personally, believe that he is the leader of a long-running strategy by the Republican Party to do precisely the type of thing that the Foley memo set out to do. So Mr. Atwater now is branded, he is tattooed. We can now, as a people, as American citizens, spot him as he

grazes out there in the valley of sleaze. We have him spotted. We ought to keep them there so we can identify the kinds of sleaze that is now coming out and probably will continue to come out of the Republican National Committee.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Ms. SLAUGHTER of New York). Pursuant to the provisions of clause 5 of rule I, the Chair announces that she will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 4 of rule XV.

Such rollcall votes, if postponed, will be taken after debate has concluded on all motions to suspend the rules.

DISTRICT OF COLUMBIA POLICE AUTHORIZATION AND EXPANSION ACT OF 1989

Mr. DELLUMS. Madam Speaker, I move to suspend the rules and pass the bill (H.R. 1502), to authorize the appropriation of funds to the District of Columbia for additional oficers and members of the Metropolitan Police Department of the District of Columbia, and to provide for the implementation in the District of Columbia of a community-oriented policing system, as amended.

The Clerk read as follows:

H.R. 1502

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 "District of Columbia Police Authorization and Expansion Act of 1989".

SEC. 2. AUTHORIZATION OF APPROPRIATIONS FOR ADDITIONAL OFFICERS AND MEMBERS FOR THE METROPOLITAN POLICE DEPARTMENT OF THE DISTRICT OF COLUMBIA.

(a) IN GENERAL.—Section 502 of the District of Columbia Self-Government and Governmental Reorganization Act is amended by adding at the end thereof the following new subsection:

"(c)(1) In addition to the amounts authorized to be appropriated under subsection (a) and subject to paragraphs (2) and (3), there are authorized to be appropriated to the District of Columbia, for salaries and expenses (including benefits and necessary equipment) of 700 additional officers and members of the Metropolitan Police Department of the District of Columbia $23,149,000 for fiscal year 1990, $23,338,000 for fiscal year 1991, $25,199,000 for fiscal year 1992, $27,252,000 for fiscal year 1993, and $28,367,000 for fiscal year 1994.

"(2) Amounts appropriated under paragraph (1) shall be available only for salaries and expenses (including benefits and necessary equipment) of officers and members of the Metropolitan Police Department of the District of Columbia in excess of the authorized level of the department for fiscal year 1989 of 4,055 officers and members.

"(3)(A) For fiscal year 1990, no funds authorized to be appropriated under paragraph (1) may be obligated or expended until 120 days after the Mayor develops and submits a plan for the implementation in the District of Columbia of a community-oriented policing system (modeled after such a system in Houston, Texas) to the Committee on the District of Columbia of the House of Representatives and the Subcommittee on General Services, Federalism and the District of Columbia of the Committee on Governmental Affairs of the U.S. Senate.

"(B) For fiscal years after 1990, no funds authorized to be appropriated under paragraph (1) may be obligated or expanded until the Mayor submits a notification to the Committee on the District of Columbia of the House of Representatives and the Subcommittee on General Services, Federalism and the District of Columbia of the Committee on Governmental Affairs of the U.S. Senate that the District of Columbia has implemented for such fiscal year a community-oriented policing system in the District of Columbia.".

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect October 1, 1989.

SEC. 3. CONSTRUCTION OF DETENTION FACILITIES.

(a) IN GENERAL.—(1) The District of Columbia shall construct a facility at the location described in subsection (c) to serve solely as a place for the detention and incarceration of individuals accused or convicted of crimes in the District of Columbia.

(2) Nothing in the National Historic Preservation Act (Public Law 89-655; 16 U.S.C. 470 et seq.) may be construed to prevent the construction of the facility referred to in paragraph (1).

(b) SUBMISSION AND APPROVAL OF DESIGN.—(1) Not later than 15 days after the date of the enactment of this Act, the District of Columbia shall submit the design for the detention facility described in subsection (a) to the Committee on the District of Columbia of the United States House of Representatives and the Subcommittee on General Services, Federalism and the District of Columbia of the Committee on Governmental Affairs of the U.S. Senate for the Committees' approval.

(2) The District of Columbia shall begin construction of the detention facility described in subsection (a) not later than 30 days after the Committee on the District of Columbia of the House of Representatives and the Subcommittee on General Services, Federalism and the District of Columbia of the Committee on Governmental Affairs of the U.S. Senate approve the design of such facility.

(c) LOCATION.—The facility described in subsection (a) shall be located on the South part of Square E-1112 as recorded in Subdivision Book 140, Page 199 in the Office of the Surveyor of the District of Columbia.

SEC. 4. STUDY OF DISTRICT OF COLUMBIA COURT RESOURCES AND UNITED STATES ATTORNEYS IN METROPOLITAN AREA.

(a) IN GENERAL.—Not later than 60 days after the date of the enactment of this Act, the Attorney General—

(1) together with the Joint Committee on Judicial Administration in the District of Columbia, shall prepare and submit to Congress a report analyzing resources available to District of Columbia courts; and

(2) together with the Judicial Conference of the United States and in consultation with the Joint Committee on Judicial Administration in the District of Columbia, shall prepare and submit to Congress a report analyzing the need for an increase in the number of United States Attorneys appointed in the District of Columbia and other judicial districts in the surrounding metropolitan area and in the number of support personnel assigned to the United States Attorneys appointed in those jurisdictions.

(b) CONTENTS OF REPORT ON D.C. COURT RESOURCES.—The report prepared and submitted under subsection (a)(1) shall include—

(1) an analysis of the feasibility of, and the costs associated with, an increase in the number of support personnel and judges assigned to District of Columbia courts;

(2) an analysis of the sufficiency of the budget, facilities, and programs available to such courts; and

(3) recommendations for possible changes in the District of Columbia Pre-Trial Detention Act, the proposed felony sentencing guidelines for the District of Columbia Superior Court, and the social services program managed by and under the direction of the District of Columbia courts.

SEC. 5. REPORT ON EFFECTS OF INCREASED D.C. LAW ENFORCEMENT EFFORTS ON CRIME IN METROPOLITAN AREA.

Not later than 60 days after the date of the enactment of this Act, the Attorney General shall prepare and submit to Congress a report analyzing the potential effects of increased efforts to eliminate drug-related criminal activity in the District of Columbia on crime and law enforcement in the metropolitan area surrounding the District, including the effects of such efforts on the caseload of prosecuting attorneys (including United States Attorneys) in such area.

SEC. 6. DEVELOPMENT OF CLASSIFICATION SYSTEM FOR INDIVIDUALS CONVICTED OF CRIMES IN DISTRICT.

(a) ASSISTANCE FROM BUREAU OF PRISONS AND NATIONAL INSTITUTE OF CORRECTIONS.—Not later than 180 days after the date of the enactment of this Act, the District of Columbia shall request the Director of the Bureau of Prisons and the Director of the National Institute of Corrections to provide the District of Columbia with technical assistance and training in the development of a criminal record-keeping and classification system, which will provide the basis for a uniform strategy for managing and evaluating the processing in the District of Columbia's criminal justice system of individuals convicted of crimes in the District of Columbia.

(b) INFORMATION INCLUDED IN SYSTEM DATA BASE.—The recordkeeping and classification system described in subsection (a) shall include a data base continuously updated to provide current information on the prison population of the District of Columbia, including, but not limited to, the following:

(1) Aggregate inmate profiles and classifications based on individual records and files.

(2) Escape and other risk assessments for individual inmates.

(3) Ongoing counts of the number of persons at various stages of processing in the criminal justice system.

(4) Projections for future prison populations.

SEC. 7. USE OF PROCEEDS OF FORFEITED PROPERTY FOR LAW ENFORCEMENT ACTIVITIES.

Section 502(d)(3)(B) of the District of Columbia Uniform Controlled Substances Act

of 1981 (Section 33-552(d)(3)(B), D.C. Code) is amended by striking "to finance programs" and inserting "to finance law enforcement activities of the District of Columbia, with any remaining balance used to finance programs".

The SPEAKER pro tempore. Is a second demanded?

Mr. BLILEY. Madam Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from California [Mr. DELLUMS] will be recognized for 20 minutes and the gentleman from Virginia [Mr. BLILEY] will be recognized for 20 minutes.

The Chair recognizes the gentleman from California [Mr. DELLUMS].

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

Madam Speaker, much has been written and much more said regarding drugs and drug-related violence in the District of Columbia. In an effort to address this problem, the Subcommittee on Fiscal Affairs and Health of the full Committee on District of Columbia, chaired by the distinguished colleague and good friend, the gentleman from Washington, DC [Mr. FAUNTROY], has held no less than seven investigative oversight and legislative hearings on this issue.

The Committee on District of Columbia, Madam Speaker, began the 101st Congress with hearings into the various questions surrounding drug use, sale, manufacturing in the District of Columbia metropolitan area. On April 12, the subcommittee voted to send to the full committee the bill, H.R. 1502, with instructions that committee staff on both sides of the aisle were to draft a version that was acceptable to all parties concerned. On April 27 of this year the full committee voted unanimously to report to the House the bill, H.R. 1502. Following discussions with staff of the Committee on the Judiciary and the Committee on Interior and Insular Affairs, certain corrective amendments were agreed to, resulting in H.R. 1502, as amended.

Madam Speaker, this bill authorizes increased appropriations for 700 additional District of Colubmia police officers. Second, it resolved a historic preservation problem in order to allow construction of a prison in the District of Columbia to proceed. Third, it requires the District of Columbia to institute a community-oriented policing system. The authorization for additional police is as follows: The bill authorizes $23.1 million for fiscal year 1990; $23.3 million for fiscal year 1991; $25.2 million for fiscal year 1992; $27.3 million for fiscal year 1993; and $28.4 million in fiscal year 1994 for 700 additional officers for the District of Columbia Metropolitan Police Department.

When added to the currently authorized level of 4,055 officers, this would bring the authorized strength of the Metropolitan Police Department up to 4,755. With respect to other provisions that I alluded to earlier, the community-oriented policing system, this measure provides that none of these additional funds can be obligated or expended until 120 days after the Mayor of the District of Columbia submits to Congress a plan to implement a community-oriented policing system in the District of Columbia. This is modeled after a system used in Houston, TX, and none of these funds may be obligated in fiscal year 1991 or thereafter until the Mayor certifies that such a system has indeed been implemented.

A community-oriented system, for those of my colleagues who are not aware, Madam Speaker, requires police officers to be assigned to the same neighborhoods and to become familiar with and work with the residents in those areas.

With respect to the District prison, Madam Speaker, the bill specifies that nothing, and I repeat nothing for the purposes of emphasis, nothing in the National Historic Preservation Act might be construed to prevent the construction of a prison in Southeast Washington, adjacent to the District of Columbia General Hospital. This provision will permit the District to go forward with the construction of an 800-bed prison at this location. The measure requires the District, within 15 days of enactment, to submit the design for the prison to the House Committee on District of Columbia and to begin construction within 30 days after the committee approves the site of the prison.

There is another provision that I have alluded to, Madam Speaker, that I would speak to at this moment. It deals with the question of the use of forfeited property.

□ 1230

The measure changes the District of Columbia Code to provide that proceeds from forfeited property will be used only to finance District of Columbia law enforcement activities. This was an amendment offered by and insisted upon by my distinguished colleague, the gentleman from Virginia [Mr. PARRIS].

Under current law, the proceeds from such property are disposed of in the general fund and thus can be used to finance any type of Government activity. This particular amendment establishes a very specific utilization of these projected funds.

There are a number of studies, Madam Speaker, that are called for in the bill, and I would address them in summary. The bill requires the Justice Department and the Joint Committee on Judicial Administration in the District of Columbia to report on the District of Columbia court resources, including an analysis of the feasibility and cost of the additional judges and support personnel. This study would include recommendations for possible changes in the District of Columbia pretrial detention act, in proposed felony sentencing, in guidelines for the District of Columbia Superior Court, and in the social services program managed by the District of Columbia courts.

The bill also requires the Justice Department to report on the effects that increased efforts to eliminate drug-related criminal activity in the District will have on crime and law enforcement in the metropolitan area, including the effect on the caseloads of prosecuting attorneys.

The measure requires the District to seek technical assistance to develop a criminal defendant record-keeping and classification system to manage and evaluate the processing of criminal defendants in the District criminal justice system.

This measure is an authorization bill, I might add, Madam Speaker, It is not covered by spending limitations in the Budget Act or in any budget resolution because it does not directly result in expenditure.

I might in closing point out, Madam Speaker, that this bill reflects the intent of the District of Columbia government and the Members of both parties. It was drafted in a true spirit of bipartisanship, and I think my distinguished colleague on the other side of the aisle will allude to that. It has been drafted in mutual respect for all of us who strive to attain a workable piece of legislation.

Madam Speaker, I would like to commend our committee staff for their diligent work in bringing us this piece of legislation. In particular, I would like to commend Johnny Barnes, senior staff counsel, Mr. Ronald C. Willis, senior staff assistant, and Mr. Mark Robertson, minority staff director.

Madam Speaker, this is an important initial step toward reducing the violence and devastation of the regional drug problem. It is aimed at the supply side of the issue. It clearly does not address the demand side. We also hope that in the future we will be able to fashion other instruments directed at education, treatment, employment, and rehabilitation that will be directed at this other side of the equation, namely, the demand side. It is our intent to provide additional resources to the District of Columbia as it moves to confront this tragedy, as indeed America moves to confront this tragedy that afflicts us all.

With that statement, Madam Speaker, I reserve the balance of my time.

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

Madam Speaker, the bill before us today is the result of a cooperative, bipartisan effort to effectively address the problems of drug-related crime and murder which have plagued our Nation's capital city for far too long now.

H.R. 1502, the District of Columbia Police Authorization and Expansion Act of 1989, was originally introduced as authorizing the appropriation of $127 million over 5 years for purposes of hiring, training, and equipping 700 additional officers for the Metropolitan Police Department. While Members of the minority all saw the need for increased law enforcement in Washington, DC, we also agreed with the vice chairman of the committee, Mr. PARRIS, that additional officers were simply not enough.

H.R. 1502, with the Parris amendments, representing sections 3 through 7 in the bill, represents what the committee unanimously regarded as a systemic approach to a systemic problem.

Section 3 of the bill eliminates any further impediments to construction of the long-awaited jail in the city, which the Congress funded in 1985. It also requires prompt committee review of the proposed design of the facility.

Section 4 of the bill seeks to address, in the short term, the current and prospective needs of the courts, and prosecutors staffs throughout the Washington metropolitan area. It also directs the U.S. Department of Justice to recommend changes in D.C.'s felony services programs offered by the superior court.

Section 5 of the bill directs the Attorney General to analyze the potential effects of increased law enforcement efforts in the District of Columbia on the level and types of crime within the surrounding jurisdictions of Virginia and Maryland.

Section 6 of the bill directs the Federal Bureau of Prisons and the National Institute of Corrections to assist the District in establishing an effective system of prisoner classification and monitoring.

Finally, section 7 amends the District Code to require that any additional financial resources made available through the seizure and forfeiture of assets be directed toward increased law enforcement activities and not into the general fund of the District of Columbia.

Madam Speaker, H.R. 1502, as amended, addresses the need for additional police and prison beds and seeks to identify the degree of need for additional court resources. The version before us represents an effective compromise worked out between the chairman, Mr. DELLUMS, and vice chairman, Mr. PARRIS. While we can all agree that this is not a perfect bill, it is clearly a significant step in the right direction and deserving of our support.

Madam Speaker, I reserve the balance of my time.

Mr. DELLUMS. Madam Speaker, I yield 5 minutes to the distinguished gentleman from the District of Columbia [Mr. FAUNTROY].

Mr. FAUNTROY. Madam Speaker, I join with the distinguished chairman of the Committee on the District of Columbia, my colleague on the other side of the aisle, Mr. BLILEY, and the other members of the committee, Democrats and Republicans, who, in a truly bipartisan spirit, voted unanimously, 11 to 0, to send this vital measure to the floor of the House. A special thanks is due our colleague, Congressman STAN PARRIS, whose staff worked closely with Democratic committee staff in helping to shape a bill that we could all support.

The District of Columbia Police Authorization and Expansion Act of 1989, H.R. 1502, is a short-term, containment measure. This bill will not solve the problem of drug-driven violence. The real healing force must come from education, prevention, treatment, and rehabilitation programs.

This bill will, however, bring quiet and stability to neighborhoods in the Nation's Capital that have erupted with record-breaking homicides and unprecedented fear and intimidation among residents.

As the chairman pointed out, H.R. 1502 authorizes the funding of 700 new police officers over a 5-year period, and Madam Speaker, I am pleased to report that the District government has also made a commitment to provide funding for an additional 100 police officers. The additional 100 officers will provide a greater police presence at the District's public housing sites which have been disproportionately targeted as havens for drug dealers. Secretary of HUD, Jack Kemp, has also called for expanded police presence at public housing sites. The District government will also provide funds needed for recruiting the new officers and for expanding the training facility to accommodate them.

I am particularly encouraged by one section of the bill which requires that a Community Oriented Policing System [COPS] be put in place on a pilot basis by the D.C. Metropolitan Police Department. The COPS system has been successfully tested by the police departments of Houston, TX and Newark, NJ. Under this system, police officers are deployed in such a manner as to serve as a force for crime deterrence and prevention as well as that of crisis response.

Section 3 of the bill as amended resolves an historic preservation issue in order to facilitate the construction of the 800-bed prison facility. Again, Madam Speaker, this section reflects the cooperation that has typified the development of this bill. The House Interior Committee, chaired by Congressman MORRIS UDALL, and its Subcommittee on National Parks and Public Lands, chaired by Congressman BRUCE VENTO, worked closely with us in developing language that would pave the way for construction of the desperately needed prison while preserving our historic preservation laws.

Section 4 of the amended bill mandates a study of resources of District of Columbia courts and the U.S. attorneys offices in this region to determine what additional resources are needed.

Section 5 requires a report on the effects of increased D.C. law enforcement efforts and its effect on the region.

The amended bill at section 6 makes provision for the development of a classification system for individuals convicted of crime in the District of Columbia so that such individuals can more easily be tracked by law enforcement officials.

And section 7 of H.R. 1502 as amended includes a provision which amends the District of Columbia Uniform Controlled Substances Act of 1981 to assure that proceeds from forfeited property are used to finance law enforcement activities of the District of Columbia. I should like to point out, Madam Speaker, that it is not our intent that such forfeited funds be used by any source other than the District government. We intend here merely to ensure that priority use of the funds be for law enforcement. Surplus funds may then be used for other purposes.

In the weeks ahead, I look forward to working with the other members of the committee in bringing to the floor measures aimed at expanding the capabilities of our U.S. attorneys office and our court system. I also look forward to seeing the construction of the much needed, new prison to help ease the overcrowding problem in the District. After that, I look forward to working on education, prevention, treatment, and rehabilitation programs.

Madam Speaker, I believe I can say without fear of contradiction that all of us in Congress want to see an end to the spiral of drugs and violence that has engulfed the Nation's Capital. This bill, H.R. 1502, as amended, is the first stage of a four-stage process which will help us reach that goal.

□ 1240

Mr. BLILEY. Madam Speaker, I yield such time as he may consume to the gentleman from Minnesota [Mr. FRENZEL].

Mr. FRENZEL. Madam Speaker, I oppose H.R. 1502 because it contains an excessive authorization of Federal appropriations for the District of Columbia for fiscal years 1990 through 1994.

This bill authorizes an additional $127.3 million over the next 5 years to be spent on purely local issues such as law enforcement.

I do support the District of Columbia's efforts to strengthen their drug laws. I also support the District's efforts in fighting the serious problem of drug related crimes at all levels—law enforcement, adjudication, and incarceration. However, the Federal Government is already contributing $430 million for fiscal year 1989 supporting the operation of the District of Columbia government. If the District of Columbia requires additional funds for their drug enforcement effort, they have sufficient budgeting and taxing authority under home rule to accomplish this objective. Specifically, the District could change their budget priorities or they could exercise their taxing authority.

I also oppose H.R. 1502 because if the money is appropriated to increase the Federal payment to the District of Columbia, based on this authorization, other important domestic discretionary programs would have to be cut in order to comply with the domestic discretionary spending cap negotiated in the 1990 bipartisan budget agreement.

The District of Columbia should not be singled out for special treatment. Other metropolitan areas have similar problems, but they are not receiving authorization of special Federal funds. Therefore, I urge my colleagues to oppose H.R. 1502.

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

Madam Speaker, I would like to address the comments made by the speaker who preceded me, the gentleman from Minnesota [Mr. FRENZEL].

I just say, with all due respect to my distinguished colleague, that I would suggest to him that budgets do not exist in a vacuum, that budgets are not simply the aggregate of numbers, that budgets speak to the reality of the human condition throughout this country in our Nation's streets and communities.

I would hasten to comment to my colleague, the gentleman from Minnesota [Mr. FRENZEL] that a number of people on both sides of the aisle, members of the press around the country, suggested to the District of Columbia, the crime capital of America, the most dangerous place in the country, an analysis that this gentleman did not agree with because I think the problems of drugs and the problems of violence associated with it is not simply a problem of the District of Columbia. It is a problem that this Nation must address. It is a national problem. It is a societal problem. It is a problem with systemic problems.

I find it almost uncanny that Members can suddenly, on the one hand begin to be seriously concerned about the health and safety of human beings in the District of Columbia, and people, such as those gathered in this Chamber today, who come to visit their Nation's Capital, their safety as well, but when we begin to try to address that issue, then suddenly the issue becomes one of numbers.

The gentleman from Minnesota [Mr. FRENZEL] and I know that a hundred and some odd million dollars in a $1.3 trillion budget is what we say on the streets "chump change." I say to the gentleman, "You can move a decimal point to take this money."

So, Madam Speaker, I think we are arguing an absurd argument here. We have the capacity to provide a hundred and some odd million dollars for the District of Columbia.

I might just add this: Several young people have died in the streets of Washington, DC. What price their life? A million? Five million? Two bucks? Whatever.

We have a responsibility to come here to address the human condition. I did not come here as an accountant. I came here as a compassionate human being who wants to try to address our financial resources to deal with human problems.

Children are dying in the District of Columbia. Adults are dying in the District of Columbia. People are dying around the country because of drugs and crime related to it.

If people in the District of Columbia want more police officers to try to address the supply side of the issue, to make this a safer community for the residents and those people who journey here every year, then we ought to be willing to give it to them. There is an MX missile we do not need. There is a Trident submarine we do not need. There is a B-2 bomber we do not need. There are myriad problems we do not need. Children are not dying as a result of violence directed by the Soviet Union at this point. They are dying as a result of violence directed at them in this community, in our community, and we have a responsibility to address those problems.

Madam Speaker, if the gentleman from Minnesota [Mr. FRENZEL] would like to respond, I would be pleased to yield to him for a couple of minutes.

Mr. FRENZEL. Madam Speaker, I will try to confine myself to less time than that.

Madam Speaker, I stipulate to the gentleman's sensitivity and his interest in human needs, and I think most of us are struggling with those problems and trying to feel the same sensitivity.

Second, I would say that my arguments are usually not compelling and often wrong, but they are never absurd, and I was making the same point, I think, that the gentleman from California [Mr. DELLUMS] was making. That is we argue nothing in a vacuum, and, if the gentleman can convince this House that this is a priority venture and that we should then not do something else that other people might like, then of course we will pass his bill and he will be successful.

□ 1250

The point I was trying to make is that we do have to consider this, not in isolation, but along with all the other programs that other Members think are important, too.

I did not mean to insist that simply the fact of the numbers should shoot down the program. I consider it to be important too.

I am not going to vote for it, but I do not demean the gentleman's argumentation, and I thank him for making the point and yielding to me.

Mr. DELLUMS. Madam Speaker, I thank the gentleman very much.

Mr. BLILEY. Madam Speaker, I yield myself such time as I my consume and then I will yield to my colleague, the gentleman from Kansas.

Madam Speaker, I would like to say that I happen to believe that this is important legislation. We have appointed a drug czar who has said he wants to eliminate drugs from the streets of Washington, and that is a worthy goal. We want to eliminate drugs from the streets of America. We are the Nation's Capital. We have thousands of visitors here today and every day from all over the world and we have an obligation to do what we can to make their stay as pleasant and as safe as possible.

If we are going to do something about drugs, it is going to take more police power, no question about it, and it is going to cost money, and it should cost money, because they are putting their lives on the line for each and every one of us. Therefore, I do not think we can have any higher priority.

The gentleman talked about bombers. I happen to remember reading an article, I am not on the Armed Services Committee, but that a single B-2 bomber costs in excess of $600 million, and we are talking about $127 million over 5 years. That is I think a small price to pay for a safer capital.

Madam Speaker, I yield such time as he may consume to my friend, the gentleman from Kansas [Mr. ROBERTS].

Mr. ROBERTS. Madam Speaker, I thank my friend and colleague for yielding this time.

Madam Speaker, I would like to inform my colleagues in the House, it

is a lot like the ad says, "You are either going to pay me now or pay me later" in regards to this problem. We have to do something. This is a real crisis.

I would like to bring to the attention of my colleagues a letter that we received on the Subcommittee on Police and Personnel from the Mayor, indicating that there has been a suggestion on the Senate side that approximately 250 officers from the U.S. Park Police and 250 officers from the U.S. Capitol Police who are on the security force and 250 officers from the U.S. Secret Service be immediately detailed to the district, to the metropolitan department's special operations division.

The Mayor indicated to us that it is important that we quickly determine if there is any feasibility for such a joint effort like this.

This is a very complex problem. As the gentleman from California has pointed out and as the gentleman from Virginia has pointed out, it is a crisis and we must move, but I have grave concerns about lending, if you will, our U.S. Capitol Police to this effort. Who pays for this? Who pays the insurance? What about the training? Who takes the place of the 250 personnel who have as their responsibility the security of the U.S. Capitol? What about the chain of command?

There are many questions here, it seems to me, and we are going to go into that as of this Thursday.

I would like to ask the gentleman from Virginia, or perhaps the chairman, what is the timeframe in regard to these moneys so that we can get these 700 officers on board and I think really prevent the necessity of taking away from other law enforcement agencies.

Mr. BLILEY. Reclaiming my time, Madam Speaker, and speaking for the gentleman from Virginia as far as this Member is concerned, I would like to have had the money yesterday. I cannot speak for the gentleman from California and the gentleman from the District, but I believe they feel the same way. There is no impediment as soon as this bill is passed and signed into law and as quick as they can get appropriations under it to prevent the District from implementing it as soon as possible.

Mr. DELLUMS. Madam Speaker, will my distinguished colleague from Virginia yield to me?

Mr. BLILEY. I am happy to yield to the gentleman from California.

Mr. DELLUMS. First, the gentleman from California would like to associate himself with my colleague's remarks, but to very specifically say to my colleague that to the best of the understanding of this gentleman, it takes somewhere between 18 and 22 months for the purposes of total recruitment and training and placing these persons on the street to carry out their responsibility, so as I understand it, the proposition laid before the body to which the gentleman alludes by the Mayor of the District of Columbia is simply an interim step. These persons are already on the payroll. They are already trained. They already have arrest powers, so they can fill in this gap during this hiatus when these persons are being recruited, when they are being trained and ultimately will be placed on the street; so there is a specific rationale for why this proposal comes before us. It is not in lieu of, it is in addition, in order to handle that hiatus period.

Mr. ROBERTS. Madam Speaker, will the gentleman yield?

Mr. BLILEY. I yield to the gentleman from Kansas.

Mr. ROBERTS. Madam Speaker, I understand the need for some kind of interim staff, but in my personal opinion, and I am just speaking as the ranking member on the subcommittee, I think that the security of the Capitol and the security of the entire area are equally importnt and it is an interim step that I would like to avoid, if possible. We will explore that in the subcommittee hearings.

Mr. FAUNTROY. Madam Speaker, will the gentleman yield?

Mr. BLILEY. I am happy to yield to the gentleman from the District of Columbia.

Mr. FAUNTROY. Madam Speaker, I thank the gentleman from Virginia for yielding to me. I want to express again to him my personal appreciation and that of the citizens of the Nation's Capital for his leadership and cooperation in shaping this measure.

I would like in closing simply first to commend my friend, the gentleman from Minnesota, for his acknowledgment of the magnificent bipartisan effort that this has been in the District Committee and for acknowledging the need for it.

In the course of raising reservations about voting for it, the gentleman from Minnesota indicated that this appropriation will not be in a vacuum, but then suggested that Members ought to consider their vote on the basis of what might affect their own interest in their own districts.

I would just want to assure all Members that this is not a zero sum game here. It is a win-win situation. What we invest in this effort will yield heavy dividends in terms of savings, not only in human suffering in our Nation's Capital, but also in the enormous costs that we bear when we fail to deal with the drug-driven violence that afflicts us in this region.

So I would hope that all Members as they prepare to vote will be mindful of the instruction of an old English Methodist minister, who said on one occasion that on some issues cowardice asks the question, Is it safe to take a position? Expediency asks the question, Is it politic? Vanity asks the question, Is it popular? But conscience asks the question, Is it right?

I hope that no Member will vote on this measure on the basis of narrow self-interest, but on the basis of what conscience tells us is right, what we ought to do in the Nation's Capital against the background of the well-known drug-driven crisis that afflicts us.

Mr. BLILEY. Madam Speaker, I yield back the balance of my time.

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

Madam Speaker, in conclusion, I would like to point out that at this time there were a number of other people who assisted us in other areas, other jurisdictional areas in the Congress. I wish to extend my personal gratitude to the gentleman from Texas [Mr. BROOKS] who chairs the Judiciary Committee; the gentleman from Wisconsin [Mr. KASTENMEIER] who chairs the Subcommittee on Courts, Intellectual Property, and the Administration of Justice of the Committee on the Judiciary; the gentleman from Arizona [Mr. UDALL], chairman of the Interior Committee; and the gentleman from Minnesota [Mr. VENTO], chairman of the Subcommittee on National Parks and Public Lands of the Committee on Interior and Insular Affairs for their cooperation and assistance in framing certain sections of the bill (H.R. 1502) that is before us.

Madam Speaker, finally I would like to make it extremely clear that clause 2, section 3 of the bill before the body (H.R. 1502), the section regarding the construction of the District of Columbia Detention Facility should not be regarded as setting a precedent. That is terribly important, and I ask my colleagues to support this legislation before us.

□ 1300

Mr. VENTO. Madam Speaker, I rise in support of H.R. 1502. I recognize that this Nation, and in particular this city, face a serious crisis from the illegal use of drugs. Such drugs are damaging the social fabric of this Nation and destroying American citizens' lives. The sponsors of this bill believe that this legislation will help solve this crisis, and have worked mightly to ensure its passage.

This bill seeks to construct a new detention facility on the grounds of the present Gallinger Hospital, adjacent to the present District jail. Because of the impact on the Gallinger Hospital, there has been some question whether section 106 of the National Historical Preservation Act applied here. The court case on the matter decided it did not. Had the court decided otherwise, I am pleased to note that if section 106 had applied, H.R. 1502 would not have precluded the Department of Justice from meeting its historic preservation review obligations to this project.

As chairman of the Subcommittee on National Parks and Public Lands, I have particular interest in the National Historic Preservation Act of 1966 and its implementation. I am pleased that H.R. 1502 will not have a detrimental effect on the National Historic Preservation Act of 1966. Given the current situation, and knowing that the Advisory Council on Historic Preservation was actively working with the Department of Justice to comply with section 106 before the court's actions made that moot, I am comfortable that this bill does not damage the Historic Preservation Act or the procedures established under it.

Finally, I want to thank the District Committee for its assistance on this matter and for cooperating with the Committee on Interior and Insular Affairs to ensure that unintentional damage was not done to the Historic Preservation Act.

Mr. GILMAN. Madam Speaker, I rise in support of H.R. 1502, providing $127 million over 5 years for the District of Columbia to hire 700 additional police officers.

Our Capital City is besieged by drug-related crime and violence and drug abuse. Each day the casualties mount and another family is heartbroken at their loss. Unfortunately, the District is not unique in this problem. Too many cities and towns across this great Nation are also experiencing a drug-related crisis and are in need of help.

The Director of National Drug Control Policy, Dr. William Bennett, has indicated that the District would be a test case for his anti-drug proposals. There is much to be done, both at home and abroad, to win this war against drugs, but solving Washington's drug problem would be a significant first step. Washington DC, is a symbol of our Nation, of freedom and democracy. Millions of people from all over the country and the world come here to view the seat of government of the oldest existing constitutional democracy. It is disgraceful and embarrassing that this great city has become such a center for drug-related crime. We must address the District's drug crisis and this legislation is a good way to begin. Accordingly, I urge my colleagues to support H.R. 1502.

Mr. DELLUMS. Madam Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Ms. SLAUGHTER of New York). The question is on the motion offered by the gentleman from California [Mr. DELLUMS] that the House suspend the rules and pass the bill, H.R. 1502, as amended.

The question was taken.

Mr. FRENZEL. Madam Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 5 of rule I and the Chair's prior announcement, further proceedings on this motion will be postponed.

GENERAL LEAVE

Mr. DELLUMS. Madam Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just under consideration.

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

There was no objection.

CALLING ON VIETNAM TO EXPEDITE THE RELEASE AND EMIGRATION OF "REEDUCATION" CAMP DETAINEES

Mr. YATRON. Madam Speaker, I move to suspend the rules and concur in the Senate concurrent resolution (S. Con. Res. 16) calling on the Government of the Socialist Republic of Vietnam to expedite the release and emigration of "reeducation" camp detainees.

The Clerk read as follows:

S. CON. RES. 16

Whereas fourteen years have passed since the end of the Vietnam conflict;

Whereas thousands of opponents of the Government of the Socialist Republic of Vietnam, including officials of, and others associated with, the former Republic of Vietnam, were detained without trial in "reeducation" camps or prisons beginning in 1975;

Whereas a series of large-scale amnesities took place in the late 1980's resulting in the release of many detainees;

Whereas despite these welcome releases, many Vietnamese remain in long-term detention because of their suspected opposition to the Government of Vietnam, and many family members of detainees do not know their status;

Whereas the Government of Vietnam has continued in recent years to imprison individuals because of their political and religious expression or association or related nonviolent activity;

Whereas the Government of Vietnam has stated publicly that the remaining "reeducation" camp or prison detainees would be released and that former detainees would be allowed to emigrate;

Whereas the United States has repeatedly stated that the resettlement of "reeducation" camp or prison detainees is one of its highest priorities in its dealing with Vietnam on humanitarian issues and has made it clear to the Government of Vietnam that it is willing to allow former and current detainees to enter the United States;

Whereas at negotiations held in Hanoi in July 1988, the United States and Vietnam agreed in principle on the resettlement of those released from "reeducation" camps or prisons and Vietnam reaffirmed that released detainees and their families could emigrate from Vietnam;

Whereas the Government of Vietnam subsequently suspended negotiations on the issue of the resettlement of detainees and their families; and

Whereas the willingness of the Government of Vietnam to satisfactorily resolve this humanitarian issue will have an important bearing on the relationship between Vietnam and the United States: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That the Congress calls on the Government of Vietnam—

(1) to make public the names of all individuals who continue to be held in "reeducation" camps or prisons in connection with suspected opposition to the Government of Vietnam;

(2) to release immediately all remaining long-term "reeducation" camp or prison detainees, as well as all individuals imprisoned in Vietnam in recent years because of their political or religious expression or related nonviolent activities; and

(3) to resume negotiations, without preconditions, with the United States concerning the emigration from Vietnam of current and former detainees and their families, in accord with the commitment of the Government of Vietnam to allow their emigration.

The SPEAKER pro tempore. Is a second demanded?

Mr. BROOMFIELD. Madam Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Pennsylvania [Mr. YATRON] will be recognized for 20 minutes, and the gentleman from Michigan [Mr. BROOMFIELD] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Pennsylvania [Mr. YATRON].

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

Madam Speaker, I urge adoption of the resolution before us today which addresses the still unresolved issue of Vietnamese reeducation camp prisoners. Senate Concurrent Resolution 16, as amended, calls on the Vietnamese Government to expedite the release and emigration of these prisoners.

Since 1975, marking the end of the Vietnam war, the Communist government in Vietnam has regularly imprisoned perceived political opponents, including former Republic of Vietnam Government personnel as well as private citizens. Due process is denied, many are detained without trial, some have served in the infamous "reeducation" camps, and some still languish in prison 14 years later.

Last July the Government of Vietnam suspended negotiations with the United States on the emigration of Vietnamese in reeducation camps. Before Vietnam withdrew from the talks, they agreed in principle to process released detainees and their families for emigration to the United States. The Government of Vietnam needs to be given the signal that this issue has not been put to rest by the United States and is key to any normalization of ties between our two countries. If Vietnam wishes to establish economic and diplomatic ties with the United States and become an accepted member of the international community, they must adhere to, and demonstrate respect for, internationally recognized standards of human rights.

Madam Speaker, I hope my colleagues will join me in voting for this timely resolution. These prisoners

cannot continue to lay to waste in these camps.

I would like to thank Chairman FASCELL and Mr. BROOMFIELD for considering this resolution in such a timely fashion, especially in light of the conference on Indochinese refugees that is taking place this week. Mr. BEREUTER also deserves special thanks for his consideration of this resolution. And lastly, I want to commend the sponsor of the resolution, Mr. WOLF for this most worthwhile initiative and his continuing concern for reeducation camp prisoners.

Mr. FASCELL. Madam Speaker, I rise in support of Senate Concurrent Resolution 16 calling on the Government of Vietnam to expedite the release and emigration of "reeducation" camp detainees.

Madam Speaker, it has long been the policy of the United States to seek the release and right to emigrate for victims of Vietnam's "reeducation" camps. Although talks were held between our two Governments in 1988, the Vietnamese suspended discussions before a final agreement could be reached. We continue to be concerned for the rights of these individuals who were imprisoned, without trial, because of their political or religious beliefs.

Our Government estimates that there are more than 15,000 known former detainees, of whom more than 1,100 were imprisoned for at least 10 years. This resolution calls on the Vietnamese Government to again address the fate of these individuals, to make their names public, and to resume negotiations with the United States to allow detainees and their families to emigrate.

Madam Speaker, I would like to commend my colleague from Virginia [Mr. WOLF], the original sponsor of the House resolution, House Concurrent Resolution 113, for his leadership in bringing this important issue to the attention of the House, as well as to my colleagues on the Foreign Affairs Committee, Mr. YATRON, Mr. BEREUTER, Mr. SOLARZ, and Mr. LEACH for their assistance in moving this resolution through committee. This is a worthy resolution and I ask for the support of the House in its passage.

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

Madam Speaker, we have recently seen greater cooperation by the Government of Vietnam in addressing some of the humanitarian concerns that divide us. But more assistance is needed in locating our missing in action from the Indochinese war that ended 14 years ago, and in helping to relocate Amerasian children from that war to the United States.

Just last week we learned from a Buddhist monk that there may be American POW's alive in Vietnam. We will continue to follow this lead with zeal.

There is another group of people, the Vietnamese reeducation camp detainees, who also continue to be persecuted by the Government of Vietnam.

Senate Concurrent Resolution 16 and it's identical companion bill in the House, House Concurrent Resolution 113 expresses the deep concern this Nation feels toward the welfare of the thousands of Vietnamese who were imprisoned because of their ties to the United States-backed Government of South Vietnam.

The resolution is particularly timely because an international Conference on Indochinese Refugees is meeting in Geneva under the auspices of the U.N. High Commissioner on Refugees. Congressman WOLF, the sponsor of the House bill, deserves our special thanks for spearheading this effort. Chairman FASCELL, Congressmen SOLARZ, YATRON, and Vice Chairmen LEACH and BEREUTER are to be congratulated for bringing this resolution to the floor.

With the fall of South Vietnam, thousands of Vietnamese suddenly found themselves in reeducation camps or prison. Many still languish in these camps. For those who have been released, their life is not much better. Although former detainees are eligible to emigrate to the United States, the Government of Vietnam has not allowed them to do so.

The resolution before us today calls on the Vietnamese to live up to their word. It calls on the Vietnamese Government to make public the names of all individuals who continue to be incarcerated in their reeducation camps; release the long-term detainees, as well as all those imprisoned for their political beliefs; and resume negotiations on the emigration of the former detainees and their families.

Madam Speaker, this resolution sends an important message to the Government of Vietnam and to the many reeducation camp detainees who still hope to emigrate to the United States. It tells them that the United States does not forget those who stood by us, and that we will continue to work for their well being. I urge my colleagues to approve Senate Concurrent Resolution 16.

Madam Speaker, I yield such time as he may consume to the gentleman from New York [Mr. SOLOMON].

Mr. SOLOMON. Madam Speaker, I want to thank the ranking Republican on the Committee on Foreign Affairs as well as the subcommittee chairman, the gentleman from Pennsylvania [Mr. YATRON], for bringing this timely resolution to the floor. I commend the gentlemen.

Madam Speaker, the resolution we are considering here today is very important, not just because the Government of Vietnam should release those it still confines in its reeducation camps after all these years, but particularly in light of the recent story we have all heard concerning a Buddhist monk's statement that there may be live Americans also still held captive in that country.

Many of us in the Congress have closely followed the questions surrounding the fate of both these Vietnamese detainees and of those of our American servicemen still unaccounted for in Southeast Asia. I believe I speak for all of us in urging President Bush to not only continue the United States' work on behalf of those unfortunate Vietnamese imprisoned in the camps, but to continue the strong work begun by President Reagan in seeking to account for our missing American servicemen and to pursue this latest lead on their fate as far as it will take him.

As a former chairman of the House Task Force on Missing and Prisoners in Southeast Asia, I have always kept alive my personal hope that some of our missing men in Southeast Asia may yet prove to be alive. I want to again take the opportunity to commend President Bush for pointing out in his inaugural address that the need to discover their fate will not be forgotten under his administration. I urge my colleagues to pass this resolution today and to continue to support our President as he seeks freedom for all those now imprisoned in Vietnam.

Mr. BROOMFIELD. Madam Speaker, I yield such time as he may consume to the principal sponsor of this resolution, the gentleman from Virginia [Mr. WOLF].

Mr. WOLF. Madam Speaker, today the Congress has the opportunity to go firmly on record calling on the Government of the Socialist Republic of Vietnam to release prisoners remaining in reeducation camps and to permit the emigration of many who were held in reeducation camps.

Senate Concurrent Resolution 16 expresses the sense of the Congress that the Vietnamese Government should act immediately to bring an end to the suffering endured by tens of thousands of Vietnamese people in the past 14 years. It calls for the release of those still imprisoned for their opposition to the Hanoi government, including perhaps hundreds of officials and those associated with the former U.S.-backed Government. It also calls for the release of individuals imprisoned in more recent years because of their political or religious expression or association or related nonviolent activities—in short, those held only for their suspected opposition to the Communist government.

Long-term detainees who remain in camps or prisons—many held up to 14 years without trial—are in fact political prisoners. And many former reeducation prisoners continue to flee repression in Vietnam—despite the fact that first-asylum countries with overcrowded refugee camps have often pulled back the welcome mat for refugees, and despite the increasing terror and death at sea for these boat people at the hands of pirates. They flee despite much longer odds against finding asylum.

Bringing this resolution to the floor today is fitting as, today in Geneva, the United Nations opens a conference to begin to decide the fate of Indochinese refugees. Today we send a message to Vietnam and the world com-

munity that continuing persecution and the threat of imprisonment in Vietnam is a major reason the Geneva Conference is necessary, and the U.S. Congress wants this problem addressed by permitting the orderly departure from Vietnam of those current and former reeducation camp prisoners, and their families, who desire to leave.

A recent petition by 7,000 refugees at Ban Thad Camp in Thailand pleaded for the participating countries at the Geneva Conference to mobilize to help bring about their resettlement. The petition claimed that 30 percent of those in the camp were "associated with the former government of the Republic of South Vietnam" or fought against the North Vietnamese Communists. An additional 65 percent in the camp are said to be their family members.

The Vietnamese Government agreed in principle nearly 1 year ago on the resettlement of those held or previously held in reeducation camps or prisons on account of their associations or beliefs, but has failed to follow through. It would be an added benefit if our United States delegation to the Geneva Conference could meet with their Vietnamese counterparts with a clear message that the United States remains committed to the release and emigration of reeducation camp detainees.

Recently the Vietnamese Government has been more forthcoming in negotiations and cooperation on other humanitarian issues—namely, the emigration of Amerasian children and findings of American remains from those missing in action from the Vietnam conflict. On this question of Americans MIA's—particularly in light of possible recent live sightings of Americans held since the conflict—we also call for Vietnamese cooperation to quickly resolve this matter favorably. I can think of no other issue that is of higher priority to the American people than the American MIA's. Let me restate; there is no issue of higher priority.

The Socialist Republic of Vietnam should cease attempts to politicize this issue by trying to directly link in negotiations the release and emigration of current and former prisoners with a hoped for normalization of relations with the United States. This resolution states, however, that the willingness of the Government of Vietnam to satisfactorily resolve this humanitarian issue will have an important bearing on any future relationship with the United States.

Unless there is a lasting improvement in the human rights situation in Vietnam, boat people will likely continue to flee Vietnam. It is imperative to preempt these boat departures by extending orderly departure to former prisoners, including so many who remain divided from their families overseas. But in the final analysis, the release of prisoners must be followed up by permanent human rights protections—including freedom of speech and political association, open access to information and outside news, and freedom to worship and practice one's religion.

I want to thank the committee for its efforts to bring this resolution to the floor today, and I thank the chairman, Mr. FASCELL and vice chairman, Mr. BROOMFIELD, as well as Mr. SOLARZ, Mr. LEACH, Mr. YATRON, and Mr. BEREUTER, and others for their support.

□ 1310

Mr. YATRON. Madam Speaker, I yield 5 minutes to the distinguished gentleman from Connecticut [Mr. MORRISON].

Mr. MORRISON of Connecticut. Madam Speaker, I rise to clarify precisely what it is we are seeking to do in this legislation and to engage in a colloquy with the gentleman from Pennsylvania.

My concern is that this bill has been reported from the Foreign Affairs Committee dealing in part with matters in the area of refugee policy abroad, but also going quite a bit further, as I have read some of the language, in suggesting certain policies that have to be pursued by the United States in the admission of certain refugees or people applying to be refugees. My first question to the gentleman from Pennsylvania, if I may ask, is which language is it that we are acting on here? Are we acting on the language of the House bill, House Concurrent Resolution 113?

Mr. YATRON. Madam Speaker, will the gentleman yield?

Mr. MORRISON of Connecticut. I yield to the gentleman from Pennsylvania.

Mr. YATRON. Madam Speaker, we are dealing with the language in Senate Concurrent Resolution 16, the Senate legislation.

Mr. MORRISON of Connecticut. That language in the Senate concurrent resolution is being substituted for the House language, and that is what the House will be approving?

Mr. YATRON. The gentleman is correct.

Mr. MORRISON of Connecticut. That makes my concern much less than it was because that language, as I understand it, calls on the Government of Vietnam to do certain things. Do I understand that this is a request of the Government of Vietnam as opposed to something that is being asked of the Government of the United States?

Mr. YATRON. Generally speaking, the gentleman is correct.

Mr. MORRISON of Connecticut. I am pleased at that response, the reason being I think we are not in a position, and certainly the subcommittee of which I am the chairman on immigration, refugees, and international law of the Judiciary Committee really is about to engage in hearings on this question of the admission of individuals from Vietnam. Obviously I do not think the Congress is in a position or the House is in a position at this moment to determine what commitment we can make as to how many of the people who might be released will be taken in the United States. We have a certain limit on the numbers, and those numbers have been under consideration to be changed.

The President has engaged in a consultation, but has not acted on the consultation he received. So if it is clear that the obligation here rests to get the Government of Vietnam to allow processing without a commitment that we would take a certain number, I am relieved. Is my understanding correct?

Mr. YATRON. I agree with the gentleman, and he is correct.

Mr. MORRISON of Connecticut. I thank the gentleman from Pennsylvania and am pleased to have had the chance to clarify this. I look forward to an opportunity for more consultation between our two committees on these matters of refugee affairs, which obviously engage the jurisdiction of the Committee on Foreign Affairs, but also when we are talking about people coming to the United States involves the jurisdiction of the Committee on the Judiciary as well.

Mr. YATRON. Madam Speaker, I assure the gentleman from Connecticut that in the the future we will have a closer liaison.

Mr. MORRISON of Connecticut. I thank the gentleman very much for his consideration.

Mr. YATRON. Madam Speaker, I yield 5 minutes to the gentleman from New York [Mr. MRAZEK].

Mr. MRAZEK. Madam Speaker, I would like to congratulate my colleague, the gentleman from Virginia [Mr. WOLF], for focusing significant attention on this very important problem that we face in regard to our responsibilities to those who were left behind in Vietnam and who spent many years facing political reeducation in concentration camps. I would submit as important as this issue is it is my hope that the State Department will also take a broader look at how it can help rectify this problem.

It was Eugene Dewey, who was a former Assistant Secretary of State and is now the Deputy U.N. High Commissioner for Refugee Affairs, who indicated recently that the Reagan administration back in 1982 did not do justice to the proposal by the Vietnamese at that time to fully settle the problem of those people placed in the reeducation camps. I am

deeply concerned that some of the recent decisions by the State Department with respect to cutting back on the number of interviews being done each month in Vietnam under the ODP program could slow down the opportunities for those people who served lengthy sentences in these political reeducation camps to have a chance to come out of Vietnam.

So again I want to congratulate my colleague, the gentleman from Virginia [Mr. WOLF] and at the same time make it clear that I believe that the State Department and our Government must do more in overcoming some of their concerns from a budgetary standpoint to see that this problem is addressed.

□ 1320

Certainly we can solve the problem, as was demonstrated with the passage by this Congress of the Amerasian Homecoming Act. We are currently moving forward very quickly to resolve the issue of all of the Amerasian children fathered by American servicemen in Vietnam who were left behind when we pulled out of Vietnam in 1975.

Out of the total numbers of Amerasians that are looking to come to the United States, we have already been able to interview more than half of them and over 12,000 of them in just the last year have left Vietnam to come to the United States.

It is my hope that when Members like my distinguished colleague from Virginia [Mr. WOLF] focus the attention of this Congress on an outstanding humanitarian issue that it brings the day closer and sooner that we will be able to fulfill our responsibilities.

Mr. GILMAN. Madam Speaker, I rise to express my strong support for Senate Concurrent Resolution 16, calling on the Socialist Republic of Vietnam to expedite the release and emigration of reeducation camp detainees, and I thank the gentleman from Virginia [Mr. WOLF] for his work on this legislation.

Fourteen years have passed since the end of the Vietnam conflict. During the course of that conflict, thousands of opponents of the Socialist Government of Vietnam, including officials of the former Republic of Vietnam were detained without trial in reeducation camps, or prisons, since 1975.

The 1980's saw a wave of amnesties granted which resulted in the release of many of these detainees. Nonetheless, despite these welcome releases, many thousands of Vietnamese citizens remain in long-term detention because of their suspected opposition to the current Vietnamese regime. This is in direct opposition to the publicly proclaimed position of the Vietnamese Government, which states that all detainees would be released and former detainees would be allowed to emigrate.

By way of this resolution, the United States Congress will send a clear message to the Government of Vietnam that the release of the reeducation camp detainees is one of the highest priority items in our bilateral relations with that nation.

At the July 1988 Hanoi negotiations, the United States and Vietnam agreed, in principle, on the resettlement of those released from the camps. Subsequently, much to the chagrin of United States negotiators, Vietnam suspended talks on this issue.

This issue is simply too important to sweep under the rug. We call upon the Government of Vietnam to make public the names of those individuals who are still incarcerated, and to immediately release all remaining long-term prisoners.

Accordingly, Madam Speaker, I urge the prompt passage of this bill.

Ms. PELOSI. Madam Speaker, I rise in support of Senate Concurrent Resolution 16, which would call on the Government of Vietnam to expedite the release and emigration of reeducation camp detainees. I commend Congressman WOLF for his leadership on this important issue.

In October of last year, I held a hearing in San Francisco on the issue of Southeast Asian refugees and their reasons for leaving their homelands. At that hearing, the tragic reality of Vietnam's reeducation camps became clear.

Thousands of political prisoners, with varying degrees of opposition to government policies, continue to be held in this gulag of camps or prisons. These camps number as many as 150 and have been the sites for massive numbers of executions since 1975.

In July 1988, the United States and Vietnam agreed that prisoners released from reeducation camps would be resettled outside Vietnam. Yet Vietnam has failed to release even a list of the names of those people who are imprisoned.

The Government of Vietnam also continues to restrict the free exercise of religion. Nearly 10 percent of the Vietnamese population is Roman Catholic. Priests have been forbidden from preaching in new economic zones and the Vietnamese Government has restricted the construction and repair of churches. Many priests have perished in reeducation camps.

Madam Speaker, the Vietnamese Government would very much like to develop a full diplomatic relationship with the United States. Its economic problems necessitate this rapprochement. I believe it is essential that, at this time, we press for a release of all political and religious prisoners in Vietnam. I therefore urge my colleagues to support this important resolution.

Mr. BROOMFIELD. Madam Speaker, I yield back the balance of my time.

Mr. YATRON. Madam Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Ms. SLAUGHTER of New York). The question is on the motion offered by the gentleman from Pennsylvania [Mr. YATRON] that the House suspend the rules and concur in the Senate concurrent resolution, Senate Concurrent Resolution 16, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the Senate concurrent resolution was concurred in.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. YATRON. Madam Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on Senate Concurrent Resolution 16, the Senate concurrent resolution just concurred in.

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

There was no objection.

AMENDING TITLE V OF THE AGRICULTURAL ACT OF 1949

Mr. DE LA GARZA. Madam Speaker, I move to suspend the rules and pass the bill (H.R. 2042) to amend title V of the Agricultural Act of 1949 to allow producers to provide the appropriate county committees with actual yields for the 1989 and subsequent crop years, as amended.

The Clerk read as follows:

H.R. 2042

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SUBMISSION OF ACTUAL YIELD DATA TO COUNTY COMMITTEES.

Effective for the 1989 and 1990 crops of wheat, feed grains, upland cotton, and rice, section 506 of the Agricultural Act of 1949 (7 U.S.C. 1466) is amended by adding at the end the following new subsection:

"(e)(1) With respect to the 1989 and subsequent crop years, the Secretary shall allow producers to provide the county committee data with respect to the actual yield for each farm for each program crop. The Secretary shall maintain such data for at least five crop years after receipt in a manner that will permit the data to be used, if necessary, in the administration of the commodity programs for the 1989 and subsequent crops.

"(2) The Secretary shall provide timely notification to producers of the provisions of paragraph (1).

"(3) With respect to the 1989 crop year, the Secretary shall determine what the costs of each commodity program would be if farm program payment yields were determined in accordance with the methods prescribed in paragraph (4) and what the impact of such alternative methods would be on each commodity program and on producers participating in each commodity program.

"(4) The alternative methods of determining program payment yields for purposes of paragraph (3) shall include, at a minimum—

"(A) using producers' actual yields for the current crop year;

"(B) allowing producers the option of choosing to use their actual yields or the county average yield for the current crop year; and

"(C) the yield derived on the basis of the acreage of the actual yield per harvested acre for the crop for each of the five crop years immediately preceding such crop year,

excluding the crop year with the highest yield per harvested acre, the crop year with the lowest yield per harvested acre, and any crop year in which such crop was not planted on the farm.

Not later than January 30, 1990, the Secretary shall report the determinations under this subsection to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate.".

SEC. 2. SUBMISSION OF SOYBEAN ACTUAL YIELD DATA TO COUNTY COMMITTEES.

With respect to the 1989 and 1990 crop years, the Secretary shall allow producers of soybeans to provide to county committees (as defined in section 502 of the Agricultural Act of 1949 (7 U.S.C. 1462)) data with respect to the actual yield for each farm for each crop of soybeans. The Secretary shall maintain such data for at least five crop years after receipt in such a manner as to be easily accessible. The Secretary shall provide timely notification to producers of the provisions of this section.

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from Texas [Mr. DE LA GARZA] will be recognized for 20 minutes, and the gentleman from Illinois [Mr. MADIGAN] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Texas [Mr. DE LA GARZA].

Mr. DE LA GARZA. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, payments to producers under Federal agricultural price support programs are determined, in part, by the farm acreage bases, crop acreage bases, and farm program payment yields established for each farm entered into the program. Farm program payment yields determine the production per acre on which payments to program participants are based, if payments are to be made. Many farmers who participate in Federal farm programs have expressed their concern that the program payment yields currently used by the Department of Agriculture are not reflective of the actual production on many farms.

H.R. 2042 would provide the means for the Congress to analyze this issue. It would require the Secretary of Agriculture to allow producers of wheat, feed grains, upland cotton, and rice to report actual yield data for the 1989 and 1990 crops to the county committees established under the Soil Conservation and Domestic Allotment Act. The bill would also require the Secretary to notify producers of the opportunity to submit data regarding their actual yields to county committees and to maintain such data for at least 5 crop years.

Under H.R. 2042, the Secretary would determine, and report to the Congress by January 30, 1990 regarding, what the costs of the wheat, feed grains, upland cotton, and rice programs would be if actual yields, and other specified methods, were used to determine farm program payment yields for the 1989 crop year. The Secretary would also be required to assess what impact the use of such yield determination methods may have on each commodity program and on program participants.

It is expected that this report from the Secretary will provide the Committee on Agriculture with information regarding the merits of using actual yields to determine farm program payment yields. This information will be useful as the committee begins consideration of legislation to reauthorize basic commodity programs as part of the 1990 farm bill.

Similarly, producers of soybeans have expressed concern that no actual yields are available from county committee records on which to base certain policies under the Federal crop insurance program. H.R. 2042 would address this problem by requiring the Secretary of Agriculture to allow producers of soybeans to report actual yield data for the 1989 and 1990 crops to county committees, to notify soybean producers of the opportunity to submit such data, and to maintain such data for at least 5 crop years.

Madam Speaker, this legislation was approved unanimously by the Committee on Agriculture. The Congressional Budget Office estimates that there would be no significant cost to the Government to implement the provisions of H.R. 2042. I commend H.R. 2042 to the House and urge its passage.

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

Madam Speaker, H.R. 2042 is a small bill, adding nothing to the deficit and requiring only minimal effort by the Department of Agriculture. The bill essentially allows farmers to record their actual harvest yields with the Agriculture Department county offices. Then, based on that information, a report to Congress will be prepared indicating the impact of converting the farm commodity programs to an actual yields basis.

The results of this report will allow the Congress to make a determination during the 1990 farm bill whether the Government should use actual yields and in fact if we can afford to do so in farm programs. The yields issue arose out of program changes in the 1985 farm legislation that required payments to be made based on a "program payment yield" rather than allowing a farmer to use the amount actually harvested.

Since the program payment yield is a very mechanical formula involving past production reporting, farmers who have suffered several years of weather-damaged crops or farmers who only recently began to participate in the Government programs receive payments based on yields that are from 10 to as much as 30 percent lower than their actual harvest. In effect they are being punished for factors completely beyond their control.

Because changing the basis for making farm program payments could have profound effects on both producers and taxpayers, the gentleman from Indiana and I introduced H.R. 2042 to provide Congress the information necessary to make a prudent and responsible decision on this important question.

H.R. 2042 also serves one additional function by providing an actual yields record for both program crops and soybeans that could be used as a basis for future Federal crop insurance payments. The congressionally created commission currently studying Federal crop insurance is expected to recommend that indemnity payments should be based on actual yield data as submitted to the county offices. H.R. 2042 would serve as a foundation for the collection of such yield data.

This bill, at no additional cost to the Government, will provide prudent management tools that can be of real value to farmers and taxpayers. I urge you to join me in suspending the rules and passing H.R. 2042.

Madam Speaker, I yield such time as he may consume to the ranking member of the Committee on the Budget, the gentleman from Minnesota [Mr. FRENZEL].

Mr. FRENZEL. I thank the gentleman for yielding.

Madam Speaker, H.R. 2042 would do as the two previous speakers have suggested. it is a modest bill which does not require any outlays, just a little study by the Department.

What concerns me about it, however is its future impact on the budgets of the United States.

If we were to use a different base and the same subsidy system that we are using now, according to the Secretary of Agriculture, the additional cost for the coming fiscal year would be about $1 billion.

Now $1 billion is more than small change. More importantly than that, from my standpoint, the current program was designed to induce farm producers to make market-oriented business decisions, or at least to take us closer to that sort of stimulus, rather than to simply play the Federal program game.

If as a result of this study Congress moves forward and tries to adopt the historical formula laying it over the rest of the existing formula, we will not only have large increases in the program, we will go back to a much heavier reliance on the program.

Now I do not ask any Member to vote against the bill and I shall not ask for a recorded vote, but I do want to let these warnings lay on the record

that this takes us down a path which may lead to difficulties in the future.

I would like to be sure that all Members understand that.

Madam Speaker, H.R. 2042 would allow farmers to begin establishing a record of actual crop yields, and it woud commission a study of alternative ways of determining farm program payment yields.

The goal of our current farm bill was to reorient the farm economy toward the marketplace and away from Government subsidies. Having subsidy levels based on a historic average rather than on actual yields was designed to force farmers to make market-oriented business decisions.

This bill appears to move our policy away from market determinations. The legislation would not in itself reintroduce actual yields into the calculation process, but it sets the process in motion. If, in the future, Congress authorizes the current level of subsidies based on actual yields, we may again be encouraging farmers to make subsidy-based decisions rather than market-based decisions. I had thought that farm program crop payments were supposed to act as insurance against large swings in farm income, rather than be a factor in making production decisions.

The administration estimates that if actual crop yields were to be used for determining 1990 farm program payments, farm subsidies would increase by $1 billion. At a time when we are making painful decisions on where to allot our limited resources, we have to be looking for ways to decrease, not increase, future entitlement expenditures.

Mr. DE LA GARZA. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, just very briefly, I do this to mention to my distinguished colleague and friend from Minnesota that his concerns are certainly well taken, but I wanted to assure the gentleman that our committee has been responsible and we have accepted the discipline which has been imposed and demanded by the American people.

We have reduced agricultural spending by about $30 billion in the past 8 years. This year we have been allocated $1 billion-something but actually we will have to reduce about $600 million.

Every year that the Committee on the Budget has given us a number we have met that number. So I would think that the gentleman could rest assured that as the gentleman from Illinois and the gentleman from Texas and the present membership of this committee remains the same, then we have nothing to worry about

□ 1330

Madam Speaker, I yield such time as he may consume to our distinguished colleague, the gentleman from Indiana [Mr. JONTZ], who along with our distinguished colleague, the gentleman from Illinois [Mr. MADIGAN] is one of the principal authors of this legislation.

Mr. JONTZ. Madam Speaker, I want to take a moment to thank the distinguished chairman of the Committee on Agriculture for his assistance in preparing this legislation, and also thank my coauthor, the distinguished ranking member, the gentleman from Illinois [Mr. MADIGAN], for his very capable assistance in bringing this legislation to the floor.

Madam Speaker, H.R. 2042 addresses one of the inequities in our Nation's farm programs—the established yield which USDA uses to determine program payments to farmers.

Farmers' payments are based upon a USDA-established yield for their farm. These established yields are not always reflective of actual production because producers have not been able to update the information used by USDA to set these yields. The last time producers were allowed to update their yields was in 1986 when they were allowed to prove their actual yields for the crop years of 1980 through 1985.

Denying producers the option to adjust their yields for the past 3 years has created inequity between actual production and the USDA established yields. Farmers have had to become more efficient in their operations and current farm programs do not reflect this increase in efficiency.

Even more disadvantaged are the farmers who did not participate in our Nation's farm programs until recently. Without a production history in the past, these farmers are required to accept an even more arbitrary yield figure that is frequently even more distorted than the USDA established yield.

As the Agriculture Committee, and Congress, prepares to write a new 5-year farm bill next year to reauthorize the 1985 Food and Security Act it is important that all policy alternatives are considered, including paying producers on actual production. To gather the information necessary to estimate the costs of such an alternative requires the passage of H.R. 2042.

For these reasons, Mr. MADIGAN, several members of the Agriculture Committee, and I, introduced H.R. 2042 to address this inequity by:

Requiring the Secretary to allow producers of wheat, feed grains, upland cotton, rice, and soybeans to provide actual yield data for the 1989 and 1990 crops to county ASCS committees.

Requiring the Secretary to notify producers of the opportunity to submit such data;

Requiring the Secretary to maintain such data for at least 5 crop years; and

Require the Secretary to report to Congress, no later than January 31, 1990, the potential costs of basing farm program payments on actual yields in future farm programs.

Most importantly, this bill will provide the data for this Congress to address the concerns of our Nation's farmers about program payments based upon unrealistic and outdated information.

This bill has been endorsed by the American Agriculture Movement, American Farm Bureau Federation, American Soybean Association, National Association of Wheat Growers, National Farmers Union, and the National Corn Growers Association.

Madam Speaker, I urge the passage of this bill to help address this inequity.

Mr. MADIGAN. Madam Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. DE LA GARZA. Madam Speaker, I yield such time as he may consume to the distinguished gentleman from Kansas [Mr. GLICKMAN], chairman of the subcommittee.

Mr. GLICKMAN. Madam Speaker, I rise in support of H.R. 2042, a bill which amends title 5 of the Agricultural Act of 1949 to allow producers to provide the appropriate county committees with actual yields for the 1989 and subsequent crop years.

A farmer's yield is the amount of crop he produces per acre times the amount of acres he harvests. For administering farm programs under the 1985 Food Security Act, determining a farmer's crop yield is one, but very important element, in figuring his program payment. Under the 1985 Food Security Act, the Secretary has the discretion of implementing one of two ways to figure farmers' individual program payment yields. He can allow producers to report to county committees their actual yields per year to formulate an average yield. Under the act, an actual yield is what a farmer harvests in any given year. A farmer submitting an actual yield to his county committee, thereby making it a "proven yield," would receive his entitled payments reflective of what he actually produced, on average, in the previous 5 years. The Secretary also can, and has done since 1985, use an average of farmers' production levels between the years 1980 and 1985 or any such years as he determines. The formula is more complicated than the theory of relativity.

Considering that it is now 1989, farmers, even though they may have made technological advances over the past 10 years which improved their production capacity and management practices, are still locked into receiving program payments based on an outdated average of their production capacity. Farmers have expressed concern to me that their program payments are no longer reflective of the amount they produce.

H.R. 2042 requires the U.S. Department of Agriculture to:

First, gather information across America on farmers' proven yields to determine potentially significant differences between these and the presently used program yields, and

Second, to use this information to conduct studies on the potential changes in 1989 farm program costs if producers were allowed to report to county committees their actual proven yields instead of using their program yields.

In preparation of the 1990 farm bill, I find this bill to be instrumental in obtaining the information we need to go forward, responsibly, in writing new farm legislation. We, on the committee realize the importance of this bill, but we also are aware of budget constraints. I'm sure this bill will provide useful information to the Committee on Agriculture.

This will be useful, for example, if I might add to what the gentleman from Minnesota [Mr. FRENZEL] said, basic Social Security payment on a guess of what Social Security determines that American's base is. That is the way we kind of do it now on farm programs. What we are saying is, as we do in the Social Security Program, we compute a person's Social Security based on their actual work history. What we want to do with farm programs is study whether we compute it based on their actual yields, and determine if that is not a more fair way to receive farm program payments. I urge the adoption of this bill and congratulate the sponsors.

Mr. DE LA GARZA. Madam Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Ms. SLAUGHTER of New York). The question is on the motion offered by the gentleman from Texas [Mr. DE LA GARZA] that the House suspend the rules and pass the bill, H.R. 2042, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The title of the bill was amended so as to read: "A bill to amend title V of the Agricultural Act of 1949 to allow producers to provide the appropriate county committees with actual yields for the 1989 and subsequent crop years, and for other purposes.".

A motion to reconsider was laid on the table.

LIMITING PREVIOUS OWNER'S RIGHT OF FIRST REFUSAL IN CASE OF FRAUD OR RESALE OF PROPERTY BY FHA AND FARM CREDIT SYSTEM

Mr. DE LA GARZA. Madam Speaker, I move to suspend the rules and pass the bill (H.R. 2469) to limit a previous owner's right of first refusal in the case of fraud or resale for sales of farm property by the Farmers Home Administration and the Farm Credit System, as amended.

The Clerk read as follows:

H.R. 2469

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. AMENDMENT TO THE CONSOLIDATED FARM AND RURAL DEVELOPMENT ACT.

Section 335(e) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1985(e)(1)) is amended by—

(1) in paragraph (1)(C) striking "The Secretary" and inserting "Except as provided in subparagraph (D), the Secretary";

(2) in paragraph (1) redesignating subparagraphs (D) and (E) as (F) and (G) and adding the following new subparagraphs:

"(D) The Secretary shall not give preference in the sale of property to—

"(i) any person described in subparagraph (C) who, within the preceding five years, has been finally convicted under the laws of the United States of criminally defrauding the United States Government (including any agency or authority of the Government of the United States, whether or not it is subject to review by another agency);

"(ii) the spouse or child of a previous borrower-owner, if within the preceding five years the previous borrower-owner has been finally convicted under the laws of the United States of criminally defrauding the United States Government (including any agency or authority of the Government of the United States, whether or not it is subject to review by another agency); or

"(iii) a stockholder in a corporation, held exclusively by members of the same family, if within the preceding five years such corporation or any stockholder therein has been finally convicted under the laws of the United States of criminally defrauding the United States Government (including any agency or authority of the Government of the United States, whether or not it is subject to review by another agency).

"(E)(i) Any person who purchases property from the Secretary pursuant to a preference, or anyone who subsequently acquires title to such property, shall not transfer title to the property, or any portion thereof, for a period of two years following such purchase from the Secretary. This prohibition against transfer of title shall not apply to a transfer—

"(I) to a member of such person's family if the value of any consideration received by such person for the transfer does not exceed the price paid for such purchase;

"(II) to a financial institution in connection with a mortgage to obtain financing for such real property;

"(III) by the institution specified in subclause (II) or by anyone who subsequently acquires title therefrom; or

"(IV) after the then current owner dies or is declared incompetent by a court of competent jurisdiction.

The Secretary is authorized to enforce the prohibition on the transfer of title to such real property with liens, deed restrictions, or other encumbrances as determined necessary by the Secretary.

"(ii) For purposes of this subparagraph the term 'family' consists of parents, grandparents, children, grandchildren, siblings, and spouse."; and

(3) in paragraph (10), striking, "In the event" and inserting "Except as provided in subparagraphs (D) and (E), in the event".

SEC. 2. AMENDMENT TO THE FARM CREDIT ACT OF 1971.

Section 4.36 of the Farm Credit Act of 1971 (12 U.S.C. 2219a) is amended by—

(1) in subsection (h) striking "The rights" and inserting "Except as provided in subsections (j) and (k), the rights"; and

(2) adding at the end the following new subsections:

"(j) FORFEITURE OF RIGHT.—A previous owner who has been finally convicted under the laws of the United States within the preceding five years of criminally defrauding either—

"(1) an institution chartered under this Act, or

"(2) the United States Government (including any agency or authority of the Government of the United States, whether or not it is subject to review by another agency),

shall not have a right of first refusal under this section.

"(k) TRANSFER OF REAL ESTATE.—

"(1) LIMITATION ON TRANSFER.—Any previous owner who purchases acquired real estate from an institution of the system by the exercise of a right of first refusal under this section, or anyone who subsequently acquires title to such real estate, shall not transfer title in the real estate, or any portion thereof, for a period of two years following such purchase from the institution. This prohibition against transfer of title shall not apply to a transfer—

"(A) to a member of the previous owner's family if the value of any consideration received by such previous owner for the transfer does not exceed the price paid for such purchase;

"(B) to a financial institution in connection with a mortgage to obtain financing for such real estate;

"(C) by the institution specified in subparagraph (B) or by anyone who subsequently acquires title therefrom; or

"(D) after the then current owner dies or is declared incompetent by a court of competent jurisdication.

An institution of the System is authorized, pursuant to regulations issued by the Farm Credit Administration, to enforce the prohibition on the transfer of title to such real estate with liens, deed restrictions, or other encumbrances.

"(2) DEFINITION OF FAMILY MEMBERS.—For purposes of this subsection the term 'family' consists of parents, grandparents, children, grandchildren, siblings, and spouse.".

SEC. 3. IMPLEMENTING REGULATIONS.

The Farm Credit Administration shall issue regulations to implement section 2 of this Act not later than one hundred twenty days after the date of enactment of this Act.

SEC. 4. EFFECTIVE DATE.

The amendments made by sections 1 and 2 of this Act shall be effective only for sales of property by the Secretary or by an institution of the Farm Credit System made after the date of enactment of this Act.

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from Texas [Mr. DE LA GARZA] will be recognized for 20 minutes, and the gentleman from Missouri [Mr. COLEMAN] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Texas [Mr. DE LA GARZA]

Mr. DE LA GARZA. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, in the 1987 Farm Credit System Act, we had a section called borrower's rights, and that was to try and work with individuals that had difficulty in keeping up payments with the Farmers' Home Administration and other institutions. We have found, now, that there are some corrective measures needed, and this bill does exactly that.

H.R. 2469 is designed to curb certain abuses involving the rights of first refusal and preferences granted with respect to the purchase of land which has been acquired by the Secretary of Agriculture or an institution of the Farm Credit System. These privileges were granted as a result of the Agricultural Credit Act of 1987 as a means to help farmers, who had been forced off their land through foreclosure, to return to farming.

Currently, persons who have been convicted of fraud against the Federal Government or an institution of the Farm Credit System are allowed to exercise a right of first refusal or to receive a purchase preference to regain title to the land. The Committee on Agriculture does not believe that such persons should enjoy the benefit of these privileges.

This bill would eliminate the right of first refusal, granted by the provisions of the Farm Credit Act of 1971, for persons who have been convicted of criminal fraud against the U.S. Government or any institution of the Farm Credit System. Similarly, this bill would eliminate the preference given under the provisions of the Consolidated Farm and Rural Development Act to borrower-owners and others who have been convicted of criminal fraud against the U.S. Government.

It has also come to the committee's attention that some parties are exercising these privileges in order to profit by reselling the land to third parties. The intent of granting these privileges was to help farmers who were forced off the land to return to farming rather than permit them to profit by brokering their former land.

H.R. 2469 would limit the ability of previous owners who have purchased real estate from an institution of the Farm Credit System pursuant to a right of first refusal, and certain others who acquire title from those previous owners, to transfer such real estate for a period of 2 years.

Similarly, this bill would provide limitations on the ability of borrower-owners or others who have purchased real property from the Farmers Home Administration pursuant to the grant of a preference from the Secretary of Agriculture, and certain others who acquire title from them, to transfer such real property for a period of 2 years.

Madam Speaker, this legislation has the broad support of the Committee on Agriculture. The Congressional Budget Office estimates that there would be no significant cost to the Government to implement the provisions of H.R. 2469. I commend H.R. 2469 to the House and urge its passage.

Mr. COLEMAN of Missouri. Madam Speaker, I rise in support of this legislation. I think the chairman has pretty well spelled out exactly why we are all supporting it. There are instances where people have been about to be provided the right of first refusal by the Farmers Home Administration or the Farm Credit System when, in fact, they may have been convicted of criminal fraud prior to that.

There is no reason to reward these types of people when they have actually used criminal fraud against the Government. We want to help honest farmers, producers, and borrowers who are the victims of adverse weather or farm credit conditions. We want to close this loophole that has permitted some borrowers found guilty of fraud against the Government from benefiting from the right of first refusal.

Also, we find a few instances where some people are utilizing this right of first refusal opportunity and turning around within a short period of time and reselling their property at higher rates, and perhaps denying a sale to a beginning farmer. We consider that is not appropriate when the Government has extended the right of first refusal on the assumption that the farmer is going to continue farming. We are just tightening down on some loopholes that may have been inadvertently created in earlier enactments.

I would point out that the Farmers' Home Administration [FmHA] states that it will seek an amendment to this bill in the Senate, to prevent additional abuses. FmHA came forward with an amendment too late after our markup to include it in this bill, so they may ask the other body to take up that matter.

□ 1340

I think it is a bill that makes improvements in the administration of the FmHA and Farm Credit System programs.

Madam Speaker, I reserve the balance of my time.

Mr. DE LA GARZA. Madam Speaker, I yield such time as he may consume to my colleague, the distinguished gentleman from Oklahoma [Mr. ENGLISH], the principal author of the legislation.

Mr. ENGLISH. Madam Speaker, I thank the gentleman very much for yielding this time to me.

Let me also say that I want to commend our colleague, the gentleman from Nebraska [Mr. BEREUTER], who has introduced similar legislation and who has worked with us on this legislation.

Madam Speaker, H.R. 2469 is designed to correct two unintended problems which have arisen in the right of first refusal that was included in the borrowers rights provisions of the 1987 Credit Act.

It was intended that some farmers who were forced off their farms by economic conditions beyond their control might find it possible to continue farming under improved conditions. The act included a provision which allowed them to have first priority in the resale of the land they lost. This right was included for both Farmers Home Administration and the Farm Credit System.

An unintended cicumstance has developed, however. Some persons are using this privilege for the sole purpose of selling the land to another party. Some who have the right of first refusal are actively seeking prospective buyers. Others, persons who have financial resources, are seeking persons with the right of first refusal to make a deal for the resale.

The intent in the 1987 Credit Act was to help farmers forced off the land to get back into farming—not make a profit on reselling their former land.

H.R. 2469 would prohibit the resale of land for 2 years after the right of first refusal is exercised.

A second problem has also arisen. Persons who have been convicted of fraud against Farmers Home are said to be planning to exercise the right of first refusal to regain control of the land. It was not intended for such a situation to occur.

H.R. 2469 removes the right of first refusal from any person who has been convicted of fraud against the U.S. Government, and in the case of Farm Credit, any unit of the Farm Credit System as well.

I urge the approval of H.R. 2469.

Mr. COLEMAN of Missouri. Madam Speaker, I yield back the balance of my time.

Mr. DE LA GARZA. Madam Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. (Ms. SLAUGHTER of New York). The question is on the motion offered by the gentleman from Texas [Mr. DE LA GARZA] that the House suspend the rules and pass the bill, H.R. 2469, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. DE LA GARZA. Madam Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 2042 and H.R. 2469, the two bills just passed.

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

There was no objection.

HUMBLE AND HARDY DAIRY GOATS FILL VITAL NICHE IN AMERICAN AGRICULTURE

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

Mr. DE LA GARZA. Madam Speaker, I appreciate the opportunity to inform my colleagues that for the past 2 years we have had a resolution providing for a National Dairy Goat Awareness Week, and for some unfortunate reasons it was painted in a negative way in an ad in the campaign, and then it was brought to some ridicule in the media, and now no one wants to sign my Dairy Goat Awareness Week resolution. I do not blame them because they do not want to be ridiculed, but this is serious business.

Madam Speaker, I had hoped that by this week—as we have done the previous 2 years—Congress would have passed a simple resolution to designate the third week in June as National Dairy Goat Awareness Week. House Joint Resolution 166, which I introduced earlier this year, would have provided a little public recognition for the thousands of people around the country who raise dairy goats or who process and market goat milk products. This would have been at no cost to the Federal Treasury.

But it is now the third week in June and House Joint Resolution 166 has not attracted enough cosponsors this year to be brought up on the House floor. Neither has the Senate resolution.

That is not to say National Dairy Goat Awareness Week did not attract attention. As my colleagues may recall, National Dairy Goat Awareness Week was an object of ridicule in several political campaign television ads last year. And now this year it has been cited as an example of why Congress should clamp down on commemorative legislation.

Needless to say, this has not been the kind of recognition I or the people in the dairy goat industry had intended or wanted. Neither I nor any person associated with our Nation's dairy goat industry ever dreamed our good intentions could be so distorted.

Perhaps the number of commemorative bills have gotten out of hand. But the dairy goat resolution is neither silly or irrelevant to those of us who care about agriculture and nutrition.

For more than 7,000 years dairy goats have provided milk and sustenance for people around the world. Sixty percent of the world's population rely on goat milk products as the primary source of their dairy intake. Without dairy goat milk, many children would suffer from serious nutritional deficiencies.

Here in the United States the American Dairy Goat Association reports that it has more than 9,000 members in 50 States, with over one-quarter of a million dairy goats registered. Goat milk products are increasingly popular with health-conscious Americans. Constant improvements in their genetics have made American dairy goats a popular export item to countries where goats are the main source of dairy products.

Although we cannot convince a few of our colleagues that this is serious business, I think, Madam Speaker, that I shall declare Dairy Goat Awareness Week on my own, regardless of how many cosponsors we have, so that we may pay tribute to that lowly, yet very productive animal. You can drink the milk, you can eat the meat, you can use the hide. It can then also cut the lawn, and it can do almost anything that a multitude of people can do.

Madam Speaker, the dairy goat has been with us for thousands of years, and I pay tribute to those who work with them now in the United States of America.

Madam Speaker, although I cannot provide the necessary 218 cosponsors for this resolution, I want my colleagues and the American people to know that I am proud and honored to be associated with the thousands of men and women who comprise our Nation's dairy goat industry. As chairman of the House Committee on Agriculture, I recognize the valuable contribution this industry makes to American agriculture and to the food needs of people around the world.

While underappreciated by us here in this Congress, the humble and hardy dairy goat will nevertheless survive and continue to fill a vital niche in American agriculture.

Mr. MADIGAN. Madam Speaker, will the gentleman yield?

Mr. DE LA GARZA. I yield very briefly to my distinguished colleague, the gentleman from Illinois.

Mr. MADIGAN. Madam Speaker, is the distinguished chairman of the committee still talking about goats?

Mr. DE LA GARZA. The dairy type, yes.

Mr. MADIGAN. Madam Speaker, I thank the gentleman.

Mr. GOODLING. Madam Speaker, will the gentleman yield?

Mr. DE LA GARZA. I am happy to yield very briefly.

Mr. GOODLING. Madam Speaker, I would be happy to help the gentleman cosponsor this if he would get the Agriculture Department to stop getting my goat over the drought assistance bill.

Mr. DE LA GARZA. Here we go again.

Madam Speaker, I am speaking of Dairy Goat Awareness Week, which I now hereby officially declare for the third week in June.

EXTENDING AUTHORIZATION FOR CERTAIN SCHOOL DROPOUT DEMONSTRATION PROGRAMS

Mr. HAWKINS. Madam Speaker, I move to suspend the rules and pass the bill (H.R. 2281) to amend the Elementary and Secondary Education Act of 1965 to extend the authorization for certain school dropout demonstration programs, as amended.

The Clerk read as follows:

H.R. 2281

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. EXTENSION OF SCHOOL DROPOUT DEMONSTRATION PROGRAMS.

Section 6003 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 3243) is amended—

(1) by striking "There" and inserting the following: "(a) IN GENERAL.—Subject to subsection (b), there";

(2) by inserting "each of" before "the fiscal";

(3) by striking "year" and inserting "years";

(4) by inserting before the period the following: ", 1990, and 1991"; and

(5) by adding at the end the following new subsection:

"(b) No amounts are authorized to be appropriated under subsection (a) for any fiscal year in which assistance is made available to local educational agencies under part C of chapter 1 of title I.".

SEC. 2. AUTHORIZATION OF USE OF FUNDS FOR EVALUATION ACTIVITIES.

Subsections (a) of section 6004 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 3244) is amended—

(1) by inserting after "the Secretary" the following: "shall first reserve not more than $1,500,000 for the purposes of evaluating programs carried out with assistance under this part. From the remaining amount, the Secretary"; and

(2) by striking "the amount appropriated" each place it appears after the first occurrence and inserting "such remaining amount".

SEC. 3. AUTHORIZATION OF REALLOTMENT OF CERTAIN FUNDS.

Paragraph (1) of section 6004(b) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 3244(b)) is amended by striking "25 percent" and inserting "not less than 25 percent and not more than 50 percent".

SEC. 4. DEADLINE FOR EVALUATIONS.

Subsection (d) of section 6201 of the Elementary and Secondary Education Act of 1965 is amended by striking "at the end" and all that follows and inserting "not later

than the expiration of the 6-month period following the end of the grant period.".

The SPEAKER pro tempore. Is a second demanded?

Mr. GOODLING. Madam Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from California [Mr. HAWKINS] will be recognized for 20 minutes, and the gentleman from Pennsylvania [Mr. GOODLING] will be recognized for 20 minutes.

The Chair recognizes the gentleman from California [Mr. HAWKINS].

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

Madam Speaker, I rise in favor of H.R. 2281, the National School Dropout Demonstration Assistance Act. H.R. 2281 extends a 2-year, $50 million National School Dropout Demonstration Program which is already in current law, in the School Improvement Act of 1988. However, the authorization for the demonstration program ends this fiscal year.

We must enact this measure because a much larger, more comprehensive State-administered antidropout program, entitled the Secondary School Program for Basic Skills Improvement and Dropout Prevention, also included in the School Improvement Act, has not been funded yet. Until funding is approved to launch this new larger school dropout prevention program, we must maintain the Federal commitment to attack the deplorable problem of school dropouts in our Nation.

It has been estimated that the 1 million students who have dropped out of our high schools, just this year alone, will reduce revenues to the Treasury by $68 billion, and the students will lose $228 billion in lifetime personal earnings. Businesses are feeling the brunt through spending $210 billion annually on employee training in basic reading, writing, and arithmetic. Communities across the country are experiencing the problems often associated with high school dropouts, including increased drug abuse among young people, more incidence of adolescent pregnancies, and increased reliance on Federal, State, and local public assistance.

The investment we make today to curb school dropouts will save our Nation billions of dollars in the future. This truly is a winning deal for the young people themselves, as well as for our entire economy. While we on the Education and Labor Committee continue to be hopeful that moneys will be appropriated for the larger, school dropout State-administered program under part C of chapter 1, by enacting H.R. 2281, we will at least be able to continue the current school dropout demonstration program.

I urge my colleagues to give this bill their overwhelming support.

□ 1350

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

Madam Speaker, I rise in support of H.R. 2281, a bill to amend the Elementary and Secondary Education Act of 1965 which will continue authority for a dropout prevention program. As you know, the problem of students dropping out of school is a staggering problem in this country. Last Congress, we created two programs aimed at helping to combat this problem. The smaller program received funding; the larger did not. This bill extends authority to fund the smaller program. The larger program would need approximately 20 times the funding as the smaller program extended in H.R. 2281. At this time, I believe that such a large funding requirement is probably a budgetary impossibility. H.R. 2281 will allow us to continue our support of combating the problem of dropouts in a smaller and more targeted program. Through this bill, we can choose to fund either one or the other program, but not both.

The larger program mirrors the chapter 1 program of the Elementary and Secondary Education Act of 1965, which targets Federal support for basic skills education. As a practical matter, money used in the chapter 1 program could be used for services in the high school; however, due to funding shortages, local educators almost without exception use all the chapter 1 money in the early grades. This program would direct money toward the higher grades. Even though I may prefer to have the larger program funded, the bill recognizes the practical reality of these fiscal times.

During our consideration of this bill we have included some changes suggested by the Department of Education. Two changes included during the full committee markup address the evaluation process and allow the Secretary of Education to reserve funding for the evaluation. Furthermore, the amendments require that a report be submitted in a timely fashion. Finally, the bill recognizes the importance of educational partnerships and allows for the Secretary to fund more partnerships. I hope you will join me in support of H.R. 2281, so that we may continue our support of stopping this tremendous problem of students dropping out of school.

Mr. HAWKINS. Madam Speaker, I wish to express my appreciation to the ranking minority member of the committee, the gentleman from Pennsylvania [Mr. GOODLING].

Madam Speaker, I yield 5 minutes to the gentleman from Illinois [Mr. HAYES] who was the author of this demonstration program and who has provided leadership on the committee in this very troubling field. I think he is certainly due our gratitude, and we certainly commend him on his leadership.

Mr. HAYES of Illinois. Madam Speaker, I am proud to have the honor to come before you today to speak in support of H.R. 2281, legislation I introduced, along with the chairman and ranking minority member of the Committee on Education and Labor, GUS HAWKINS and BILL GOODLING.

H.R. 2281 seeks to extend the Federal Government's current School Dropout Demonstration Program for 2 additional years through fiscal year 1991. The current program, which ends at the end of this fiscal year—fiscal year 1989—is included in the Hawkins-Stafford school improvement amendments—Public Law 100-297—and is currently authorized with a 2-year $50 million authorization.

Without passage of H.R. 2281, it is virtually certain that the Federal Government will abandon any effort to help public schools come to grips with their dropout problems. In short, the Federal focus on school dropouts will drop off the national agenda.

The current program, which attracted 852 applications, is already responsible for funding 89 projects across the country. These projects hold the promise to provide us with effective and proven strategies to deal with our Nation's dropout problem. Some of the cities in which they are in operation include: Tuscaloosa, AL; Los Angeles, CA; Denver, CO; Atlanta, GA; Chicago, IL; Ville Platte, LA; Flint, MI; Columbia, MO; Hattiesburg, MS; Dobbs Ferry, NY; Aiken, SC; Coleman, TX; Dallas, TX; and Seattle WA.

While the current program is authorized for $50 million in fiscal year 1989, that amount should be considered only a drop in the bucket compared to what is really needed to adequately address our national dropout problem. This fact was taken into consideration in the Hawkins-Stafford school improvement amendments by the inclusion of chapter 1, part C, which establishes a much larger, State administered, $400 million ESEA secondary schools basic skills and dropout prevention program. Hawkins-Stafford authorized this to begin in fiscal year 1990. Unfortunately, the realities of the current budget situation make it extremely unlikely that funding of this magnitude, or funding even close to it, will be available to launch this major new program.

My measure is in no way designed to remove focus on the larger program and in fact, I have incorporated language in H.R. 2281 to stipulate that when assistance is made available under part C, no amounts are author-

ized to be appropriated to fund the federally administered program. In this way we will ensure that at the minimum, with respect to the problem of dropouts, the Federal Government is in some way addressing the needs of our Nation's public schools.

While this may in fact be a simple reauthorization amendment to current law, it is critically important to the future of thousands upon thousands of young people across the country. I urge my colleagues on both sides of the aisle to send a clear message to our public schools and more importantly, to our Nation's school children, and pass this measure unanimously.

Mr. HAWKINS. Madam Speaker, I yield back the balance of our time.

Mr. GOODLING. Madam Speaker, I, too, have no further requests for time, and I yield back the balance of our time.

The SPEAKER pro tempore (Ms. SLAUGHTER of New York). The question is on the motion offered by the gentleman from California [Mr. HAWKINS] that the House suspend the rules and pass the bill, H.R. 2281, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended, and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. HAWKINS. Madam Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 2281, the bill just passed.

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

There was no objection.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Debate has been concluded on all motions to suspend the rules.

DISTRICT OF COLUMBIA POLICE AUTHORIZATION AND EXPANSION ACT OF 1989

The SPEAKER pro tempore. The pending business is the question of suspending the rules and passing the bill, H.R. 1502, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California [Mr. DELLUMS] that the House suspend the rules and pass the bill, H.R. 1502, as amended, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 289, nays 105, not voting 39, as follows:

[Roll No. 82]

YEAS—289

Ackerman
Akaka
Anderson
Andrews
Annunzio
Anthony
Aspin
Atkins
AuCoin
Baker
Barton
Bateman
Bates
Beilenson
Bennett
Bentley
Berman
Bevill
Bilbray
Bilirakis
Bliley
Boehlert
Boggs
Bonior
Borski
Boucher
Boxer
Brennan
Brown (CA)
Bruce
Bustamante
Byron
Campbell (CO)
Cardin
Carper
Carr
Clarke
Clay
Clement
Coelho
Coleman (MO)
Coleman (TX)
Conte
Conyers
Cooper
Costello
Coughlin
Coyne
Crockett
Darden
de la Garza
Dellums
Derrick
DeWine
Dixon
Donnelly
Dorgan (ND)
Downey
Durbin
Dwyer
Dymally
Dyson
Early
Eckart
Edwards (CA)
Engel
English
Erdreich
Espy
Evans
Fascell
Fazio
Feighan
Fish
Flippo
Ford (MI)
Frank
Frost
Gallo
Garcia
Gaydos
Gejdenson
Gephardt
Gibbons
Gillmor
Gilman
Glickman
Gonzalez
Gordon
Gray
Green
Hall (OH)
Hamilton
Harris
Hatcher
Hawkins
Hayes (IL)
Hayes (LA)
Hefner
Hertel
Hoagland
Hochbrueckner
Horton
Houghton
Hoyer
Hubbard
Huckaby
Hughes
Hutto
Hyde
Ireland
Jacobs
Jenkins
Johnson (CT)
Johnson (SD)
Johnston
Jones (GA)
Jones (NC)
Jontz
Kanjorski
Kaptur
Kasich
Kastenmeier
Kennedy
Kennelly
Kildee
Kostmayer
LaFalce
Lancaster
Lantos
Laughlin
Leath (TX)
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lewis (FL)
Lewis (GA)
Lipinski
Livingston
Lloyd
Long
Lowey (NY)
Luken, Thomas
Lukens, Donald
Machtley
Manton
Markey
Marlenee
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCollum
McCurdy
McDermott
McGrath
McHugh
McMillen (MD)
McNulty
Meyers
Mfume
Miller (CA)
Mineta
Moakley
Molinari
Mollohan
Moody
Morella
Morrison (CT)
Mrazek
Murtha
Myers
Nagle
Natcher
Neal (MA)
Neal (NC)
Nelson
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (NY)
Pallone
Panetta
Pashayan
Patterson
Payne (NJ)
Payne (VA)
Pease
Pelosi
Penny
Perkins
Petri
Pickett
Pickle
Poshard
Price
Quillen
Rahall
Rangel
Ray
Regula
Richardson
Rinaldo
Ritter
Roberts
Robinson
Roe
Rose
Rostenkowski
Roth
Roukema
Rowland (CT)
Rowland (GA)
Roybal
Russo
Sabo
Saiki
Sangmeister
Sarpalius
Sawyer
Saxton
Scheuer
Schroeder
Schumer
Sharp
Shays
Sikorski
Sisisky
Skaggs
Skelton
Slattery
Slaughter (NY)
Slaughter (VA)
Smith (FL)
Smith (IA)
Smith (NJ)
Smith (VT)
Snowe
Solarz
Spence
Spratt
Staggers
Stallings
Stangeland
Stark
Stenholm
Stokes
Studds
Swift
Synar
Tallon
Tanner
Tauzin
Thomas (CA)
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Unsoeld
Valentine
Vento
Visclosky
Volkmer
Walgren
Watkins
Waxman
Weber
Weiss
Weldon
Wheat
Whittaker
Whitten
Wilson
Wolf
Wolpe
Wyden
Yates
Yatron
Young (FL)

NAYS—105

Archer
Armey
Ballenger
Bartlett
Broomfield
Brown (CO)
Bunning
Burton
Campbell (CA)
Chandler
Clinger
Coble
Combest
Craig
Crane
DeLay
Dingell
Douglas
Dreier
Duncan
Edwards (OK)
Emerson
Fawell
Fields
Frenzel
Gallegly
Gekas
Gingrich
Goodling
Goss
Gradison
Grandy
Grant
Gunderson
Hall (TX)
Hammerschmidt
Hancock
Hansen
Hastert
Hefley
Henry
Herger
Hiler
Holloway
Hopkins
Hunter
Inhofe
James
Kolbe
Kyl
Lagomarsino
Leach (IA)
Lewis (CA)
Lightfoot
Madigan
Martin (IL)
Martin (NY)
McCandless
McCrery
McDade
McEwen
McMillan (NC)
Michel
Miller (OH)
Miller (WA)
Montgomery
Moorhead
Morrison (WA)
Murphy
Nielson
Packard
Paxon
Porter
Pursell
Ravenel
Rhodes
Ridge
Rogers
Rohrabacher
Schaefer
Schiff
Schuette
Schulze
Sensenbrenner
Shaw
Shumway
Shuster
Skeen
Smith (MS)
Smith (NE)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (OR)
Solomon
Stearns
Stump
Sundquist
Tauke
Upton
Vucanovich
Walker
Walsh
Williams
Wylie
Young (AK)

NOT VOTING—39

Alexander
Applegate
Barnard
Bereuter
Bosco
Brooks
Browder
Bryant
Buechner
Callahan
Chapman
Collins
Courter
Cox
Dannemeyer
Davis
DeFazio
Dickinson
Dicks
Dornan (CA)
Flake
Florio
Foglietta
Ford (TN)
Guarini
Kleczka
Kolter
Lowery (CA)
Owens (UT)
Oxley
Parker
Parris
Savage
Schneider
Smith, Robert (NH)
Thomas (WY)
Vander Jagt
Wise
Wright

□ 1424

The Clerk announced the following pair:

On this vote:

Mr. Parris and Ms. Schneider for, with Mr. Oxley against.

Messrs. GINGRICH, HEFLEY, SKEEN, and ROHRABACHER changed their vote from "yea" to "nay."

Messrs. DERRICK, GREEN, and SPENCE changed their vote from "nay" to "yea."

Mr. HALL of Texas changed his vote from "present" to "nay."

So (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was commu-

nicated to the House by Mr. Kalbaugh, one of his secretaries.

APPOINTMENT OF CONFEREES ON H.R. 2072, DIRE EMERGENCY SUPPLEMENTAL APPROPRIATIONS, FISCAL YEAR 1989

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 2072) making dire emergency supplemental appropriations and transfers, urgent supplementals, and correcting enrollment errors for the fiscal year ending September 30, 1989, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

MOTION OFFERED BY MR. CONTE

Mr. CONTE. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Conte moves that the managers on the part of the House at the conference on the disagreeing votes of the two Houses on the bill H.R. 2072 be instructed not to meet with the managers on the part of the Senate on other issues until resolution of supplemental funding for Department of Veterans Affairs Medical Care.

The SPEAKER. The gentleman from Massachusetts [Mr. CONTE] will be recognized for 30 minutes and the gentleman from Mississippi [Mr. WHITTEN] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Massachusetts [Mr. CONTE].

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

Mr. Speaker, this motion to instruct is about one thing and one thing only. It is about veterans.

It is about our failure to provide on a timely basis, the supplemental funding needed to keep our veterans' medical care system operating.

It is about politics, and how veterans are being held hostage in this supplemental now going to conference to the other body's pet projects.

And it is about determination, and whether this House meant what it said on May 24, when it voted 409 to 0 to separate veterans' funding from this bill, so it could be passed expeditiously, on its own.

Mr. Speaker, this motion says one thing. It says, veterans come first.

It says, the veterans' health care system is in dire need. It is the one true emergency in this bill. It is the one program that is going broke as we speak. It is the one situation where people are being turned away, denied health care, denied treatment, denied even being seen, due to lack of money.

In my district, Mr. Speaker, veterans are camped out, on grounds of the veterans' hospital, until Congress does its duty. They are begging for help. They are begging for the emergency relief that only Congress can provide. They gave me these petitions, signed by hundreds of supporters, calling on the Government to do nothing more than provide the decent health care that our veterans have been promised, and are now being denied.

My friends at Firebase Leeds are not alone. Similar firebases are said to be springing up across the country. And you know what, Mr. Speaker? They are right.

It is an outrage that it has been 3 months since the administration first asked for this dire emergency and it still has not been taken care of.

It has been 1 month since the House broke veterans out of this contentious supplemental and said, no more. We can't wait any longer. The veterans come first.

We gave the Senate the opportunity to resolve this issue before Memorial Day, and they turned it down. They said, we'll only give the veterans funding for 3 weeks. But we won't let them loose. There are many, many programs we want to tack on, and we don't want to release our veterans as hostages.

Mr. Speaker, how do you hire nurses for 3 weeks? How do you hire doctors for 3 weeks? How do you take care of sickness for 3 weeks?

So we said no. Our veterans come first. Do not hold the veterans hostage. Do not give them crumbs. Give them the whole loaf. And we sent the bill, H.R. 2402, right back to them, insisting on our position, by a vote of 409 to 0 on May 24.

And what has the Senate done with that bill? Nothing. Not a dog-blasted thing.

Instead, Mr. Speaker they have strung the veterans out. They have kept them hostage in this supplemental here, H.R. 2072, an omnibus supplemental appropriations bill. And let me tell you just how omnibus that Senate bill has become. In the Senate, no one is off the bus. They are all omnibus.

Let me tell you what the Senate is holding our veterans hostage to.

Hostage to $75 million for a radio telescope in West Virginia.

Hostage to a $1 million community gym for the Navy in landlocked West Virginia.

Hostage to a $250,000 warning system for chemical plants in West Virginia.

Hostage to $900,000 more for Logan County Airport in West Virginia.

Hostage to a $250,000 drought information center at Kansas State University.

Hostage to a $400,000 Yellowstone fire research project at the University of Wyoming.

Hostage to a provision urging that the Department of Agriculture buy more apples.

Hostage to $130 million increased authorization for the Bonneville lock project.

Hostage to $200,000 for University of South Carolina to study drug abuse.

Hostage to $1.6 million for job training in Philadelphia.

Hostage to $500,000 for Mill Creek Lake, OH.

Hostage to $3 million for toxicological research in Jefferson, AR.

Hostage to Shinnecock Inlet, NY.

Hostage to the Dubuque City Island Bridge.

Hostage to $50 million in army winter clothing manufactured in 10 States.

And on and on.

Mr. Speaker, I do not object to these items in principle. Some of them might even be needed. Once in a while, I might engage in similar conduct. Every Member is elected to look out for the interests of constituents.

But what I do object to is that veterans are being denied medical care, veterans are being turned away from hospitals, veterans are not getting their medication, because the Senate won't let the veterans go until it gets all these pet projects.

It is a heartless situation. If I were not in Congress, I would be camped out with my brothers at Firebase Leeds.

So now we are going to conference on this omnibus supplemental. Let me tell you, this conference could drag on for weeks. The lines have already been drawn.

The House bill has the $821 million for drugs, that I don't think my chairmen will back off on. The Senate has all these projects that the House won't back off on, at least while there is the debate on drugs going on.

The administration has set a budget target just slightly less than the Senate bill, with no room for drugs, and it says it will veto anything above that. We have the votes to sustain the veto. The Senate needs 60 votes to waive the Budget Act, which it won't get if the administration opposes the bill.

We will not see a bill signed into law, I do not think, for a long time to come.

There is one thing we can do. We can go into conference with a firm House position that says one thing. The veterans come first.

We can deal with drugs in due course. We can deal with the Senate projects in due course. But first, let us free the veterans.

Let us not hold the veterans up any longer. Let us not deny one more veteran the medical care that he or she needs.

We can go into conference with the unified position that the Senate

should pass the minisupplement that we passed 409-0. They could do it in 10 minutes. They could do it with two people in the Chamber. They could do it by unanimous consent. They could do it so fast that no one would know what had just gone through.

Once they do that, we can conference out the rest of this omnibus bill. But let us not hurt the veterans any longer.

Please, I ask of you, reaffirm that 409-0 vote for the veterans. Vote for this motion to instruct.

It says one thing and one thing only—put our veterans first.

□ 1430

Free the veterans as hostages, free the veterans as hostages, free the veterans as hostages.

I hope that is not too much to ask.

Mr. Speaker, I include all the documentations on just how serious the problem is.

VETERANS OF FOREIGN WARS
OF THE UNITED STATES,
Washington, DC, May 24, 1989.

Hon. SILVIO O. CONTE,
Committee on Appropriations, House of Representatives, Washington, DC.

DEAR MR. CONTE: It is our understanding the House will consider the FY '89 Supplemental Appropriations bill today, Wednesday, May 24. This will be the full appropriations as was originally considered and ultimately sent back to the House Appropriations Committee.

As you know, this FY '89 supplemental contains drastically needed funding for the Department of Veterans Affairs so it may continue to provide health care to our nation's veterans. Unfortunately, this bill also contains non-dire emergency funding for the war on drug abuse which the President has emphatically stated he will veto.

On behalf of the more than 2.7 million men and women of the Veterans of Foreign Wars of the United States and its Ladies Auxiliary, I urge that you strike the language for the non-emergency drug funding and pass the supplemental which will assure that our nation's veterans receive the care they are entitled to and earned.

Sincerely,

COOPER T. HOLT,
Executive Director

DAV CHARGES POLITICAL GAMESMANSHIP IS THREATENING VETERANS' LIVES

Leaders of the one-million-member Disabled American Veterans (DAV), today charged Democratic and Republican leaders in both the House and the Senate are, "playing partisan games that could jeopardize the lives of America's sickest and neediest veterans."

The charge came from DAV National Commander Billy E. Kirby following Senate passage of an emergency supplemental appropriations bill, good only until June 13, and designed to keep hospitals operating in the Department of Veterans' Affairs (VA) medical system.

Earlier, the House passed the emergency appropriation following reports the VA was poised to lay off as many as 100 health care employees a week if the funds weren't immediately provided. VA Secretary Edward Derwinski had warned Congress that "VA Medical Care program is now in a state of emergency" and that funds were immediately necessary.

The measure had been stalled in the House for more than two weeks as Democratic party leaders pressed to include an $800 million amendment to fund the war on drugs.

House Republican leaders balked at the amendment, charging it was a political ploy to embarrass the Administration, given the President's vow to veto measures that required increased funding. The measure finally cleared the House when the VA funds were separated from the overall supplemental bill.

In the Senate, leaders of both parties—on the eve of Senate adjournment—agreed to an amendment placing a June 15 deadline on the VA's spending authority of the supplemental funds. Thus, the VA will be facing the same fiscal crisis after that date.

"What this means is both political parties are trying to make each other look bad in terms of the drug issue," Kirby said. "And they're using the VA's emergency funding needs as the hook to make their points. It's a blatant political game that makes me wonder if either party really cares what's happening in the VA health care system today."

Kirby concluded by saying, "The leaders of both political parties must shoulder the blame. They're playing Washington politics, even as VA health care dangles by a thread that's poised to snap."

VFW CHIEF UPSET WITH CONGRESS OVER PIECEMEAL VA FUNDING

WASHINGTON, DC, May 22, 1989.—The head of the 2.2-million member Veterans of Foreign Wars and the U.S. today accused the Senate of playing politics with the welfare of America's veterans.

Larry W. Rivers, VFW Commander-in-Chief, said, the Senate vote to limit spending of the House-approved VA emergency supplemental funds does not help the deteriorating health care crisis within the VA.

A request for $1.2 billion in supplemental funds, allowing the VA to continue providing services at the previous year level, had been requested by the new incoming Secretary of the Department of Veterans' Affairs, Edward J. Derwinski.

The amendment, passed by the Senate on May 18, allows the spending of the VA emergency fund till June 15 when the Congress returns following a recess.

The Senate approved only about $75 million, enough to last the VA about a month before the crisis situation renews.

Rivers, an Alexandria, Louisiana, attorney said, "The amendment ties the hands of VA hospital administrators because no long-term contracts for goods and services can be negotiated. Also, VA hospital officials cannot hire critically needed health care personnel because the spending supplemental is only good till June 15."

The VFW leader said, "Come June 15th we are back to the political wrangling. We could see the whole VA emergency funds issue go down the drain."

"The Congress has to put aside its partisan bickering and address the serious health care situation facing veterans today," said Rivers.

PARALYZED VETERANS OF AMERICA,
May 24, 1989.

Hon. BOB STUMP,
House Committee on Veterans' Affairs, House of Representatives, Washington, DC.

DEAR REPRESENTATIVE STUMP: On behalf of the membership of Paralyzed Veterans of America, I am again writing to request your support and assistance in securing the critically needed supplemental funding required by the Department of Veterans' Affairs. Last week the House of Representatives addressed the catastrophic funding situation currently besetting veterans' health care only to see the United States Senate constrict these vital funds through their actions.

Veterans are now faced with a situation where with less than four months left in the fiscal year, the Congress has yet to complete action on this drastically needed supplemental funding. Needless to say, a funding situation in veterans' health care that was serious last September has turned into an actual crisis. More and more veterans are being denied medical treatment, programs are being terminated, supplies rationed or running out entirely. As we noted last week, DVA employees at one medical center took up a collection of $1,600 just to be able to purchase such routine medical supplies as adhesive tape.

Funding levels contained in the FY 1990 Budget Resolution approved by the House and Senate are already $300 million below that required to provide current services. Without immediate relief from an adequate supplemental this year, this crisis will surely spill over and compound itself even more severely in FY 1990. The DVA is already making plans to close hospitals unless adequate resources can be provided during the FY 1989-1990 funding cycles.

Further delay in providing the needed supplemental funds for veterans' health care is putting sick and disabled veterans at risk. Not only is the Department of Veterans' Affairs curtailing and eliminating needed programs and denying and delaying care to veterans, but the Department is facing the potential of losing qualified nurses and other health-care professionals who cannot be quickly replaced, if at all. This situation can only be stopped by the timely provision of adequate funds which can be expended, uninterrupted, throughout the remainder of this fiscal year. Veterans need your immediate support for passage of a clean supplemental bill, unencumbered by other issues, which can again be addressed by the Senate.

Thank you for your continuing consideration and support for our Nation's veterans.

Sincerely yours,

GORDON H. MANSFIELD,
Associate Executive Director for Government Relations.

AMVETS,
Lanham, MD, May 22, 1989.

Hon. ROBERT C. BYRD,
U.S. Senate, Washington, DC.

DEAR SENATOR BYRD: On behalf of the 200,000 members of AMVETS, we are appalled at the recent action taken by the Senate to provide emergency funding for the health care of America's veterans only through June 15th.

This action, and the cavalier attitude toward providing necessary funding for health care for those who have borne our country's battles is unconscionable. Veterans issues have always been non-partisan in

scope and we fail to see what gains can be had in providing emergency funding only through June 15th when the issue must be addressed again.

We call upon you and all members of the United States Senate to insure that adequate funding is available to provide the requisite health care for our country's veterans.

Sincerely yours,

JIMMY T. SMITH,
National Commander.

DEPARTMENT OF VETERANS AFFAIRS,
Washington, DC, May 16, 1989.

Hon. JAMIE L. WHITTEN,
Chairman, Committee on Appropriations, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: The House will shortly be considering a supplemental appropriation request which contains much needed funding for veterans' health care programs. I must respectfully bring to your attention that the Medical Care program is now in a state of emergency. Each day that supplemental funding is not forthcoming, the level of service provided by the VA's medical system is diminished. The VA has virtually exhausted its flexibility to borrow from non-payroll accounts to support the employment level necessary to properly treat veterans. Inventories of supplies are low, and the purchase of necessary medical equipment will have to be postponed until next fiscal year.

I would appreciate whatever steps you can take to ensure that the Medical Care supplemental request is enacted by the Congress without further delay, realizing that you have other obligations that warrant full consideration.

Currently, the medical employment level is at 190,728 FTEE, 4,000 below the level directed by Congress. The employment reduction has reduced the number of outpatients treated this year by approximately 600,000 visits. Without action on the supplemental, medical employment will start dropping by 200 FTEE or more for each two-week pay period. As of May 19, 1989, VA capital accounts will be frozen even though the replacement equipment backlog is in excess of $600 million. Activation funding for 96 projects will be stopped, as will funding for high technology sharing agreements with DoD and private hospitals.

The President is clearly committed to supplemental funding for veterans' health care programs. I seek your assistance in guiding this supplemental through Congress and ensuring it is not encumbered with amendments or provisions that could delay Presidential approval.

Sincerely yours,

EDWARD J. DERWINSKI,
Secretary.

DEPARTMENT OF VETERANS' AFFAIRS',
Washington, DC

Hon. SILVIO CONTE,
Ranking Minority Member, Committee on Appropriations, House of Representatives, Washington, DC.

DEAR MR. CONTE: In further reference to my letter of yesterday—notwithstanding suggestions and speculation to the contrary, the VA is in urgent need of supplemental FY 1989 funding for its medical programs. It is important that the House act immediately, certainly prior to the coming recess, to permit swift action by the Senate.

The legislative complications that threaten this supplemental also threaten health care for veterans. Delayed action will force us to take measures to cut back on the levels of medical care provided, as well as on the number of patients we treat. Failure to provide supplemental funding at this juncture equates to 20,000 few veterans outpatient visits for each week of delay.

Accordingly, I urge you to consider this a matter of the utmost importance, and ensure immediate action on the supplemental appropriation request now before the House.

Sincerely yours,

EDWARD J. DERWINSKI,
Secretary.

VA SECRETARY WARNS OF HEALTH CARE BUDGET CRISIS

WASHINGTON, DC, May 17.—Secretary of Veterans Affairs Edward J. Derwinski today expressed his grave concern over Congressional failure to act promptly on an emergency supplemental appropriation for current-year needs of the VA health-care system.

Derwinski said, "Unless prompt action is taken, VA will be forced to take measures to cut medical staff and services to veterans across the nation."

It had been anticipated that Congress would provide a supplemental of about $340 million to help ease current budget pressures. But moves to provide additional FY 1989 funding for VA medical programs fell through this afternoon. This prompted Derwinski to warn that veterans hospitals face a "real emergency" in their current budget situation.

"We have been operating the system on a deficiency basis," Derwinski said. "We cannot continue to meet our full responsibilities without the funding so urgently needed by our hospitals."

Derwinski outlined the impact of funding shortages in letters to the leadership of the House Appropriations Committee. He described systemwide staff shortages of some 4,000 medical personnel, reductions in outpatient capacity amounting to 20,000 visits per week, the imposition of a freeze of capital accounts used to purchase replacement medical equipment, and halt activation of 96 recently completed medical facility projects.

VA FUNDING DELAY PROMPTS SERVICE CUTBACKS

WASHINGTON, DC, May 26.—The Department of Veterans Affairs (VA) will today begin scaling back medical services and curtailing expenditures because emergency supplemental funding for VA has not been provided by Congress.

VA Secretary Edward J. Derwinski said he had to react to the continuing legislative impasse in Congress which has embroiled VA's request for supplemental funding and is affecting operation of the VA health-care system.

"I must take these actions," Derwinski said, "to keep the system functioning within the limits of our resources. They should hold us until June 15, when we are cautiously optimistic that the Congress will resolve its differences and provide VA with urgently needed funds."

Derwinski described the emergency measures as "temporary, but to be closely monitored and reviewed." He cautioned that if supplemental appropriations do not reach VA soon, more drastic cutbacks may be needed.

Among the immediate steps being taken by the VA health-care system is a freeze on accepting new patients whose eligibility depends on available VA resources. Except in emergencies, the veterans affected are those with nonservice-connected status whose incomes are above limits set by law, designated as VA categories "B" and "C".

Other actions include decreasing staff levels at VA facilities through attrition. VA will also halt spending used to purchase and maintain certain medical equipment and will delay the start-up of numerous new facility projects.

Derwinski said later steps he might be forced to take in the absence of early Congressonal action could include cuts that would close some specialized medical programs and steps affecting staffing within VA's Veterans Benefits Administration. This could result in slowing down the processing of compensation and pension claims, educational assistance, home-loan guaranties and life insurance claims. Grounds maintenance at VA's 113 national cemeteries may also have to be reduced.

The fiscal year 1989 supplemental being considered for VA includes $340 million for medical care and $844 million for various benefits programs. VA health-care services are delivered primarily thorugh 172 medical centers and more than 230 outpatient clinics nationwide. Benefits activities are administered by 58 regional offices.

PARALYZED VETERANS OF AMERICA,
Washington, DC. May 16, 1989.

Hon. JAMIE L. WHITTEN, *Chairman,*
House Committee on Appropriations U.S. House of Representatives Washington, DC.

DEAR CHAIRMAN WHITTEN: On behalf of the membership of Paralyzed Veterans of America, I am writing to request your support for quick passage of a clean FY 1989 supplemental approriations bill to include despearatly needed funding for veterans' health care services.

As you know, the previous dire supplemental was returned to Committee by the House because considerable additional spending measures for other programs over and above the recommendation of the Administration were attached to the bill. We are deeply concerned that this situation could happen again, endangering passage of the bill once more.

With only four months left in the fiscal year, the Congress has yet to complete action on the supplemental bill. Needless to say, a funding situation in veterans' health care that was serious last September has turned into an actual crisis. More and more veterans are being denied medical treatment, programs are being terminated, supplies rationed or running out entirely. We received one report of DVA employees at one medical center taking up a collection of $1,600 just to be able to purchase such routine medical supplies as adhesive tape.

Funding levels contained in the FY 1990 Budget Resolution approved by the House and Senate last week are already $300 million below that required to provide current services. Without immediate relief from an adequate supplemental this year, this crisis will surely spill over and compound itself even more severely in FY 1990. The DVA is already making plans to close hospitals unless adequate resources can be provided during the FY 1989—1990 funding cycles.

MAY 16, 1989.

The American Legion strongly supports immediate action on a "Clean" supplemental appropriations bill for fiscal year 1989. This measure must include not less than the amounts of veterans program money as contained in the original supplemental bill.

These funds are urgently needed to continue essential VA services nationwide. Further delay will produce serious consequences, particularly in veterans health care.

H.F. "SPARKY" GIERKE,
National Commander,
The American Legion.

VETERANS OF FOREIGN WARS
OF THE UNITED STATES,
Washington, DC. May 16, 1989.

Hon. JAMIE L. WHITTEN,
Chairman, Committee on Appropriations, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: On behalf of the 2.7 million members of the Veterans of Foreign Wars of the United States and its Ladies Auxiliary, I wish to state our frustration and concern in that the "Dire Emergency Supplemental Appropriation for FY '89" is still languishing in your Committee.

As I know you are aware, the Department of Veterans Affairs health care system is in desperate need of immediate supplemental funding. At this very moment, veterans are being denied health care due to staff reductions, equipment delays and vital service terminations. To be blunt, veterans are being placed in life-threatening situations.

We strongly urge your support in immediately reporting out the Dire Emergency Supplemental with no further amendments so the VA may resume caring for the health needs of our nation's veterans.

Sincerely,

LARRY W. RIVERS,
National Commander-in-Chief.

The SPEAKER. The gentleman from Massachusetts [Mr. CONTE] has consumed 9 minutes.

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

Mr. SOLOMON. I thank the gentleman for yielding.

Mr. Speaker, I rise in support of the gentleman's motion to instruct the House conferees to give first preference to the veterans medical care appropriations in the dire supplemental now pending before the Congress. This appropriation is an absolute priority if we are to provide adequate medical care in the 172 veterans hospitals around the country.

We need to instruct the conferees to support the veterans money so that we are not faced with a veto by the President because of all the unnecessary spending in the bill. I urge all of you to support this motion.

Mr. CONTE. Mr. Speaker, I yield such time as he may consume to the gentleman from Mississippi [Mr. MONTGOMERY], chairman of the Committee on Veterans' Affairs.

Mr. MONTGOMERY. I thank the gentleman for yielding.

Mr. Speaker, I will not take too much time of the House, but I do rise in support of instructing the conferees.

Mr. Speaker, I point out to our colleagues that the gentleman from Massachusetts [Mr. CONTE] has been a strong fighter for veterans, not only in the House but in the Committee on Appropriations.

I can say the same thing about all the committee members, including the gentleman from Mississippi [Mr. WHITTEN] on two occasions we have sent a clean bill to the other body to help the veterans of this country. The bill over there now does not have any Christmas tree markings on it. It should be sent to the President without further delay.

The gentleman from Massachusetts [Mr. CONTE] and the gentleman from New York [Mr. SOLOMON] are right. The veterans hospitals are being hurt with respect to the care they are able to give to our veterans. Most of our 172 hospitals are having problems now.

Mr. Speaker, they are losing hundreds of staff each week; they are having to close wards, and they cannot buy any new equipment. The quality of care is not there in many hospitals.

Mr. Speaker, it is a serious, serious situation and I certainly hope the other body will act and get the legislation containing $340 million for our veterans hospitals to the President.

Mr. CONTE. Mr. Speaker, I yield 2 minutes to the gentleman from Ohio [Mr. MCEWEN].

Mr. MCEWEN. I thank the gentleman for yielding.

Mr. Speaker, I wish to associate myself with the remarks of the gentleman from Mississippi [Mr. MONTGOMERY], the chairman of the Committee on Veterans' Affairs, when he expresses support of this motion by Mr. CONTE that the veterans need this motion to pass.

For those who are concerned about our veterans hospitals today, those who are concerned about the thousands of veterans who will be denied service this week, it is absolutely essential for those who are concerned about the veterans of America to receive the service to which they are entitled, this motion must pass.

□ 1440

If this motion does not pass, then they will continue to be denied, to be turned away at the doors of America's VA hospitals for many, many weeks to come.

I repeat, I support the comments of the chairman of the Committee on Veterans' Affairs, the gentleman from Mississippi [Mr. MONTGOMERY] and his expression of support for his motion, by the gentleman from Massachusetts [Mr. CONTE], that those who are concerned about veterans this year, those that are concerned about veterans now, this motion must pass.

Mr. MONTGOMERY. Mr. Speaker, I yield back the balance of my time.

Mr. CONTE. Mr. Speaker, I move the previous question on the motion.

The previous question was ordered.

The SPEAKER. The question is on the motion offered by the gentleman from Massachusetts [Mr. CONTE].

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

Mr. CONTE. 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 395, nays 0, not voting 38, as follows:

[Roll No. 83]

YEAS—395

Ackerman	Coyne	Gunderson
Akaka	Craig	Hall (OH)
Alexander	Crane	Hall (TX)
Anderson	Crockett	Hamilton
Andrews	Darden	Hammerschmidt
Annunzio	de la Garza	Hancock
Anthony	DeLay	Hansen
Archer	Dellums	Harris
Armey	Derrick	Hastert
Aspin	DeWine	Hatcher
Atkins	Dingell	Hawkins
AuCoin	Dixon	Hayes (IL)
Baker	Donnelly	Hayes (LA)
Ballenger	Dorgan (ND)	Hefley
Barnard	Downey	Hefner
Bartlett	Dreier	Henry
Barton	Duncan	Hertel
Bateman	Durbin	Hiler
Bates	Dwyer	Hoagland
Beilenson	Dymally	Hochbrueckner
Bennett	Dyson	Holloway
Bentley	Early	Hopkins
Berman	Eckart	Horton
Bevill	Edwards (CA)	Houghton
Bilbray	Edwards (OK)	Hoyer
Bilirakis	Emerson	Hubbard
Bliley	Engel	Huckaby
Boehlert	English	Hughes
Boggs	Erdreich	Hunter
Bonior	Espy	Hutto
Borski	Evans	Hyde
Boucher	Fascell	Inhofe
Boxer	Fawell	Ireland
Brennan	Fazio	Jacobs
Broomfield	Feighan	James
Browder	Fields	Jenkins
Brown (CA)	Fish	Johnson (CT)
Brown (CO)	Flippo	Johnson (SD)
Bruce	Ford (MI)	Johnston
Bunning	Frank	Jones (GA)
Burton	Frenzel	Jones (NC)
Bustamante	Frost	Jontz
Byron	Gallegly	Kanjorski
Campbell (CA)	Gallo	Kaptur
Campbell (CO)	Garcia	Kasich
Cardin	Gaydos	Kastenmeier
Carper	Gejdenson	Kennedy
Carr	Gekas	Kennelly
Chandler	Gephardt	Kildee
Clarke	Gibbons	Kolbe
Clay	Gillmor	Kostmayer
Clement	Gilman	Kyl
Clinger	Gingrich	LaFalce
Coble	Glickman	Lagomarsino
Coelho	Gonzalez	Lancaster
Coleman (MO)	Goodling	Lantos
Coleman (TX)	Gordon	Laughlin
Combest	Goss	Leach (IA)
Conte	Gradison	Lehman (CA)
Conyers	Grandy	Lehman (FL)
Cooper	Grant	Leland
Costello	Gray	Lent
Coughlin	Green	Levin (MI)

Levine (CA)
Lewis (CA)
Lewis (FL)
Lewis (GA)
Lightfoot
Lipinski
Livingston
Lloyd
Long
Lowey (NY)
Luken, Thomas
Lukens, Donald
Machtley
Madigan
Manton
Markey
Marlenee
Martin (IL)
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCandless
McCloskey
McCollum
McCrery
McCurdy
McDade
McDermott
McEwen
McGrath
McHugh
McMillan (NC)
McMillen (MD)
McNulty
Meyers
Mfume
Michel
Miller (CA)
Miller (OH)
Miller (WA)
Mineta
Moakley
Molinari
Mollohan
Montgomery
Moody
Moorhead
Morella
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Myers
Nagle
Natcher
Neal (MA)
Neal (NC)
Nelson
Nielson
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (NY)
Packard
Pallone
Panetta
Pashayan
Patterson
Paxon
Payne (NJ)
Payne (VA)
Pease
Pelosi
Penny
Perkins
Petri
Pickett
Pickle
Porter
Poshard
Price
Pursell
Quillen
Rahall
Rangel
Ravenel
Ray
Regula
Rhodes
Richardson
Ridge
Rinaldo
Ritter
Roberts
Robinson
Roe
Rogers
Rohrabacher
Rose
Rostenkowski
Roth
Roukema
Rowland (CT)
Rowland (GA)
Roybal
Russo
Sabo
Saiki
Sangmeister
Sarpalius
Savage
Sawyer
Saxton
Schaefer
Scheuer
Schiff
Schroeder
Schuette
Schulze
Schumer
Sensenbrenner
Sharp
Shaw
Shays
Shumway
Shuster
Sikorski
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter (NY)
Slaughter (VA)
Smith (FL)
Smith (IA)
Smith (MS)
Smith (NE)
Smith (NJ)
Smith (TX)
Smith (VT)
Smith, Denny (OR)
Smith, Robert (OR)
Snowe
Solarz
Solomon
Spence
Spratt
Staggers
Stallings
Stangeland
Stark
Stearns
Stenholm
Stokes
Studds
Stump
Sundquist
Swift
Synar
Tallon
Tanner
Tauke
Tauzin
Thomas (CA)
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Unsoeld
Upton
Valentine
Vento
Visclosky
Volkmer
Vucanovich
Walgren
Walker
Walsh
Watkins
Waxman
Weber
Weiss
Weldon
Wheat
Whittaker
Whitten
Williams
Wilson
Wolf
Wolpe
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (FL)

NAYS—0

NOT VOTING—38

Applegate
Bereuter
Bosco
Brooks
Bryant
Buechner
Callahan
Chapman
Collins
Courter
Cox
Dannemeyer
Davis
DeFazio
Dickinson
Dicks
Dornan (CA)
Douglas
Flake
Florio
Foglietta
Ford (TN)
Guarini
Herger
Kleczka
Kolter
Leath (TX)
Lowery (CA)
Owens (UT)
Oxley
Parker
Parris
Schneider
Smith, Robert (NH)
Thomas (WY)
Vander Jagt
Wise
Wright

□ 1459

So the motion was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore (Mr. TAUZIN). The Chair will appoint conferees upon his return.

PERMISSION FOR COMMITTEE ON RULES TO FILE REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 1278, FINANCIAL INSTITUTIONS REFORM, RECOVERY, AND ENFORCEMENT ACT OF 1989

Mr. MOAKLEY. Mr. Speaker, I ask unanimous consent that the Committee on Rules be permitted to have until midnight tonight to file a privileged report on a resolution providing for the consideration of the bill (H.R. 1278) to reform, recapitalize, and consolidate the Federal deposit insurance system, to enhance the regulatory and enforcement powers of Federal financial institutions regulatory agencies, and for other purposes.

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

There was no objection.

DRUG ABUSE TREATMENT TECHNICAL CORRECTIONS ACT OF 1989

Mr. WAXMAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 1426) to amend the Public Health Service Act to make technical corrections relating to subtitles A and G of title II of the Anti-Drug Abuse Act of 1988, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments numbered 1 through 5 and 8 and concur in the Senate amendments numbered 6 and 7.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Senate amendments:

Page 6, strike out lines 14 to 16.

Page 6, line 17, strike out "(D)" and insert "(C)".

Page 7, strike out lines 3 to 5, and insert:

(D) in subsection (f), to read as follows:

"(f) For purposes of subsection (e), the applicable amount for each fiscal year is $330,000,000,".

Page 8, after line 10, insert:

(6) MODIFICATION OF GENERAL FORMULA.—Section 1912A(a)(4)(B) of the Public Health Service Act (42 U.S.C. 300x-1a(a)(4)(B)) (as amended in paragraphs (1) through (5)) is amended—

(A) in clause (i)—

(i) by striking out "0.4" in subclause (I), and inserting in lieu thereof "0.2"; and

(ii) by striking out "indicated by the most recent data collected by the Bureau of the Census" in subclause (II), and inserting in lieu thereof "determined by multiplying the percentage of the State's population that resides in urbanized areas of the State (as indicated by the most recent dicennial census compiled by the Bureau of the Census) by the most recent estimate of the total population of the State";

(B) in clause (ii)(I), by striking out "0.2" and inserting in lieu thereof "0.266";

(C) in clause (iii)(I), by striking out "0.2" and inserting in lieu thereof "0.266"; and

(D) in clause (i)(I), by striking out "0.2" and inserting in lieu thereof "0.267".

(7) MODIFICATION OF SMALL STATE MINIMUM.—Section 1912(A)(b) of the Public Health Service Act (42 U.S.C. 300x-1a(b)(1)) (as amended in paragraphs (1) through (5)) is amended to read as follows—

"(b)(1) In fiscal year 1989, each State shall receive a minimum allotment under this subpart of the lesser of—

"(A) $8,000,000; and

"(B) an amount equal to 105 percent of the sum of—

"(i) the annual the State received under section 1913 for fiscal year 1988 (as such section was in effect for such fiscal year); and

"(ii) the amount the State received under part C for fiscal year 1988.

"(2) In subsequent fiscal years, each State shall receive a minimum allotment under this subpart that is equal to the amount that such State received in fiscal year 1989 under paragraph (1) (or the minimum amount that such State was entitled to under such paragraph) plus an amount equal to such minimum multiplied by the percentage increase in the amount appropriated under section 1911(a) in such subsequent fiscal year above the amount appropriated for the immediately preceding fiscal year.".

Page 18, after line 16, insert:

"(4) EXTENSION OF DEVELOPMENT GRANTS PROGRAM.—Section 1924(c) of the Public Health Service Act (42 U.S.C. 300x-10(c)) is amended by striking out "and 1989" and inserting in lieu thereof "through 1991".

Page 19, after line 4, insert:

"(q) SERIOUSLY MENTALLY ILL.—

"(1) MENTAL HEALTH SERVICES PLANNING COUNCIL.—Section 1916(e)(3)(iii) of the Public Health Service Act (42 U.S.C. 300x-4(e)(3)(iii)) is amended by striking out "chronically" and inserting in lieu thereof "seriously".

"(2) COMMUNITY-BASED MENTAL HEALTH TREATMENT.—Section 1923(c)(1) of such Act (42 U.S.C. 300x-9b(c)(1)) is amended by striking out "chronically" and inserting in lieu thereof "seriously" each place that such occurs.".

Page 23, after line 6, insert:

"(g) SERIOUSLY MENTALLY ILL.—Section 520A of the Public Health Service Act (42 U.S.C. 290cc-13) is amended by striking out "chronically" and inserting in lieu thereof "seriously" each place that such occurs.".

Page 35, after line 4, insert:

SEC. 6. MENTAL HEALTH DEMONSTRATION PROJECTS.

Section 520A(e)(1) of the Public Health Service Act (42 U.S.C. 290cc-13(e)(1)) is amended by striking out "1990" and inserting in lieu thereof "1991".

Mr. WAXMAN (during the reading). Mr. Speaker, I ask unanimous consent that the Senate amendments be considered as read and printed in the RECORD.

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

There was no objection.

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

Mr. MADIGAN. Mr. Speaker, reserving the right to object, under my res-

ervation I would ask the gentleman from California [Mr. WAXMAN] if the bill under question, H.R. 1426, is in fact a bill that we have previously passed out of the House.

Mr. WAXMAN. Mr Speaker, if the gentleman from Illinois [Mr. MADIGAN] will yield, the gentleman, is correct.

Mr. MADIGAN. Mr. Speaker, may I further ask the gentleman from California [Mr. WAXMAN] if the amendments with which we are agreeing, the Senate amendments numbered 6 and 7, are amendments that only change the definition of "mental health" to "serious mental health"?

Mr. WAXMAN. The gentleman from Illinois [Mr. MADIGAN] is correct.

Mr. DE LUGO. Mr. Speaker, I rise today in support of H.R. 1426, the Drug Abuse Treatment Technical Corrections Act of 1989.

I congratulate the chairman of the Committee on Energy and Commerce, Mr. DINGELL, and the chairman of the Subcommittee on Health and the Environment, Mr. WAXMAN, for their work on this bill. I hope my colleagues will strongly support this bill.

H.R. 1426 is a very important bill for the territories and the States. The bill corrects some technical oversights that affect the block grant distribution formula in which funds are distributed to the territories and States for use in the treatment of drug abuse and IV drug abusers. This bill makes the necessary corrections to the anti-drug abuse bill to ensure that the territories and States receive their proper distribution. This bill is critical to the territories and States in their fight against the drug crisis.

Mr. Speaker, this bill is additionally important to the U.S. Virgin Islands and our sister territory Guam because the technical oversight it corrects would result in a substantial change in our funding. The funding provision for the U.S. Virgin Islands as it now stands would result in a decrease of approximately $800,000. Originally, the anti-drug abuse bill intended funding for the Virgin Islands was to increase in fiscal year 1989 from $1.1 to $1.2 million. But, because of this technical error, it was reduced to only $400,000.

Mr. Speaker, it is unfortunate that this bill has not yet been enacted into law. These funds are desperately needed by our territories and States. I hope that my colleagues will go to conference on H.R. 1426 with a renewed sense of urgency and enact this extremely important bill.

I appreciate the opportunity to speak on this bill and hope that it can again move expeditiously through the House and Senate and finally be sent to the President for his signature.

Mr. MADIGAN. Mr. Speaker, I withdraw my reservation of objection.

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

There was no objection.

A motion to reconsider was laid on the table.

AUTHORIZING PRINTING OF COMMITTEE PRINT ENTITLED "THE ANTI-DRUG ABUSE ACT OF 1988: A GUIDE TO PROGRAMS FOR STATE AND LOCAL ANTI-DRUG ASSISTANCE"

Mr. BATES. Mr. Speaker, I ask unanimous consent that the Committee on House Administration be discharged from further consideration of the resolution (H. Res. 136) authorizing the printing of the committee print entitled "The Anti-Drug Abuse Act of 1988: A Guide to Programs for State and Local Anti-Drug Assistance" as a House document, and ask for its immediate consideration.

The Clerk read the title of the resolution.

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

Mr. ROBERTS. Mr. Speaker, reserving the right to object, under my reservation I yield to the gentleman from California [Mr. BATES] so that he might explain the resolution.

Mr. BATES. Mr. Speaker, I thank my colleague, the gentleman from Kansas [Mr. ROBERTS], for yielding.

Mr. Speaker, this resolution authorizes the reprinting of the Select Committee on Narcotics Abuse and Control's report, "The Anti-Drug Abuse Act of 1988: A Guide to Programs for State and Local Anti-Drug Assistance."

Mr. ROBERTS. Mr. Speaker, this resolution has the concurrence of the minority, and I withdraw my reservation of objection.

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

There was no objection.

The Clerk read the resolution, as follows:

H. RES. 136

Resolved, That the committee print entitled "The Anti-Drug Abuse Act of 1988: A Guide to Programs for State and Local Anti-Drug Assistance", One Hundred First Congress, shall be printed as a House document. In addition to the usual number, there shall be printed, for the use of the Select Committee on Narcotics Abuse and Control of the House of Representatives, such number of copies of the document as does not exceed a cost of $1,200.

The resolution was agreed to.

A motion to reconsider was laid on the table.

AUTHORIZING PRINTING OF JOINT COMMITTEE PRINT ENTITLED "THE EDUCATION DEFICIT"

Mr. BATES. Mr. Speaker, I ask unanimous consent that the Committee on House Administration be discharged from further consideration of the resolution (H. Res. 156) authorizing the printing of the joint committee print entitled "The Education Deficit" as a House document, and ask for its immediate consideration.

The Clerk read the title of the resolution.

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

Mr. ROBERTS. Mr. Speaker, reserving the right to object, I will not object, but will ask the gentleman from California [Mr. BATES] to explain the resolution?

Mr. BATES. Mr. Speaker, if the gentleman will yield, the resolution authorizes the reprinting of the Joint Economic Committee's report entitled "The Education Deficit."

Mr. ROBERTS. Mr. Speaker, this resolution has the concurrence of the minority.

Mr. Speaker, I withdraw my reservation of objection.

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

There was no objection.

The Clerk read the resolution, as follows:

H. RES. 156

Resolved, That the joint committee print entitled "The Education Deficit", dated December 14, 1988, shall be printed as a House document. In addition to the usual number, 3,000 copies of the document shall be printed for the use of the Joint Economic Committee.

The resolution was agreed to

A motion to reconsider was laid on the table.

AUTHORIZING PRINTING OF COLLECTION OF STATEMENTS IN TRIBUTE TO THE LATE CLAUDE PEPPER

Mr. BATES. Mr. Speaker, I ask unanimous consent that the Committee on House Administration be discharged from further consideration of the concurrent resolution (H. Con. Res 150), authorizing the printing of a collection of statements in tribute to the late Representative Claude Denson Pepper, 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 California?

Mr. ROBERTS. Mr. Speaker, reserving the right to object, I would ask the gentleman from California [Mr. BATES] to explain the resolution.

Mr. BATES. Mr. Speaker, if the gentleman will yield, the resolution provides for the printing of 2,000 copies of the customary memorial volume with respect to our late colleague, the Honorable Claude Pepper.

Mr. ROBERTS. Mr. Speaker, I withdraw my reservation of objection.

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

There was no objection.

The Clerk read the concurrent resolution, as follows:

H. CON. RES. 150

Resolved by the House of Representatives (the Senate concurring), That there shall be printed as a House document a collection of statements made in tribute to the late Representative Claude Denson Pepper, together with appropriate illustrations and other materials relating to such statements. In addition to the usual number, there shall be printed 1,000 copies of the document for the use of the House of Representatives, of which 500 copies shall be casebound, and 1,000 copies of the document for the use of the Senate, of which 500 copies shall be casebound.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

APPOINTMENT OF CONFEREES ON H.R. 2072, DIRE EMERGENCY SUPPLEMENTAL APPROPRIATIONS FISCAL YEAR 1989

The SPEAKER. The Chair appoints the following Members as managers on the part of the House on H.R. 2072 making dire emergency supplemental appropriations and transfers, urgent supplementals, and correcting enrollment errors for the fiscal year ending September 30, 1989, and for other purposes: Messrs. WHITTEN, NATCHER, SMITH of Iowa, YATES, OBEY, ROYBAL, BEVILL, MURTHA, TRAXLER, LEHMAN of Florida, DIXON, FAZIO, HEFNER, CONTE, MCDADE, COUGHLIN, REGULA, Mrs. SMITH of Nebraska, Messrs. EDWARDS of Oklahoma, GREEN, and ROGERS.

FAIR LABOR STANDARDS AMENDMENTS OF 1989—VETO MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 101-71)

The SPEAKER laid before the House the following veto message from the President of the United States:

To the House of Representatives:

I am returning herewith without my approval H.R. 2, the "Fair Labor Standards Amendments of 1989."

This bill would increase the minimum wage by an excessive amount and thus stifle the creation of new job opportunities. It would damage the employment prospects of our young people and least advantaged citizens. It would accelerate inflation. It would not help those in poverty. And thus it would fail to properly reflect the thought behind this measure: to help our lowest paid workers.

H.R. 2 would increase the minimum wage to $4.55 an hour and would provide a training wage only for 60 days and only for a temporary period. Economist universally agree that such an increase in the minimum wage will result in the loss of job opportunities. This is because, as the minimum wage rises, employers in today's highly competitive marketplace must respond. Some close their doors. Some automate. Others reduce their work force or cut the services they provide to their customers.

That is why I made it clear that I could accept an increase only if it were a modest one, and only if it were accompanied by a meaningful training wage for new employees of a firm, to help offset the job loss. As I have said many times, I could sign into law an increase in the hourly minimum wage to $4.25, phased in over 3 years, which preserves job opportunities through a 6-month training wage for all new hires. The bill the Congress has sent to me fails to meet these standards.

The increase in the minimum wage I said I could accept amounts to 27 percent—totaling 90 cents an hour in three equal amount increments of 30 cents. The increase in H.R. 2 exceeds that amount by a full one-third. In the interest of preserving job opportunity, I cannot approve this legislation.

I wish to be clear about this. My difference with the Congress is not just about 30 cents an hour. It is about hundreds of thousands of jobs that would be preserved by my administration's approach, as opposed to those that would be sacrificed under the excessive increase included in this legislation.

The "training wage" included in H.R. 2 is ineffective. Its 60-day limitation is too short and unrealistically restrictive. The principal justification for a training wage is preservation of opportunity—for jobs and for training. This can be accomplished only through a permanent trainee differential. H.R. 2 provides only temporary training wage authority that would expire in 3 years. This means that within 4 years the minimum wage for trainees would rise to the regular minimum wage. That defeats the job-saving purpose of the training wage. This provision of H.R. 2 would do little to save jobs. I cannot support it.

Minimum wage jobs are for the most part entry-level jobs—those jobs that give our workers the valuable work experience and basic training they will need for advancement to future opportunities. When those jobs are lost, the losers are the young and disadvantaged, grasping for the first rung on the ladder of economic opportunity.

I am also deeply concerned that an excessive increase in the minimum wage will increase inflation, which has rightly been called the cruelest tax. Inflation is hardest on those living on fixed incomes, many of whom are poor and elderly. As the minimum wage increases, employers' costs rise, and they must charge the consumer more for goods and services just to break even.

The Federal budget deficit also would increase. The jobs lost due to a large minimum wage increase would have generated tax revenues for the Federal Government. Certain Government programs are tied directly to the minimum wage; other Government expenditures are indexed to inflation. As the minimum wage and inflation increase, those expenditures will increase, and so will the budget deficit.

H.R. 2 provides for a Minimum Wage Review Board, which threatens to compound the bill's inflationary effect. The Board would be permanent; it would be required to make annual recommendations to the Congress for increasing the minimum wage in light of increases in wages and prices since any previous minimum wage adjustment. This has been termed, accurately, a "back-door" indexing provision. It is unacceptable.

Contrary to what proponents of H.R. 2 have been saying, increasing the minimum wage is not an effective way to help the poor. The poverty population and the minimum wage earners are, by and large, different people. Most minimum wage earners are young, they are single, they live in households with other workers, and most importantly, they are not poor.

We must never forget that a healthy and growing private economy is essential to remedying poverty. We are now in the 78th month of an unprecedented economic expansion. Over the last few months, the unemployment rate has been lower than at any time since 1974. Since the beginning of this economic expansion at the end of 1982, our economy has created nearly 20 million new jobs. Since 1981 the number of workers earning no more than Federal minimum wage has been cut in half—from 7.8 million to 3.9 million last year. Now is not the time to turn back or halt the progress we have made.

In the contemporary American market, wages rise—not because of mandated increases, but because of market forces and the changing nature of America's workplace, which demand higher skills and offer better pay to the workers who possess them. An excessive increase in the minimum wage would reduce any chance for hundreds of thousands of less skilled workers to get entry-level employment and experience the on-the-job training and advancement opportunities that go with it.

Most, though not all, of those denied the opportunity would be young people. I remain, as I have said before, haunted by the fact that by the thousands, young Americans in inner cities believe they have no stake in our system, no future, no hope. Believing they have nothing to lose, they act as

if they have nothing to gain. We cannot let this continue. Work can give them something to gain—and we cannot sit by, destroying opportunity with well-intentioned but misguided policies—jinxing another generation—and live easily with ourselves.

It is regrettable that this debate must end with a veto; once the majority in the Congress determined to reject my offer of compromise on minimum wage legislation, however, it also became inevitable.

In the discussions of this issue, my objectives have been and remain twofold: first, to preserve job opportunities for entry-level workers seeking to get their feet on the ladder of economic opportunity; and second, to increase the take-home pay of the heads of low-income households. My proposal was designed to accomplish those twin objectives.

If the Congress remains unwilling to support this job-saving approach, I am prepared to examine with the Congress, within the confines of our fiscal limitations, changes in the Earned Income Tax Credit, which could better help the heads of low-income households.

I renew my invitation to the Congress to work with the Administration, in a cooperative and bipartisan way, on what I believe is the compelling work force challenge. We need to improve American education so Americans of all ages can prepare for the more demanding jobs that this economy is creating. Growth offers opportunity for those prepared to seize it. For those not now prepared and lacking the basic skills of language and literacy, computation skills, and the like, we need to provide or refine our training programs.

I have proposed a package of educational reforms to enhance our Federal approach to elementary and secondary education. We can offer a better quality of education to our children than we do and a wider degree of educational choice to them and their parents.

My Administration has also proposed a package of reforms in vocational education that can improve this system, so vital to training and retraining our Nation's work force. We should move quickly to improve the quality of vocational education, to simplify it, to expand choice, to make the system more accountable, and, importantly, to integrate it better with other job training efforts.

We will be proposing significant improvements in the Job Training Partnership Act. These will include a package of youth initiatives to increase the targeting of critical training resources on those in need of help. These initiatives will also offer improvements in the quality of training made available to "at-risk" youth and incorporate higher standards for achievement and competency after training.

We continue to believe that proposals such as these and our child tax credit are preferable and more effective measures for assisting low-income working families. Unlike a minimum wage increase, they can be much more precisely targeted to help only those who need the help, with none of the job-loss or inflationary effects of raising the minimum wage.

The Congress this year has the opportunity to move these legislative proposals in a concerted way. We need to refine our basic skills training, literacy, and remedial education, not just job training, to prepare youth for a *lifetime* of productive work, not just a job. Let us approach these separate statutes and programs not separately, but as parts of a whole, as components of an integrated Federal policy on real workplace needs.

As I said in my Inaugural Address, I wish to proceed together with both parties in both Houses of Congress. For those of us whose legislative priorities include the real needs of America's work force, there can be no more important items on that agenda than education and skills preparation.

During this year, and this Congress, even with limited budget resources—we can make a difference. Let us get started.

GEORGE BUSH.

THE WHITE HOUSE, *June 13, 1989.*

□ 1510

The SPEAKER pro tempore (Mr. TORRICELLI). The objections of the President will be spread at large upon the Journal and without objection, the message and bill will be printed as a House document.

There was no objection.

MOTION OFFERED BY MR. HAWKINS

Mr. HAWKINS. Mr. Speaker, I move that further consideration of the veto message on the bill H.R. 2, be postponed until tomorrow, Wednesday, June 14, 1989.

The motion was agreed to.

A motion to reconsider was laid on the table.

AUTHORIZING PRINTING OF COLLECTION OF INAUGURAL ADDRESSES OF THE PRESIDENTS OF THE UNITED STATES

Mr. BATES. Mr. Speaker, I ask unanimous consent that the Committee on House Administration be discharged from further consideration of the Senate concurrent resolution (S. Con. Res. 19) to authorize printing of a collection of the inaugural addresses of the Presidents 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 gentleman from California?

Mr. ROBERTS. Mr. Speaker, reserving the right to object, I yield to the gentleman from California [Mr. BATES] so that he might explain the resolution.

Mr. BATES. Mr. Speaker, this resolution authorizes the printing of a collection of the inaugural addresses of the Presidents of the United States.

Mr. ROBERTS. Mr. Speaker, the resolution has the concurrence of the minority, and I withdraw my reservation of objection.

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

There was no objection.

The Clerk read the Senate concurrent resolution, as follows:

S. CON. RES. 19

Resolved by the Senate (the House of Representatives concurring), That a collection of the inaugural addresses of the Presidents of the United States, from President George Washington to and including President George H.W. Bush, compiled from research volumes and State papers by the Congressional Research Service, Library of Congress, be printed with illustrations as a Senate document; and that 16,200 copies thereof be printed, of which 5,510 copies shall be for the use of the Senate and 11,050 copies shall be for the use of the House of Representatives.

SEC. 2. Copies of such document shall be made available pro rata to Members of the Senate and House of Representatives for a period of sixty days, after which time any copies not used by the Members of either the Senate or the House of Representatives, respectively, shall revert to the Document Room of the Senate or of the House of Representatives, respectively.

AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. BATES

Mr. BATES. 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. BATES: Strike out all after the resolving clause and insert the following: "That there shall be printed as a Senate document, with appropriate illustrations, a collection of the inaugural addresses of the Presidents of the United States, from George Washington, 1789, to George Bush, 1989, compiled by the Congressional Research Service of the Library of Congress. In addition to the usual number, there shall be printed 16,000 copies of the document which shall be made available for a period of 60 days, as follows: 5,000 copies for the use of individual Senators, pro rata, and 11,000 copies for the use of individual Members of the House of Representatives, pro rata. If, at the end of that period, any of the additional number of copies are not so used, such copies shall be transferred to the document room of the Senate or the House of Representatives, as appropriate.".

Mr. BATES (during the reading). Mr. Speaker, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

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

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 California [Mr. BATES].

The amendment in the nature of a substitute was agreed to.

The SPEAKER pro tempore. The question is on the Senate concurrent resolution.

The Senate concurrent resolution was concurred in.

TITLE AMENDMENT OFFERED BY MR. BATES

Mr. BATES. Mr. Speaker, I offer an amendment to the title.

The Clerk read as follows:

Title amendment offered by Mr. BATES: Amend the title to read as follows: "Concurrent resolution authorizing the printing of a collection of the inaugural addresses of the Presidents of the United States.".

The title amendment was agreed to.

A motion to reconsider was laid on the table.

□ 1520

GENERAL LEAVE

Mr. BATES. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the several resolutions and concurrent resolutions just considered and adopted.

The SPEAKER pro tempore (Mr. TORRICELLI). Is there objection to the request of the gentleman from California?

There was no objection.

BALTIC FREEDOM DAY

Mr. SAWYER. 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. 63) designating June 14, 1989, as Baltic Freedom Day, and for other purposes, 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 gentleman from Ohio?

Mr. RIDGE. Mr. Speaker, reserving the right to object, I would like to acknowledge the role of our colleague, the gentleman from Michigan [Mr. HERTEL], who is the chief sponsor.

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

Mr. RIDGE. Continuing my reservation, I am happy to yield to the gentleman from New York.

Mr. GILMAN. Mr. Speaker, I rise in support of House Joint Resolution 184 designating June 14, 1989 as Baltic Freedom Day. I want to thank the gentleman from Michigan [Mr. HERTEL] and the gentleman from Pennsylvania [Mr. RITTER] for their leadership in introducing this legislation, which I am pleased to cosponsor.

Now, more than ever, it is essential that all Americans demonstrate support for the freedom-loving people of Estonia, Latvia, and Lithuania.

Who among us could claim to have foreseen the changes in the Communist world today. These changes have allowed the people of the Baltic Republics, who have long sought to end the illegal occupation and homogenization of their republics by the Soviet Union, to rapidly move toward greater autonomy.

The Baltic sense of national identity has survived over 48 years of Soviet occupation and is now more visible than ever in the changes being enacted by the Baltic Republic's legislatures and the grass roots demonstrations.

All three Baltic Republics have amended their constitutions to allow them to reject laws enacted by Moscow. Estonia and Lithuania have passed measures to replace Russian, the official language of both Baltic States, with each Republic's respective national tongue.

This spring, students in Latvia staged the first illegal occupation of a building in Latvian history. This occupation not only brought attention to the plight of Latvia's homeless but also was inspired to protest the influx of ethnic Russians into Latvia since 1940.

A similar situation in Lithuania has inspired slogans such as "Lithuania Without Sovereignty is a Lithuania Without A Future," and "Sovereignty Within the U.S.S.R. is a Contradiction in Terms."

Mr. Speaker, it is imperative that the people of Estonia, Latvia, and Lithuania receive all the support we can give them at this most critical time. Accordingly, it is in this spirit that I invite our colleagues to join us in support of House Joint Resolution 184 and celebrate "Baltic Freedom Day."

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

Mr. RIDGE. Continuing my reservation, I am happy to yield to the gentleman from Pennsylvania.

Mr. RITTER. Mr. Speaker, I just want to say that the Baltic States today, more than ever, need the understanding and the sympathy of this Congress, the administration, and the American people as they go about seeking greater freedom from the Soviet Union.

To date, the United States has never recognized Soviet sovereignty over the Baltic States, and that is to our credit. Mr. Speaker, it is time that this nonrecognition of sovereignty is supported by further promoting of the freedoms of these deserving people.

Mr. Speaker, the Baltic States have moved to the center stage of world politics. They are at the leading edge of glasnost and perestroika in the U.S.S.R. The eyes of the world are on Latvia, Lithuania, and Estonia.

This year marks the 50th year of the Hitler-Stalin Pact by which the Baltic nations were forcibly incorporated into the Soviet Union.

In light of recent, peaceful Baltic mass demonstrations, Congress must send an encouraging signal of support to these brave men and women struggling for democracy and freedom by commemorating June 14 as "Baltic Freedom Day."

Mr. Speaker, I want to thank my colleagues for their unanimous support of House Joint Resolution 184 which commemorates June 14 as "Baltic Freedom Day."

Mr. Speaker, June 14 will mark the 48th anniversary of the day the Soviet military began deporting thousands of men, women, and children from their homes in the Baltic States to Siberia. Few ever returned. In this era of glasnost, Baltic Freedom Day commemorations are a means of testing just how much openness there is in the Soviet Union. If glasnost means anything at all, it should mean that the injustices done in the Baltic States must be recognized by Moscow.

Mr. FISH. Mr. Speaker, I take this occasion of Baltic Freedom Day to commend the peoples of Estonia, Latvia, and Lithuania for their courageous and tenacious struggle to bring democracy and freedom to their countries.

Victimized by the infamous Molotov-von Ribbentrop pact secretly carving up Europe between dictators Josef Stalin and Adolph Hilter, the Baltic Republics have fought to regain their independence without much success until very recently.

Soviet President Mikhail Gorbachev, presiding over the new Soviet parliament has agreed to appoint a commission to examine the issue of the Nazi and Soviet Union secret nonagression agreement—at the request of nationalist groups in the three Baltic Republics.

According to the still-secret agreement, personally signed by Stalin and in red ink, by von Ribbentrop—the Baltic Republics and eastern Poland were assigned to the Soviet sphere, paving the way for their subsequent occupation and annexation.

Fifty years later, the Soviets are still there. The three republics and their courageous peoples remain annexed into the Soviet Union, continuing their magnificent struggle for freedom, self-determination, and democracy.

Official Soviet history still insists the Baltic Republics joined the Soviet Union voluntarily in 1940. President Gorbachev, in statements to the Soviet parliament repeated that no original copy of the 1939 agreement signed by foreign ministers, Vyacheslav Molotov and Joachim von Ribbentrop of Nazi Germany, could be found, either in the Soviet Union or Germany. However, Gorbachev is backing the commission of inquiry.

Now, when the Baltic Republics are driving for more independence, the deputies from

Lithuania, Latvia, and Estonia, have boycotted attempts at the newly convened Soviet Congress to make all local and regional laws conform to the Federal Constitution.

The issue of Baltic freedom is one that deserves our closest attention. How the Soviet Congress of People's Deputies, in the closing stages of its first marathon session, handles the continuing questions of Baltic freedom may well determine the future not only of the Baltic Republics, but the ultimate question of the rewrite of Soviet law and history as well as the success or failure of Gorbachev's Supreme Soviet.

Mr. RIDGE. Mr. Speaker, I withdraw my reservation of objection.

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

There was no objection.

The Clerk read the Senate joint resolution, as follows:

S.J. RES. 63

Whereas the people of the republics of Lithuania, Latvia, and Estonia (hereinafter referred to as the "Baltic Republics") have cherished the principles of religious and political freedom and independence;

Whereas the Baltic Republics existed as independent, sovereign nations and as fully recognized members of the League of Nations;

Whereas 1989 marks the 50th anniversary of the infamous Molotov-Ribbentrop Pact in which the Soviet Union colluded with Nazi Germany, thus allowing the Soviet Union in 1940 to illegally seize and occupy the Baltic Republics and to incorporate such republics by force into the Soviet Union against the national will and the desire for independence and freedom of the people of such republics;

Whereas due to Soviet and Nazi tyranny, by the end of World War II, 20 percent of the total population of the Baltic Republics had been lost;

Whereas the people of the Baltic Republics have individual and separate cultures and national traditions and languages which are distinctively foreign to those of Russia;

Whereas since 1940, the Soviet Union has systematically implemented Baltic genocide by deporting native Baltic peoples from Baltic homelands to forced labor and concentration camps in Siberia and elsewhere;

Whereas by relocating masses of Russians to the Baltic Republics, the Soviet Union has threatened the Baltic cultures with extinction through russification;

Whereas through a program of russification, the Soviet Union has introduced ecologically unsound industries without proper safeguards into the Baltic Republics, and the presence of such industries has resulted in deleterious effects on the environment and well-being of the Baltic people;

Whereas the Soviet Union, despite recent pronouncements of openness and restructuring, has imposed upon the captive people of the Baltic Republics an oppressive political system which has destroyed every vestige of democracy, civil liberty, and religious freedom;

Whereas the people of the Baltic Republics are subjugated by the Soviet Union, are locked into a union such people deplore, are denied basic human rights, and are persecuted for daring to protest;

Whereas the Soviet Union refuses to abide by the Helsinki accords which the Soviet Union voluntarily signed;

Whereas the United States stands as a champion of liberty, is dedicated to the principles of national self-determination, human rights, and religious freedom, and is opposed to oppression and imperialism;

Whereas the United States, as a member of the United Nations, has repeatedly voted with a majority of that international body to uphold the right of other countries of the world to self-determination and freedom from foreign domination;

Whereas the Soviet Union has steadfastly refused to return to the people of the Baltic Republics the right to exist as independent republics, separate and apart from the Soviet Union, or to permit a return of personal, political and religious freedoms; and

Whereas 1989 marks the 49th anniversary of the continued policy of the United States of not recognizing the illegal forcible occupation of the Baltic Republics by the Soviet Union: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That—

(1) the Congress recognizes the continuing desire and right of the people of the Baltic Republics for freedom and independence from the domination of the Soviet Union;

(2) the Congress deplores the refusal of the Soviet Union to recognize the sovereignty of the Baltic Republics and to yield to the rightful demands for independence from foreign domination and oppression by the people of the Baltic Republics;

(3) June 14, 1989, the anniversary of the mass deportation of Baltic peoples from their homelands in 1941, is designated as "Baltic Freedom Day", as a symbol of the solidarity of the people of the United States with the aspirations of the enslaved Baltic people; and

(4) the President is authorized and requested—

(A) to issue a proclamation calling upon the people of the United States to observe Baltic Freedom Day with appropriate ceremonies and activities, and

(B) to call upon the Soviet Union, the Federal Republic of Germany, and the Democratic Republic of Germany to renounce the acquisition or absorption of the Baltic Republics by the Soviet Union as a result of the Molotov-Ribbentrop Pact.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NATIONAL SCLERODERMA AWARENESS WEEK

Mr. SAWYER. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the joint resolution (H.J. Res. 274) to designate the week beginning June 11, 1989, as "National Scleroderma Awareness Week," and ask for its immediate consideration.

The Clerk read the title of the joint resolution.

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

Mr. RIDGE. Mr. Speaker, reserving the right to object, I yield to the gentleman from Ohio [Mr. SAWYER].

Mr. SAWYER. Mr. Speaker, I rise in support of House Joint Resolution 274, to designate the week of June 11, 1989, as "National Scleroderma Awareness Week."

Scleroderma means "hard skin." It is a chronic disease that affects approximately 300,000 people in the United States alone, and two to three times as many women as men. This disease usually develops in people between the ages of 25 and 55 years old.

The cause of scleroderma is unknown. It is not contagious, infectious, cancerous, or hereditary. However, its victims can suffer a great deal of pain if the disease goes undetected and untreated. Many of those affected by scleroderma initially think that they have arthritis. This is because the thickening and hardening of the skin may spread into the joints, causing small tasks, such as clenching one's fist, to become major accomplishments.

Mr. Speaker, I also would like to take this opportunity to point out that this resolution is but one example of why commemorative resolutions are important. The passage of "National Scleroderma Awareness Week" will assist in elevating the public's awareness of scleroderma, which I suspect is virtually unknown to those who have not had any contact with it. It will also aid those groups that are involved in scleroderma research in raising additional funds.

Finally, Mr. Speaker, I would like to commend Congressman HUGHES for all of his efforts in getting this resolution to the floor today.

Mr. HUGHES. Mr. Speaker, I rise today as the sponsor of House Joint Resolution 274, which designates this week, the second week of June 1989, as "National Scleroderma Awareness Week." I urge my colleagues to join me in supporting this resolution.

Scleroderma is a rare skin disease which affects approximately 300,000 people in the United States alone. The word "scleroderma" means "hardening of the skin." Those who suffer from this disease experience a thickening and hardening, or "scarring," of the skin. In more severe forms of the disease the hardening process may spread to the joints greatly reducing an individual's mobility or to the body organs causing functional impairment.

The cause of scleroderma is unknown. Scleroderma can occure at anytime in a person's life without any predisposition or prior illness. The symptoms of scleroderma vary greatly from person to person. It is as though each person with scleroderma has his or her own version of the disease.

It is not hereditary, nor is it contagious, but it can be fatal if progression is not halted at the onset of symptoms.

My mother was a victim of scleroderma. Her suffering has made this resolution of particular personal importance to me. Those of us who have watched a loved one suffer while feeling so helpless know the frustration and heart-

ache a rare disease like scleroderma can bring to a family.

Since the time of my mother's illness some progress has been made in the diagnosis and treatment of scleroderma. If it is diagnosed soon enough, therapeutic treatment with a drug called penicillamine can be effective in slowing the progression of the disease.

Passage of this resolution will help continue the progress we are making toward better awareness, understanding, and treatment of scleroderma.

Information and fund-raising activities organized during a week of special designation will facilitate contributions to fund research and patient support groups.

Let's continue the efforts we began when we passed a similar resolution last year. As Members of Congress we will know that we have made a small contribution toward the fight against scleroderma.

I ask my colleagues here and in the other body to pass House Joint Resolution 274 by unanimous consent.

Mr. RIDGE. Mr. Speaker, I withdraw my reservation of objection.

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

There was no objection.

The Clerk read the joint resolution, as follows:

H.J. RES. 274

Whereas scleroderma is a disease in which connective tissue in the body becomes hardened and rigid, and might afflict any part of the body;

Whereas approximately 300,000 people in the United States suffer from scleroderma;

Whereas women are afflicted by scleroderma 3 times more often than men;

Whereas scleroderma is a chronic and often progressive illness that can result in death;

Whereas the symptoms of scleroderma vary greatly from person to person and can complicate and confuse diagnosis;

Whereas the cause and cure of scleroderma are unknown; and

Whereas scleroderma is an orphan disease and is considered to be under-studied: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week beginning June 11, 1989, is designated as "National Scleroderma Awareness Week", and the President of the United States is authorized and requested to issue a proclamation calling upon the people of the United States to observe the week with appropriate ceremonies and activities.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. SAWYER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the joint resolutions just considered and passed.

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

There was no objection.

THE BANKRUPTCY OF CHINESE COMMUNISM

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

Mr. PORTER. Mr. Speaker, Deng Xiaoping and his hard-line Chinese leaders have demonstrated for all the world to see the bankruptcy of totalitarian communism. When you have to shoot down your own people peacefully demonstrating for democracy you have no where to go. Tiananmen Square will mark not the defeat of democracy in China, but the beginning of the end for Deng and his gang of barbaric thugs who obviously cannot govern without the gun.

Now, he backpedals frantically, trying to use the big lie to cover his stupidity and cowardice. Many, maybe even most Chinese will believe him, but truth cannot be long repressed and the movement toward human freedom and self-determination will continue to build.

For the past 3 years, Chinese repression and torture of Tibetans have revealed the true nature of Deng's regime and the Human Rights Caucus has done everything possible to educate the Congress, and the American people. Now Deng has made everything clear.

I do not know how American officials can continue to deal with this Chinese Government. We should begin to cut ties now. Eliminating most favored nation status for the Chinese would be a good way to start.

1530

THE BUTCHERS OF BEIJING

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

Mr. RITTER. Mr. Speaker, when a black youth or a white youth or a Chinese youth picks up a gun and shoots and kills an innocent victim, what do we call them? We call them a murderer.

When the leader of the Chinese Communist Party in China, Deng Xiaoping, gives the order to massacre thousands of students and workers and civilians in Tiananmen Square, what do we call him? We call him the General Secretary of the Communist Party of the People's Republic of China.

Mr. Speaker, it is high time we begin to call this man by his rightful name—murderer. The butchers of Beijing is an apt way to describe those who head the Communist Party at this time.

Not only is rejection of most favored nation status in order, but the President should call for an immediate convening of the United Nations to discuss and to denounce and to seek ways to support those Chinese who believe in peace and freedom, human life and human dignity as opposed to those butchers of Beijing.

A NEW BREEZE IS BLOWING: CLEAN AIR

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York [Mr. BOEHLERT] is recognized for 5 minutes.

Mr. BOEHLERT. Mr. Speaker, yesterday was a historic day in Washington, DC, and all across this land, because yesterday was the day that President George Bush fulfilled a campaign pledge by proving that he is truly a committed environmentalist. He provided that missing ingredient that we have been searching for for so long in the fight against acid rain.

When President Bush gave his inaugural address, and I was proud to sit there and listen to every single word, when he said a new breeze is blowing, what he did not tell us then but what he revealed yesterday is that new breeze involves clean air at long last.

I happen to be one who is committed to the proposition that clean air should be an American birthright. It always has been, it will be in the future, but it is not now. It is not now because we have not had the leadership that this issue requires.

Quite frankly, I have a confession to make. As a Republican I have been disappointed in the previous administration's activity. Not only did the previous administration refuse to accord acid rain a high priority on its environmental agenda, but it threatened to veto any initiative that we in the Congress launched.

Those days are gone. There is a new breeze blowing, and it will involve clean air because President George Bush in a historic moment yesterday said he wants to be an environmental President. Present at that moment were Members of Congress, Governors, environmentalists all focusing attention on this plan that we have so long waited for. When he revealed the plan people across America stood to applaud the boldness, the decisiveness, the commitment demonstrated by George Bush when he said he wants to be an environmental President.

He is well on his way, Mr. Speaker, and he wants us to be an environmental Congress. I think that is a challenge we are up to.

Year after year we have talked about the problem of acid rain, we have had plenty of press releases, but we have not had progress. The American people have every right to demand

of us something more than we have given them. But now we have a new partnership, and I have been privileged to play a role in that partnership.

Last Tuesday, in something that I have never seen before, and I came to Washington, DC, 25 years ago as a starry-eyed young staffer and am now in my fourth term as a Member of Congress and have seen a lot of things come and go in this town, but last Tuesday was something very special, very meaningful, very moving to me. The President of the United States assembled in the Cabinet Room 20 Members of the Congress of the United States, the new Speaker in his first official meeting, the Democrat leader of the Senate, Senator GEORGE MITCHELL, the chairmen of the key committees of jurisdiction over environmental issues, Members like Senator MAX BAUCUS and the gentleman from Michigan, Mr. JOHN DINGELL, and others who have been committed for so long in the fight against acid rain, Members like the gentleman from California, Mr. HENRY WAXMAN, 20 of us in that room, and one by one the President called upon us, Republican, Democrat, Senator, Member of the House. He said he was in the final stages of review to make a determination on the direction in which the Nation should proceed in the fight to have clean air for all Americans. But he did something very important. Before he cast in concrete his proposals, he wanted to hear from the people's representatives. We did not sing all from the same hymnal, we did not all have the same proposed solution. Some wanted strong regulation in certain areas and others were fighting vigorously against strong regulations. The President listened. Then he went off to Camp David for the weekend and he put the finishing touches on this clean air package. Yesterday we were all privileged to see that package unveiled.

Mr. Speaker, there is a new breeze blowing, and that new breeze has clean air, thanks to the leadership of President George Bush.

USURPATION BY FOREIGN INTERESTS OF AMERICAN ENTERPRISE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. MARTINEZ] is recognized for 5 minutes.

Mr. MARTINEZ. Mr. Speaker, I rise today to express my extreme dismay at what appears to be a growing phenomenon in this great country. I am referring to the opening of the arms, heart, and very soul of our defense contractors to foreign interests. This is a problem our Nation's leadership had better start facing up to. We cannot continue to ride this course, and still expect to come out ahead of foreign interests in our defense industry.

The elements involved in this usurpation of American enterprise are often subtle, and to me ominous. They reach so deeply into our economy, that ultimately every American will be a victim of this. But at this very moment, the immediate losers are our own defense contractors. In my case, it involves not only the potential loss of jobs, but the unsavory discovery and reality that America's national security—as a result of international wheeling and dealing and a lack of awareness on our part—is increasingly being placed in the hands of foreign interests. I further believe that this discovery is not an isolated incident. Last week's vote on the codevelopment project of the FSX with Japan was a clear example of this intrusion.

The case which I now bring to your attention centers on the U.S. Army's $4.5 billion mobile subscriber equipment program known as the MSE.

As many of you may already be aware, this is the largest tactical communications procurement ever issued by the Army. Even before the award was made to the prime contractor, GTE and a French conglomerate, Thomson-CSF, the MSE had already made many headlines around the world.

As part of the original contract, a local company in my district became, and is currently a U.S. manufacturer for the project. Navcom Defense Electronics in El Monte, CA, was selected as the U.S. manufacturer for the key radio subsystem which lies at the heart of the system. The idea was to ensure that no matter what—an American company would have the capability to make this important radio on its own if the Army needs it.

For 3 years Navcom was a good partner with Thomson, a French quasi-governmental international corporation. By all accounts, Navcom, an American-owned and operated firm, not only met its obligations to the contract in full, but has even received a low risk rating from the U.S. Army's production analyst, which is the best possible rating.

I recently learned that GTE plans to seek approval to allow Thomson-CSF to move this manufacturing contract to another part of the country, 4 years short of the original 6-year program.

On the surface, a move like this would hardly generate a ripple and would surely fail to attract the attention of Congress. When we look closer, however, a disturbing element appears, which in fact greatly impacts this country's national security, and grabs our full attention.

While it is true that the radios will continue to be built by Americans in America—what is not widely known is that Wilcox Electric in Kansas City, MO, is a recently purchased subsidiary of Thomson-CSF, a French conglomerate. Wilcox Electric at present is not much more than an empty building. It was purchased by this French firm as part of a far-reaching strategy on their part to penetrate deep into this Nation's defense business. In short, Thomson, a French company, now has a front company in the United States—and is using American workers to secure more American contracts.

Under the contract made with the Army, GTE is required to have 40 percent of its work done by an American firm. According to the contract, Thomson-CSF of France does not qualify as an American firm since it only employs U.S. nationals, but is not an American-owned company. It is up to GTE to come forward proving that they have fulfilled the 40-percent requirement. I believe that you will find that they have not done this.

Even if GTE has fulfilled the 40-percent requirement, which I emphasize that they are not likely to have done, GTE is clearly violating the spirit of the law, if not the letter of the law. I believe actions like these violate the will of Congress in its desire to have a safety valve built in to protect our national interests. A foreign corporation that is already making millions off of our defense programs is now here to compete with other bona fide American firms and to compete at the source and soul of our national security.

It seems to me that something is terribly wrong in our system to allow such activities to occur—especially with so grave a matter as our national security. The ultimate losers will be the American people.

I, for one, intend to do everything in my power to make sure that everything is done to stop this travesty. And where the spirit of fair play and common sense are lost or set aside, GTE will learn of my own and other Americans' discontent at the idea of a major U.S. firm selling out American industry. We need to take whatever corrective measures are necessary to help our military and defense contractors. GTE, whether it believes so or not, is severely damaging our domestic defense industry. We see this occurring in this instance with MSE

I urge each of you to consider what I am saying today and to survey your own constituencies as I have. Our Nation's defense is—in the end—an American affair. Global economics and the desire of a foreign conglomerate to participate in our industry—no matter what the price—should be an outside and secondary issue in order to protect this Nation's ultimate interests.

SOCIAL SECURITY EARNINGS LIMIT

(Mr. BEVILL asked and was given permission to address the House for 1

minute and to revise and extend his remarks.)

Mr. BEVILL. Mr. Speaker, I rise today to express my strong support for H.R. 2460, the "Older Americans Freedom to Work Act." As you know, this bill will repeal the Social Security Earnings Limit for people over 65.

It seems to me that senior citizens are being hit with a double whammy these days. First of all, they are having to pay a very high premium for catastrophic illness protection under Medicare. This premium needs to be lowered.

People over age 65 who work are being hit in the pocketbook again. They lose $1 in Social Security benefits for every $2 earned over the $8,880 limit. This, in effect, is 50 percent marginal income tax.

Those over age 65 should not be socked with these high tax rates. This policy discourages people from working past age 65, which is still a very young age.

Vast numbers of people past the age of 65 are very productive and contribute a great deal to our economy. They should not be so harshly penalized on their Social Security when they earn more money.

I think we should repeal the retirement earnings test and give our Nation's senior citizens relief from unfair taxation.

HOUSE RESOLUTION 120

The SPEAKER pro tempore. Under a previous order to the House, the gentleman from Ohio [Mr. HALL] is recognized for 5 minutes.

Mr. HALL of Ohio. Mr. Speaker I would like to indicate my enthusiastic support for House Resolution 120, and the outstanding work of its author, my colleague on the Select Committee on Hunger, the gentleman from Nebraska, Mr. BEREUTER.

We all know about the tremendous work done by Jim Grant as the head of UNICEF. Millions of children are alive today as a result of his hard work. Congressional support has helped his organization do so much for so many needy, malnourished children.

Now we in the Congress need to do another thing for Mr. Grant and for the world's children: We need to send the clearest possible signal to the Bush administration that he should begin leading the call for a World Summit for Children. It is time that the U.S. Government declares unequivocally that we will do everything in our power to end unnecessary child death as soon as possible. Any other stance seems morally problematic to me.

This resolution does exactly that, and I urge all my colleagues on both sides of the aisle to give it their total support.

HEALTH INSURANCE FINANCE REFORMS

The SPEAKER pro tempore. Under a previous order of the House the gentleman from North Carolina [Mr. ROSE] is recognized for 5 minutes.

Mr. ROSE. Mr. Speaker, last Congress I introduced legislation designed to encourage debate on the future of Medicare. Today I am again submitting a bill H.R. 2600 drafted by the American Medical Association in hopes that the 101st Congress will continue to plan for the future of our growing elderly population by ensuring the long-term solvency of Medicare. Under the present pay-as-you-go system, Medicare will remain financially solvent into the next century only if we run up huge deficits, shoulder future generations of Americans with an unreasonable burden of program costs, or make wholesale cuts in Medicare benefits. Clearly, none of these are attractive options.

The proposal I am introducing includes financing reform measures and a voucher system which would allow senior citizens to purchase health insurance with a comprehensive package of benefits. My colleagues who carefully examine this legislation will discover a number of controversial provisions, all of which I am fully aware. I only ask that the proposal be given thoughtful consideration. Medicare reform is not going to happen overnight. It is time to begin seriously evaluating our long-term options in dealing with the shortcomings of the Medicare Program.

GO THE EXTRA MILE, GO FOR THE GOLD

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida [Mr. NELSON] is recognized for 5 minutes.

Mr. NELSON of Florida. Mr. Speaker, while visiting my district, Evelyn Lincoln, the late John F. Kennedy's personal secretary, attended a speech delivered by Jennifer Gash, a 13-year-old student at Roosevelt Middle School in Cocoa Beach, FL. Jennifer wrote the speech herself and presented it to parents and friends at a local PTA meeting.

Like Evelyn Lincoln, I feel that the message in Jennifer's speech is especially timely and merits special attention. I am proud to present these words of a seventh grader that inspire thoughts and ideas not unlike those of President Kennedy in the 1960's:

SPEECH BY JENNIFER GASH

Go the extra mile, be all you can be, reach for the top, go for the gold!

No, I'm not an Army recruiter, and this isn't a beer commercial.

I'm here to talk to your about the spirit of adventure that our country was founded on. But do people still struggle to reach for the top? A few, but not many. The sad "truth" is that most people today aren't as courageous as our ancestors were. They just don't care. And those that do care don't seem to do much about it.

Where would we be if Christopher Columbus had not gone the extra mile and discovered America?

Would all people be free if Martin Luther King had not climbed to the mountain top and let the world know how he, and others, felt about freedom?

Would we know of radioactivity if Marie Curie had not discovered it?

Where would those poor, hungry children be if Mother Teresa had not helped them in their time of need?

Think of what your evenings would be like without Thomas Edison! What would you do without electricity or motion pictures? I'd hate to think what I would do.

Many people have etched a permanent mark on this world that will always be there. For they were so great and changed this world so much that we will never forget them.

And then there comes you. What have you done to leave your mark on this world? When was the last time you helped someone, or helped yourself become someone? Will people remember you because of your originality, your inspiration, your generosity, or your courageousness? Will people remember you at all?

Right now some of you may look at the person beside you and may think, "that's the person who will work hard and become someone, not me." But that won't work! You're the one who needs to work hard and be your very best. Just think of what this world could be like if everybody tried and were their very best!

You will find that the more you try, the more you will succeed, and that the more you succeed, the better you will feel about yourself. So now go and try. You will soon see that just one person can make a big difference.

In the 4th century B.C. Apeau Caecus once spoke these words as I am now going to speak them to you, and as Apeus Caecus meant them, I too mean them. "Each man is the architect of his own fate."

SOCIAL SECURITY EARNINGS TEST

The SPEAKER pro tempore. Under previous order of the House the gentleman from Illinois [Mr. HASTERT] is recognized for 60 minutes.

GENERAL LEAVE

Mr. HASTERT. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days in which to revise and extend their remarks and to include extraneous material on the subject of my special order tonight.

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

There was no objection.

Mr. HASTERT. Mr. Speaker, it is a great privilege to be here before this body today and to hear the previous speaker, the distinguished chairman, the gentleman from Alabama [Mr. BEVILL] talk about the need for repealing the earnings limit for people 65 years of age and older.

In my district, Mr. Speaker, I have attended town meetings and I have heard people talk about the earnings limit. For example, I have heard from a 67-year-old woman trying to pay tuition for her daughter in her last years of college. On top of that she has to make a car payment and a house payment.

That story goes on and on, Mr. Speaker. Today we have several people

who would like to also talk about that issue.

First of all, I yield to the gentleman from North Carolina [Mr. COBLE].

Mr. COBLE. I thank the gentleman from Illinois for yielding to me.

I also thank him for having taken out the special order.

Our colleague, the gentleman from Alabama [Mr. BEVILL] started the ball rolling before the gentleman got to the well, with his 1 minute.

□ 1550

Mr. Speaker and my colleagues, if there is ever a glaring example of age discrimination, this satisfies it. This is a flagrant example of age discrimination, it seems to me.

Now, Americans older than 65 years of age comprise a stable, skilled element of the total work force. I think we ought to utilize that element to the fullest. I think these older Americans should be encouraged, not discouraged, from working after they get to be 65 years of age.

As the gentleman from Illinois has pointed out, $8,800 is the magic number. Once a person earns that amount, then the earnings cap comes into play. He or she is penalized for each dollar earned thereafter. It is not right. It is not fair. It is not equitable. It ought to be corrected.

There are thousands, and the gentleman from Illinios may touch on this before he concludes his special order, but there are literally thousands of hours that are required to enforce this onerous practice. For one thing, that would be a savings, if we could get it resolved.

As Members know, I have a bill in, the gentleman from Illinois has a bill in. I think there are between 10 and 15 bills. I do not care whose is passed. I do not care who gets the credit for it, so long as it is corrected. It seems to me that the people who are advocating defeat of the gentleman's proposal and my proposal on the ground that it will cost Americans money, these people are overlooking the fact that there will be hundreds and hundreds of older Americans who are then going to be encouraged to work and who will be working.

Now, as I said previously, they are discouraged from working; No. 2, they are forced to go underground and work illegally, if you will.

I am excited about it. Again, I thank the gentleman for having taken out this special order. I am delighted to see our colleagues here today to express their support.

Mr. HASTERT. Mr. Speaker, I certainly appreciate the gentleman from North Carolina joining in the special order. In the gentleman's experience, meeting with senior citizen's groups and town meetings, has the gentleman from North Carolina [Mr. COBLE] found that senior citizens tend to say, "Listen, we want to be productive, we want to have a chance to earn, but we are being taxed out of the workplace"?

Mr. COBLE. Mr. Speaker, I hear that time and time and time again. It is not just exclusively reserved for senior citizens. I have people 35 and 40 years old who come to me and they say, "One day I am going to be in that position. Thank you for your bill." But yes, senior citizens are aware of what we are trying to do. They are appreciative. They will be direct beneficiaries of it if we are able to convince our colleagues to enact this proposal into law.

Mr. HASTERT. Mr. Speaker, again I thank the gentleman from North Carolina.

I would like to yield to the gentleman from Pennsylvania [Mr. CLINGER].

Mr. CLINGER. Mr. Speaker, I thank the gentleman for yielding. I want to commend the gentleman from Ilinois [Mr. HASTERT] for bringing this special order and for bringing attention to what appears to many Members to be one of the most discriminatory, if not just wrong-headed policies that we have in this country, by systematically discouraging some of the more productive and potentially useful members of our society from engaging in the work force at all.

I imagine how I might feel, faced with a marginal tax rate as high as 102 percent, or how I would feel if I were going to be penalized, which is what we do for earning too much money. That is so contrary to anything we have known in this country. However, we do not have to imagine this, because if we talk to the senior citizens as all of the Members do in hometown meetings, go back home and see them on the street, this is an issue that has them concerned and has them understandably upset, these people subject to Social Security earnings tax tell Members all about it, and tell Members the earning test mandates very sharp reduction in the monthly benefits of those whose earnings exceed a certain amount, as we know, $8,800 in 1989. They lose, literally, penalized $1 for ever $2 they earn above that limit.

This earning has imposed an effective marginal tax rate of 50 percent on citizens and encouraged retirement for many, many who want to remain on the work force, who have been active and productive members of the work force through their lives. It has frustrated those who need additional income for expenses that fixed incomes cannot possibly support.

The legislation which the gentleman has brought, and others have brought, of which I am an enthusiastic and eager cosponsor of, would repeal a 50-year-old provision in the Social Security Act that effectively carries out this discrimination against retired persons who want or need to continue to work, and would repeal, which I think that is the only answer, repeal that earnings test for those aged 65 to 69.

Older Americans can continue to be productive, contributing members of our society.

I think another thing that is overlooked is the fact that we will need these people in the not-too-distant future. We are facing a labor shortage in this country. The baby boom generation has all been pretty much absorbed into the work force. There will not be that many new people in the work force. Women and minorities will be the major source of new entrants into the work force. What will we do with skilled jobs that go begging because we have discouraged the seniors who have those skills from working in the work force and doing a job?

I think it is a totally wrong-headed approach that we are doing to discourage people from staying in the work force, at the very time when demographics tell Members we will need them more and more. It is unjust that they be blocked out by this earnings test.

The other point I want to make, and I know that Members are well aware of this, is that administering this test costs. We talk about how much it will cost if this kind of approach is taken, but administering the test alone costs over $200 million per year, and presently employs 8 percent of all the Social Security Administration employees, just to police income levels of our senior citizens and make sure that no one is cheating, or no one is getting ahead of the system.

So I want to commend the gentleman from Illinois. I applaud what is going on in the Senate, the other body. They have been making steps. It is an issue we all recognize, it is one that needs to be addressed forthrightly. I commend the gentleman for taking this special order.

Mr. HASTERT. Mr. Speaker, I thank the gentleman from Pennsylvania for spending some time in putting forth his views on this subject. The gentleman reminds me in his remarks of the many, many people we have with special talents, that we force out of the work force. They can be so productive in this society. I thank the gentleman for his remarks and thank the gentleman for spending some time here this afternoon.

Mr. Speaker, at this time I would like to recognize the gentleman from Oklahoma [Mr. INHOFE].

Mr. INHOFE. Mr. Speaker, I thank the gentleman from Illinois not just for bringing this special order to the attention of this body, but also for the way in which he has done it, because there are several Members, each person who has already spoken, and those who will be speaking, as each one introduced legislation to do this very thing. The gentleman who was in

the well a moment ago from North Carolina [Mr. COBLE], I agree with. It does not really matter which one passes, but this is the time, now, that we have more people uniting behind, the gentleman from Illinois that decided to get our entire group that was elected in the 100th Congress behind us as a joint effort.

I would like to make a couple of comments about it, that perhaps might be overlooked. We are talking about the actuarial end. We talked about the technicalities, how it came to be, where it should go, why it cannot be repealed or altered, and we all so often overlook the human side of it.

I recently had nine townhall meetings in Tulsa, OK. In those district meetings we had an average of just under 400 people at each of the nine townhall meetings. Ninety percent of the time in each of these meetings was dominated by two subjects: One, the catastrophic health care issue; and the second, the earnings test that is in our Social Security.

We have talked about other special orders on the catastrophic health issue.

□ 1600

As far as the earnings test is concerned, it is something we have to look at a little bit differently than we do many other things. This is something that is un-American. We were all brought up and for 200 years our families have been brought up to say that we prepare for the future for ourselves, we prepare for our old age, and we can continue to work as long as we want to work.

I had an experience just the other day, and this happened on Sunday; I went by a place that was a fast food type of operation, and I met a gentleman in there whom I happened to remember. He was in sales for many, many years, and he was forced by his company to retire from that particular operation. He said he was in there working, and that when he reached that level beyond which he could not go without being penalized, "I am going to keep on working." He said, "What you are doing in Government, what the institution of Government is forcing me to do is to lie, and I am going to lie so I can keep on working."

He said, "I have had many friends who are my age who have retired and then died. They no longer feel they have anything worthwhile to do. Retirement looks awfully good for some people sometimes, but when you finally reach that point, you say, 'No, I would rather be productive, I would rather add something to society.' "

There are many, many Americans who feel that way. So here is a gentleman who is going to be forced, as he told me, for the first time in his life to lie, to lie against the Government.

So, Mr. Speaker, I really do commend the gentleman from Illinois and all the rest of my colleagues who are so enthusiastic about the process of change. I do not think I could single out one inequity in our society which needs our attention more than this one.

Mr. HASTERT. Mr. Speaker, I thank the gentleman from Oklahoma [Mr. INHOFE]. I appreciate his time and certainly his effort in this production.

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

Mr. HASTERT. I yield to the gentleman from Arizona, who has been a cohort of mine in trying to bring this issue before Congress.

Mr. RHODES. Mr. Speaker, I thank the gentleman from Illinois [Mr. HASTERT] very much not only for yielding to me this afternoon but for all the work he has done in getting this legislation prepared, in gathering the cosponsors we have been able to acquire, and in bringing this issue to the floor here this afternoon.

I think at some point in time either the gentleman from Illinois or I ought to recognize also that we have three or four people on our staffs who have put in an awful lot of time and effort and energy in this bill. We have had an awful lot of roadblocks thrown in our way by various and sundry members of the bureaucracy, and our staffs have systematically helped us go about knocking those roadblocks down. They deserve a lot of thanks for the work they have done. The entire House owes the gentleman from Illinois a vote of thanks for the time and effort and dedication he has put into getting us here. I certainly appreciate it myself, and I certainly do thank the gentleman for that.

We are talking about one simple thing, in my judgment. There are a lot of side issues, but to me the basic thing we are talking about here is unfairness. We are talking about saying to people, "When you reach a certain age, your contribution is no longer valuable. We don't want it, and in order to prevent you from giving it to us, we will penalize you."

We are not talking about people who have retired and are basically comfortable in their retirement. We are not talking about people who, besides Social Security, have private pension plans. We are not talking about those people who during the course of their lives have been able to amass investments from which they can receive income upon their retirement. We are not talking about that. We are saying to people, "If you have been fortunate enough during your work life to acquire assets for your retirement, that is fine," but we are also saying to those who worked but who were not that fortunate during their work life and who, upon retirement, find they cannot live on their Social Security and must continue to work, "you can't do that."

Now, how unfair can that possibly be? We are literally stockpiling older Americans. We are literally saying to them, "You have now reached age 65. You step aside and clip your coupons, if you have coupons to clip, but otherwise enjoy your retirement age in poverty. You can't work. We won't let you."

This legislation is not of benefit for the well-to-do because the well-to-do are not penalized by this law. This legislation is intended to help those who need to work, who have to have the additional income to sustain themselves in their so-called golden years.

We have perpetuated for the last 50 years a fundamental unfairness. Other speakers will talk about the valuable contributions that these senior citizens can make, and I certainly do not denigrate that value. Others will talk about the costs, and others will talk about the benefits, but the one word I want us all to keep in mind is fairness. There is no reason why we should treat those who have contributed so much to the wealth and well-being of this country any differently than we treat anybody else. They should have the same opportunities, the same benefits, and the same rights as we do, and that is just fair. That is the American way.

Mr. HASTERT. Mr. Speaker, I thank the gentleman from Arizona [Mr. RHODES]. He has hit the nail right on the head.

We know that this issue does not touch those people who have unearned income and who can live on what they have been able to provide for themselves through pension and annuities. The ironic thing is that the people who have to earn that extra margin by the sweat of their brow with calloused hands are really penalized by the earnings limit when we say, "No, you aren't productive human beings; you can't earn that margin that can give you that comfortable place in life."

Mr. Speaker, I certainly appreciate the gentleman from Arizona stressing that idea and clarifying the fundamental issue here.

Mr. RHODES. Mr. Speaker, again I thank the gentleman from Illinois.

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

Mr. HASTERT. I yield to the gentleman from New York.

Mr. SOLOMON. Mr. Speaker, I certainly thank the gentleman for yielding. As a matter of fact, I have to get back to a Rules Committee meeting in a few minutes where we are debating an issue of similar importance, and that is the savings and loan associations throughout America. Many of our older Americans have their life-

long savings in these savings institutions.

I wanted to come down here to commend the gentleman for taking the lead on this special order today. Not only is this law the most unconstitutional and most unfair law we have ever had on the books in the history of this country, but it goes somewhat further than that. I represent an area of about 8,000 square miles in upstate New York, with 157 small towns with populations of anywhere from 500 to 1,000, 2,000, 3,000, and 4,000. Most of the working Americans who live in my district commute long distances. The people who are 20, 30, 40, and 50 years old drive 40 and 50 miles to work, and they are not home during the day; they are not in the community. Consequently, these small communities depend on older Americans who need a little income who do their volunteer work and work in the community while the younger Americans are out working 40 and 50 miles away. And to think they are penalized $2 for every single dollar they get in Social Security benefits is just a disgrace.

I have introduced this bill which the gentleman in the well has introduced, along with others who are here to testify today. This bill is H.R. 393. This is the 11th consecutive year I have put this bill in to try to get this terrible law repealed.

Mr. Speaker, I welcome the gentleman and those from his class who have come here in the last couple of years and put their weight behind the repealing of this law. I commend the gentleman. Maybe if we stick at it long enough, we will get the law repealed.

Mr. HASTERT. Mr. Speaker, I thank the gentleman from New York [Mr. SOLOMON]. He certainly makes a good point. This is no new idea. It is an idea that has been around this Congress certainly for a long time, and it is an idea whose time has come.

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

Mr. HASTERT. I yield to the gentleman from Missouri.

Mr. HANCOCK. Mr. Speaker, first, I would like to thank Congressman HASTERT for organizing this special order at which I speak today, for chairing the Republican Research Committee Task Force on the Earnings Test of which I am a member, and for introducing the Older Americans Freedom To Work Act of which I am an original cosponsor. Your efforts for this worthy cause, along with those of Congressman RHODES, have truly been heroic.

I am glad to have the opportunity in this special order to speak out against one of the most discriminatory laws remaining on the books today—the Social Security earnings test. Plain and simple, this law is age discrimination at its worst. It cuts across social, racial, religious, and income strata to single out those needing to continue working past the traditional retirement age to supplement their income from drawing a full Social Security benefit. Conceived during the Great Depression as a way to remove older Americans from the unemployment roles, this regulation plagues the elderly today long after the problem it was intended to solve has passed. Indeed, while we now face a shrinking workforce and labor shortages, we effectively exclude those over 65 with moderate means from supplementing their standard of living by continuing to work.

Most people could not even conceive of the pyramid of taxes which face the elderly today. The National Center for Policy Analysis has done some excellent work in this area, and I would commend their findings to anyone truly interested in the plight of the elderly. What they have found should come as no surprise. When you add up Federal income taxes, State taxes, Social Security payroll taxes, the taxation of one-half of Social Security benefits—which I have always opposed—the 50 percent tax we call the earnings test, and our latest addition, the catastrophic health care surtax, the working elderly can face marginal tax rates of 80 percent and, in some cases, over 100 percent. Isn't that amazing? Do we really expect senior citizens or anyone to work for only 20 percent or less of their paychecks?

But the most discouraging of all of these taxes is the earnings test because it specifically targets those needing to work. To me, earnings means income. But the earnings test does not measure income, it measures only wages. Other forms of income are not measured. When a Donald Trump or a Sam Walton files for Social Security, and God bless Donald Trump, Sam Walton, and the other Americans who invest in America, but they could earn $20 million from their investments and still collect full Social Security benefits. But when a senior citizen who needs to work to supplement his or her income files for Social Security, they lose $1 in benefits for every $2 of wages over $8,880. Is that fair?

The most common objection to revisiting the earnings test is that it would help mostly the well-to-do. We hear that most of those affected by the earnings test are corporate executives who are paid fat salaries. The Villers Foundation testified at a recent RRC hearing that a wide majority of those affected by the earnings test had incomes several times the poverty level. But I contend that, as the system is presently constructed, and in the face of marginal tax rates exceeding 80 percent, only the well-to-do can afford to work past 65. The system is intended to discourage those over 65 from working and, lo and behold, only those who can afford to buck the system. Isn't that surprising?

While life expectancy increased from 59.7 years in 1930 to 73.7 years in 1980, the percent of males over 60 in the workforce has declined steadily from 65 percent in 1930 to 32 percent in 1980. Obviously, we are doing something to prevent the average American from working at an older age. But if we change the system, if we encourage the elderly to work, then we will see an increasing number of low- and middle-income senior citizens who would have been affected and, yes, excluded by the earnings test present in the workforce.

There are those in Congress who say that repealing the earnings test would have an adverse impact on Federal revenues. My position is that we have a choice. We can do what is morally right, or we can concern ourselves solely with Government revenues and violate the principle of representing the people and not representing Government. If we look at all of the things the Government does which are unnecessary or plain wrong, I am sure we can find the resources to repeal the earnings test. Why, with all of the taxes detailed above, our senior citizens might surprise us with their veracity and turn this proposal into a revenue gainer.

What troubles me the most about this law, all arguments aside, is what we as Americans are saying to our Nation's senior citizens. We are saying, "You have too much experience, too many qualifications, and too great a desire to work." What we should say to our senior citizens is, "You have worked a lifetime, you have accumulated unmatched experience and, if you so desire, you can continue to work at the job you love and we will not penalize you for doing so."

Senior citizens, America needs you. We need your experience, your work ethic and your devotion to quality work if America is to retain its international competitiveness and remain the leader of the free world.

I hope my colleagues will join me in cosponsoring H.R. 2460 to repeal the earnings test. This should be a bipartisan effort to restore fairness to the Social Security system and to allow America's senior citizens to help themselves.

□ 1610

Mr. HASTERT. Mr. Speaker, I certainly thank the gentleman from Missouri [Mr. HANCOCK] for bringing up some very cogent points, and we always look at what the cost is to Government and note what the cost is to human beings, but even when we start to look at the cost to the Government, what we find is that those people who go back to work, pay income taxes. They pay FICA taxes, and regarding

Medicare, these people stay with private coverage instead of Medicare and that also brings in revenue. So, we tend to overlook, not only the productivity, but also the addition to the revenue side.

So, Mr. Speaker, I thank the gentleman from Missouri [Mr. HANCOCK] for his comments.

Mr. Speaker, I yield to another gentleman from Missouri [Mr. EMERSON].

Mr. EMERSON. Mr. Speaker, I am grateful for this opportunity to speak on behalf of the many senior citizens of this country who are currently penalized by the Social Security earnings limit. An enormous potential lies in the senior citizens of America; we must continue to fight to preserve and protect their interests, and to correct this problem of serious discrimination against senior citizens.

Mr. Speaker, the Social Security earnings limit subjects elderly taxpayers to some of the highest marginal tax rates ever imposed on middle-income Americans. This simply is not fair. The people most hurt by the earnings limit are those who most need some extra earnings. Note that the limit is not a limit on income, but on earnings. Capital gains, interest, and dividends are not covered by this law. Pure and simple, the Social Security earnings cap is a work tax on seniors who want to work, may need to work, are entitled to work.

No American should be discouraged from working, as long as he wants to and is physically able to work. If we retain the earnings limit, we are telling our senior citizens that we no longer want nor need their services and abilities. We are allowing a valuable resource—the talent, wisdom and experience of older Americans—to go unused. This is a mistake we cannot afford.

I am grateful to the gentleman from Illinois [Mr. HASTERT] for providing this opportunity today to discuss this important matter. We all need to rally now, to solve the problem. We have talked enough. We need action.

Mr. HASTERT. Mr. Speaker, I appreciate the gentleman from Missouri [Mr. EMERSON] spending some time with us today and recommending that we pull together and work on this. We already have 129 sponsors on this bill and sponsors who are saying on a bipartisan front that we need to make a change, and the time is now.

Mr. Speaker, I yield to the gentleman from Mississippi [Mr. SMITH].

Mr. SMITH of Mississippi. Mr. Speaker, I thank the gentleman from Illinois [Mr. HASTERT], and I would like to commend him for this legislation.

Mr. Speaker, I rise in support of H.R. 2460, the Older Americans Freedom To Work Act. I represent the Fifth District of Mississippi and represent a constituency that includes a large percentage of retirees and the elderly. They are not rich. Many of that constituency live in the rural areas of Mississippi, and many of these older Americans need to work past the age of 65.

Mr. Speaker, I find it impossible to justify why they are being penalized for working beyond that age, and, as the gentleman from Missouri [Mr. EMERSON] said a little while ago, this is a very, very simple issue, the issue of fairness, and that is what we are asking for here is to be fair with our senior citizens.

Mr. Speaker, I urge all of my colleagues in the House to support the Older Americans Freedom to Work Act and to put an end to this very unfair penalty.

The benefits of the repeal of this earnings test are many. First and foremost is to send a clear message to our Nation's seniors that we value their experience and we want them to continue working if they choose to do so.

Second, it would alleviate a feeling of dependency on the Federal Government that some of these older Americans feel. The more they work, the less dependent they are on their Social Security check and the more able they are to chart their own course.

Again, I would like to commend the gentleman from Illinois for this legislation. I look forward to working with the gentleman to see that this bill becomes law.

Mr. HASTERT. Mr. Speaker, I thank the gentleman from Mississippi [Mr. SMITH]. The gentleman from Mississippi makes some good points.

It is not country club fees that we are talking about. It is people who do live in the country. It is for people who turn the soil to make a living that we need to make this change for.

I guess what we are saying is that when a person reaches the age of 65 in this country we do not want to put them on a shelf anymore. We recognize that they have a contribution they can make to themselves, to the community and to the country; so I really appreciate the gentleman from Mississippi [Mr. SMTIH] coming forward today and talking about this issue.

Mr. SMITH of Mississippi. Mr. Speaker, I thank the gentleman for his recognition.

Mr. HASTERT. Mr. Speaker, I yield to the gentleman from Florida [Mr. STEARNS].

Mr. STEARNS. Mr. Speaker, I thank my distinguished colleague, the gentleman from Illinois, for this opportunity to speak in favor of this bill, H.R. 2460, the Older Americans Freedom To Work Act.

I come down here with a little bit of preexperience dealing with senior citizens. I live in Florida. I live in central Florida. My district encompasses from the gulf coast almost over to Daytona Beach in the north up to Gainesville where the University of Florida is and going down to a nice little town called Zephyrhills. It is a large district and it is comprised of many senior citizens. They come down from the north, they sell their houses and they buy property. After awhile they want to have an alternative source of income. They go out in the workplace and they start to work. They go to work in my district into service industries. There is not a lot of manufacturing, like IBM or General Electric, but they are small businesses. They start these businesses and they work until probably about August or July and suddenly they realize that the earning test comes into play and they say to themselves, "I just can't be involved with losing $1 in my Social Security check for each $2 earned thereafter." This puts them in the marginal tax rate of 50 percent.

So they just say, "I'm not going to work."

Think about that. Here we are in a free country, owning property, and talking about the free market. These folks are discouraged from working.

So I am very excited about this bill. I endorse it. I have talked about it in my campaign. I am pleased that my colleague has put this bill forward. I was pleased when he had his press conference to speak in behalf of it.

I know a lot of these senior citizens take off in August or September. Then what happens is they come back in January. I would like to point out to the folks here on the floor and to the Speaker that what happens is that small businesses have to retrain these folks again, so there is a retraining process that no one realizes that businesses do because senior citizens drop out and take 4 or 5 months off. This bill will allow those senior citizens to work. So I heartily endore this bill.

I wanted to conclude by mentioning, Mr. Speaker, that I have been contacted by many employers in my district who are upset by the existing law in favor of this law. They do not want to lose quality employees and be forced to spend time and money to train someone new, like I mentioned.

The Older Americans Freedom To Work Act sends a clear message to our Nation's citizens that we value their experience and we want them to continue working if they choose to do so.

Mr. HASTERT. Mr. Speaker, I thank the gentleman from Florida for making some very important points.

Again, the jobs we are talking about include, being the clerk of a store or working in a child care center. We need those types of experienced loving people. I really appreciate the points the gentleman raises here.

Mr. Speaker, I yield to the gentleman from Florida [Mr. BILIRAKIS].

Mr. BILIRAKIS. Mr. Speaker, I too, am very grateful to the gentleman

from Illinois [Mr. HASTERT], along with the gentleman from Arizona [Mr. RHODES], for producing this piece of legislation, and of course, there are other pieces of legislation. I believe the gentleman from Texas [Mr. ARCHER] has introduced one and there are others that basically intend to accomplish the same objective.

I heard the remarks of the previous gentleman who spoke, the gentleman from Florida [Mr. STEARNS]. I certainly endorse his remarks, and like him and unlike many Members of this august body, I think I can talk about personal experience, not that I am old enough to start receiving Social Security, although not too very far away from that particular point, Mr. Speaker; but the personal experience of actually spending an awful lot of time on the grassroots level with our many retired elderly.

In my particular district, I do not know, I guess half a dozen of us maintain that we have a district with more senior citizens than any other district in the country and I am not really sure what those statistics are, but certainly my district has got to be in the top three or four in the country in any case. One particular county that I have, Pasco County, is probably No. 1 in the country.

So we are talking about personal experience. We are talking about people whom we live next door to, people with whom we socialize, people who in my particular case having practiced law so very many years in that particular Pasco County where so many senior citizens retirees live, having seen their problems and knowing full well that even with Social Security and possibly other income that they may be getting, some pensions; my father whom I lost a little better than 3 years ago was receiving a pension from a factory up North which was something less than $100 a month, but some of those pensions are relatively large and some of them are relatively small and in many cases there just are not any at all, because they have not worked for the big factories which gave them the benefit of a pension once they retired.

The fact of the matter is that with the cost of living expenses going to where they are, many of these good people must supplement their Social Security pay and their Social Security amounts and pensions and what interest they may get or dividends or whatever the case may be, and so many of them just do not take advantage of the work that is available, particularly in an area such as ours, because of this earning limitation. What is it, for very dollar they earn, they lose a dollar. It just does not make any sense.

Also, I saw some figures, and I did not have the benefit of hearing all the prior speakers, and I speak now to the gentleman in the well, but I have seen some figures to the effect that now with the catastrophic surtax that we have added an additional burden for those good people on top of losing this $1 for every $2 and on top of their Social Security tax that we have also burdened them with 2 or 3 years ago, as much as 50 percent of their Social Security, we are talking about people, depending on what category they are in, could be paying as much as 80 to 85 percent income tax rate.

So this is what we are doing to these good people who have made this country basically what it is.

Mr. Speaker, we have heard a number of instances of memorializing our very late, very great colleague, Congressman Claude Pepper. Someone earlier today when we had a press conference discussing the catastrophic said that in the interests of Congressman Pepper and in the interests of memorializing him, we have to do something with that particular bill and open it up again and take a look at the surtax which is hurting so many of our senior citizens.

□ 1630

I knew Congressman Pepper very well. We served together on the Committee on Aging back during my first term, and we got to be very good friends. I made at least one speech for him in Miami Beach as his surrogate, and I was very proud to do so.

I got to know him well when he talked many times about the problems of seniors, and he felt so very, very strongly that there should not be an age limitation on our people, that it should be based upon their physical being at the time and leaving it up to them to determine whether they should work or not and whether they wanted to continue to work or not.

We all have known people, our parents, our grandparents, friends, neighbors who have developed what I call a wealth of history, a wealth of background as a result of fantastic experiences they have had, fantastic learning, much of it not book learning, if you will, but the hard school of learning, if you will, on the job, and then they reach this age of 65. I should call it the ripe young age of 65, because that is the way it is today.

We have the fastest growing segment of our population, as we know, who are those in 85 and older, so 65, obviously, is young, and as I continue to get closer to it like you, Mr. Speaker, I say it is younger yet, but the point of the matter is we are discouraging those people from continuing to afford us, the American public and the American people, the benefit of all of that wisdom and all of that history which they gained throughout the years.

Mr. DREIER of California. Mr. Speaker, will the gentleman yield?

Mr. HASTERT. I am happy to yield to the gentleman from California.

Mr. DREIER of California. Mr. Speaker, I thank my friend, the gentleman from Illinois, for yielding.

Mr. Speaker, I would just like to underscore the fact that the arbitrary 65-year level is ludicrous. Clearly one of the most productive Members of this body, whom we just buried, Claude Pepper, was very active up until he was 88, and I remember well seeing my friend from Florida pictured in the presenting of that medal to him with the President, and even then Claude Pepper looked as if he was very vital.

Mr. Speaker, I think that that is something that does need to be underscored. I thank the gentleman for his contribution.

Mr. BILIRAKIS. Can you imagine those of us who loved this man, the Congressman we fondly called Senator Claude Pepper, can you imagine if he were forced to have retired at age 65? This country of ours, and particularly our elderly, and all Americans, and we did not agree, and certainly the three of us here did not agree with every aspect of his philosophy, but obviously when it came to our seniors, we all did. Can one imagine what this country and these people of ours would have lost, my parents and the gentleman's and his grandparents would have lost if this man had been, in effect, forced to retire at age 65? We would have lost 23-plus good years.

Mr. HASTERT. Just think of the productivity that Mr. Pepper had. Many Members of this House certainly are beyond the age of 65, and some of them do not come to this House until they are 65, but yet what a real talent and gift they have to give this country, and that is, I think, representative of people throughout this country, the millions of people who are 65 and older.

Mr. BILIRAKIS. That is certainly very true.

I had occasion, and it was certainly one of the finest 10 days, or whatever it was, of my life. I was invited by Senator Pepper to join him and members of the Committee on Rules to go on a trip, principally to North Africa, to Morocco and to the Ivory Coast, the Cote d'Ivoire, and I could not keep up with him. He was 80—86 years of age at that time, and I was 30 years younger, and I just could not keep up with him, that mind and that history and that experience, which would have been wasted, and that is exactly what we are doing to our people in effect, and any way we look at it here from a practical, realistic, real-world standpoint, we are forcing them to retire at age 65, and we are not only losing the benefit of all of that, and, yes, I realize that this supposedly is going to negatively impact the Social Security fund, which is fatter now and of more sur-

plus than it ever has been in its history, and it may or may not, but we do know that these people would continue to be contributing to that fund if we allowed them to work. We know that they also would be contributing to the Internal Revenue fund, to the income tax, to the revenue of this country if they continued to work.

Obviously, and I feel very strongly about this, and I say obviously, and I guess maybe it is not that obvious, but to me it is obvious that if they continue to work there is a much better frame of mind there mentally and physically, and they turn out that they are healthier. I have always wondered how people can work 40-plus hours a week, and then all of a sudden turn that faucet and just, in effect, quit working, what that must do to the body and the mind of those people. They tend then to get sicker a heck of a lot quicker.

It is just critical that we keep all of these things in mind.

Mr. Speaker, I did not plan to take this much time, and I say that to the gentleman in the well, the gentleman from Illinois [Mr. HASTERT], but I think that it is just important that if we truly, if we truly, and I heard Mr. Pepper talking about it, and I am not sure that I agreed with him completely about airline pilots and how there should not be an age maximum there and what-not. I am not going to get into that at this point in time. I suppose there are some professions where maybe there should be some sort of a limitation there, and I am not wise enough to determine that. Maybe airline pilots should have some sort of a limitation. I do not know; every time we fly, we might think so.

The fact of the matter is that he felt very strongly about this issue, as strongly, in my opinion, coming from a person who really came to know him very well, as strongly, I believe, as he felt about Medicare, the fundamental Medicare concept and Medicare and Social Security, and if we are to truly memorialize this man more than he has even been memorialized in so many ways, we will place one of these pieces of legislation, that of the gentleman or certainly one of the others, on a fast track so that we can do what is really the most practical, the most realistic, the most constructive thing that we possibly can do in today's society, and I am just very pleased to be a cosponsor of the legislation of the gentleman.

Mr. HASTERT. I just want to say I appreciate the gentleman's contribution. I know the constituency that the gentleman has and the time and the immense care that he has for those people, so I think his concern arises from that.

Certainly when the gentleman talks about our deceased colleague, Mr. Pepper, I think we should keep in mind, that he was a sponsor of a bill to repeal the earnings limit.

I appreciate the time of the gentleman and certainly appreciate his contribution.

Mr. BILIRAKIS. I certainly appreciate again the gentleman holding this special order and giving me the opportunity to speak my piece on the issue.

Mr. DREIER of California. Mr. Speaker, will the gentleman yield?

Mr. HASTERT. I am happy to yield to the gentleman from California.

Mr. DREIER of California. Mr. Speaker, I plan to be very brief.

I first want to extend congratulations to my friend, the gentleman from Illinois, for taking out this special order and dealing with what certainly is a very important problem. I also want to extend to him thanks, Mr. Speaker, for the fine representation which he provides to my sister and her husband and my two young nieces who reside in Aurora, IL. I know that he is very committed to seniors around this country and specifically to his constituents.

I want to say that, to me, one of the most reprehensible things which we in this Congress have done is we have said to Americans, Plan for retirement, put dollars aside, do what you can, so that you will not be dependent upon the Federal Government as your sole source for survival.

This very, very well-intended legislation has unfortunately created a very unfortunate situation. Mr. Speaker, the thought of saying that $6,480 dollars a year is the maximum which anyone can earn between the ages of 62 and 64 without a penalty, the thought of saying that $8,880 a year can be earned without any kind of penalty being imposed is a real tragedy for senior citizens. For them to be in a position where they are penalized with this 50-percent tax when they are often, as we have just described, with the terrific life that was led by Claude Pepper, and at a very productive point in their lives, for us to be in a situation where we penalize them and we tell them to plan for retirement, and then when they do, when they make some plans to continue to be productive, we impose this reprehensible penalty.

I have been working for several years in an attempt to repeal this, and I congratulate my friend, the gentleman from Illinois, for working as diligently as he has to keep this issue in the forefront, because the senior citizens in this country will owe a debt of gratitude to everyone who has worked diligently to try and bring about some kind of equity as they look toward retirement, and as so many of them have the option, and it is just an option, that we want for them to continue to remain as productive and in so many cases become even more productive than they have in earlier years.

□ 1640

Mr. HASTERT. Mr. Speaker, I appreciate the contribution of the gentleman from California to this special order. To think that men and women like the gentleman from California have brought this issue before the House for years, and I am a relatively newcomer to this institution, but to see the efforts of a person like yourself and our colleague from Texas, BILL ARCHER, who has brought this issue before the House for the last 17 years.

Mr. DREIER of California. We are very happy to have the gentleman from Illinois.

Mr. HASTERT. We need to move forward and we need to make this good idea law. I thank the gentleman very much.

I want to take this time, Mr. Speaker, to thank my colleagues for their attendance here today. Some of them joined me in a standing-room-only press conference recently to introduce this bill, H.R. 2460. I especially want to thank the gentleman from Texas [Mr. ARCHER], who has done yeoman's work for most of his 18 years in Congress on this issue, and certainly the gentleman from Arizona [Mr. RHODES], who has worked with me on this issue from the beginning.

On May 24 we introduced this bill, the Older Americans Freedom to Work Act, which would get rid of an antiquated and unfair provision of Social Security that harks back to the Depression era. It is a provision which says to older Americans, go home, retreat to your rocking chairs, we do not think your contributions to the work force are of any consequence anymore.

Ladies and gentleman, that certainly is not the feeling of people in this day and age and this time. That might have been right for the Depression era, but today is a new age and a new time, and we need to think forward and move forward and enact this legislation.

Many of my colleagues know that the Social Security earnings limit reduces a recipient's Social Security check $1 for every $2 he earns of outside income after $8,800 for those aged 65 and over. Our bill would remove that cap so that older Americans can work as long and as hard as they want without fear that their hard-earned check will be taken away. It is an idea whose time has come.

I think we should send a loud and clear message to our older Americans that we think their value to our work force does not cease on the day they celebrate their 65th birthday.

Many arguments are advanced for repealing the earnings limit, but none may be more compelling in the short run than the assistance older Americans can provide in easing our labor shortage. The Labor Department has

warned of shortages, and there is good reason to believe that this labor shortage is more than just cyclical. Some economists estimate that between 300,000 and 600,000 older workers would reenter the labor force or increase their work effort as a result of repealing the earnings limit. When they do that, they do pay income tax, they pay FICA tax, they make contributions to their community, they actually go on private insurance programs instead of being the recipients of Medicare, which certainly relieves a huge burden off the shoulders of the Federal Government.

Mr. Speaker, it is an idea whose time has come, an idea which has been articulated in this House for many many years, an idea which has bipartisan support, and certainly many of my colleagues who came in the 100th Congress have worked with me to make this idea a reality. I think it is time to make it a law, and I certainly appreciate the opportunity to speak today.

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

Mr. BALLENGER. Mr. Speaker, I joined over 100 of my colleagues in introducing the Older Americans Freedom To Work Act. This legislation repeals the Social Security earnings test for Americans age 65 and older.

Currently, retirees may have their benefits reduced or withheld if their earnings exceed a specified exempt amount. In 1989, the earnings test threshold for workers aged 65 to 69 is $8,880. It is $6,480 for those who haven't reached the normal retirement age of 65. Social Security benefits for those workers are reduced by $1 for every $2 of earnings over this limit.

The test doesn't apply to investment income, dividends, interest, rents, annuity payments, and similar types of unearned income, or to those over age 70.

Working beneficiaries are subject to the same Federal, State, local, and Social Security taxes paid by all workers. Yet the loss of $1 in benefits for every $2 in gross earnings translates into a marginal tax rate of 50 percent. This can result in a combined tax rate of 80 percent, making these older Americans the most heavily taxed wage earners in the United States.

Last year, more than 1 million people had their paychecks reduced because of this test, while another million lost benefits entirely. In addition, labor economists estimate that the test deters another 1 million from working full-time.

The test is unfair. It is unfair to senior citizens who lose needed income and to America at large, because we lose some of our most experienced, talented, and dependable workers.

Ask yourself this simple question—if you had to pay 80 cents in taxes for every dollar you earned, would you work?

Senior citizens are by far our most dedicated and talented workers. In my district unemployment is very low and businesses are constantly seeking new, qualified workers. I recently conducted seminars for older Americans in every county in my district. At each seminar, we had an opportunity to discuss the earnings test. The support for the repeal of the earnings test is overwhelming. Many senior citizens would go to work tomorrow if they weren't subject to the earnings test.

Support is building for the passage of this legislation because it is good public policy for Social Security and, in the long run, for the national economy. I urge the House Ways and Means Committee to give this legislation the serious consideration that it deserves.

Mrs. MORELLA. Mr. Speaker, I rise in support of the Older Americans Freedom To Work Act, a bill which would eliminate one of the most outdated and unfair provisions of the Social Security program; the retirement earnings test [RET]. The test was established over 50 years ago when the mandatory retirement age was 65. Today, however, with an increasing number of Americans opting to retire later in life, the earnings test has become little more than a means of discriminating against individuals aged 65 to 69 who either want or need to continue working.

Under current law, Social Security recipients who continue to hold a job which pays over $8,880 a year lose 50 percent of their benefits. In addition, they must keep on paying Federal and State income taxes as well as Social Security taxes. The result is a staggering marginal tax rate of up to 100 percent in extreme cases, placing those seniors who need to continue working—as is often the case in high-cost areas like Montgomery County—in a catch-22 position: The more they work, the less they earn. For example, if a senior citizen worked for 1 additional hour after he or she had already earned $8,880, a job that pays $4.90 an hour would give him or her only 98 cents in additional purchasing power.

Clearly, the retirement earnings test is a significant disincentive for older Americans to work. The provision encourages seniors to retire even if they are perfectly able and willing to continue contributing to the Nation's work force. This is a great loss not only because the Nation misses out on the contributions of the most experienced segment of the labor force, but also because the United States in the next decade will, according to most economists, face a serious shortage in the work force. If the earnings test were repealed, senior citizens would have the incentive to keep working—or even work more—and a forthcoming labor shortage could be partially offset.

But even more important, the earnings test should be repealed because it is fundamentally unfair. Throughout their lives, our Nation's senior citizens contribute to the Social Security trust fund with the expectation that they will someday receive what they have paid. However, by gauging Social Security benefits to a person's income upon retirement, rather than to his/her lifetime contribution to the program, the earnings test more closely resembles a feature of a welfare program than of a retirement program.

The time is ripe for repeal of the retirement earnings test. More than 110 Members of Congress, including myself, are original cosponsors of the Older Americans Freedom To Work Act. Support for repeal is also widespread in the Senate. By an 86 to 11 vote, a nonbinding sense-of-the-Senate resolution was adopted which calls for the complete elimination of the earnings test by the year 2000. Congress is quickly recognizing the injustice of depriving older Americans their hard earned Social Security payments simply because they have not yet left the labor force by age 65. We have already repealed the mandatory retirement age in the United States; the retirement earnings test is completely anachronistic and should likewise be repealed.

Mr. PETRI. Mr. Speaker, many older Americans continue to be a valued part of our Nation's work force. Individuals of retirement age who choose to keep working or go back to work after retirement age have much to offer. Unfortunately, however, outmoded restrictions in Social Security benefits unnecessarily dissuade far too many older Americans from staying active in the work force.

Instead of encouraging seniors to continue working, the Government penalizes them. The Social Security earnings test, a provision of the Social Security Act, prohibits seniors from working unless they are willing to pay a large tax penalty. Under this provision, Social Security beneficiaries lose half of their benefits for every dollar they earn over $8,880. When added to other taxes paid by working senior citizens, they are effectively being taxed at an 80 percent rate.

This means that a senior citizen, subject to the earnings test, who is working in a job that pays $4 an hour only gets 80 cents of that after taxes. Obviously we can not expect America's seniors to feel welcome in the work force while being subjected to this kind of taxation. In effect, Federal policy pushes them into retirement before many are really ready to go.

Therefore, I am proud to be a cosponsor of several bills which would reform this injustice to senior citizens. Representatives BILL ARCHER (H.R. 58), DENNIS HASTERT (H.R. 2460), and HOWARD COBLE (H.R. 841) have all introduced legislation which would amend title II of the Social Security Act to phase out or immediately eliminate the earnings test for individuals who have attained retirement age. By doing so, seniors could remain a productive part of America's work force after the age of 65 if they so choose.

In the short run, probably half of the costs of removing the earnings test would be offset by the taxation of the increased earnings. The Social Security Administration says that there would be no long-term effect on the Social Security trust fund. The long-term impact of the bill on the Nation as a whole can be nothing but positive: Seniors will gain the right to choose whether they want to continue working and the work force will gain the productivity and experience of senior citizens who do.

As our Nation moves toward the labor shortage projected for the 1990's, we should be doing whatever we can to encourage the development of a larger work force. Besides helping generate greater economic growth, seniors also provide irreplaceable experience and expertise. We need to encourage their continued active participation in the Nation's economic life.

Mr. WELDON. Mr. Speaker, I am pleased and honored to join my colleagues in support-

ing this important and overdue legislation to eliminate the earnings test placed on senior citizens. I want to pay special thanks to Congressman RHODES and Congressman HASTERT, who have worked to produce legislation that is responsive to the concerns of senior citizens and responsible to budgetary constraints.

Through the course of their working years, senior citizens acquire a wealth of knowledge. They have wisdom shaped by their experience and an expertise that comes from having learned how to do a job right. They can be a tremendous educational resource for the younger workers.

And for all that they give to their fellow workers, their employer, and society, how does the Federal Government reward those individuals who choose to work beyond the normal retirement age?

It taxes them. It taxes them on their wages, and it cuts their Social Security benefits if the wages exceed $8,800 per year. The working population of senior citizens is subjected to the highest marginal tax rates of any group of Americans.

Employers in many parts of the country, including my own, are having a difficult time finding qualified applicants to fill job vacancies. Instead of encouraging senior citizens to take these jobs and relieve the labor shortage, the Federal Government punishes those individuals who might be interested in such opportunities.

The Social Securities earnings test is a remnant of the New Deal. Then, it was used as a means to encourage older workers to make room for young laborers. The American economy has changed a good deal since those days, and we can no longer afford to push the elderly out of the workplace.

The time is ripe for action to eliminate the earnings test. Support for such change is evidenced by the fact that over 100 Members of Congress are original cosponsors of this bill. We have seen action on similar legislation in the Senate this year. I hope that the enthusiasm and interest which this bill has gathered today indicates that this legislation will also receive swift and favorable action by this Congress.

When the earnings test legislation was first enacted, many of today's senior citizens were still in elementary school. It seems to me that the earnings test has more than outlived its usefulness. It is high time that the Congress abolishes this obsolete law.

Passing this legislation provides an opportunity for Congress to better provide for the welfare of the elderly in America. I urge my colleagues to do so.

Mr. UPTON. Mr. Speaker, I rise today in support of the Older Americans Freedom To Work Act, which would repeal the antiquated Social Security earnings test. I am pleased to join more than 100 Members of the House of Representatives who have pledged to repeal this law.

I believe that the present Social Security earnings test is unfair to our senior citizens. In fact, the Social Security earnings test is not really a test, but a penalty for being productive. This law subjects older Americans, aged 65 through 69, with incomes over the limit of $8,880, to a loss of $1 in Social Security for every $2 earned. This is a tax rate of more than 50 percent, and combined with other income taxes paid the effective marginal tax rate rises to 83 percent.

Unless we repeal this law, the message we are sending our senior citizens is: Don't work. Don't be productive. Don't try to be self-sufficient. You're not worth as much as other workers.

If my colleagues believe as I do that hard work is what made our country great, they will recognize the effects of this law are a tragedy.

Older Americans deserve the right to be fairly compensated for their labor. Many face exorbitant costs of living and either want to work, or financially need to work to earn extra income. Older workers bring with them many years of experience and wisdom. They deserve the chance to supplement their incomes without being penalized for their productivity, and America depends on their expertise in our work force.

Some argue that Social Security is intended only for those who have reached retirement age and have actually retired. I argue differently. If we believe that what America stands for is the freedom of choice and equality, then no Member of this House who agrees with these tenets can, with a conscience, continue to ignore this injustice. I urge each of my colleagues to lend their support to this bill, and send a message to our senior citizens that we value them as workers, as citizens, and as contributors to our Nation.

Mr. BUECHNER. Mr. Speaker, America is growing older. We must keep the expertise, extensive knowledge, and skills which our senior citizens possess in our Nation's work force so America can remain competitive and strong. It is therefore critical that we encourage our senior citizens to continue working after the age of 65 so that their badly needed skills will remain available in our Nation's work force.

Under current Social Security earnings regulations, senior citizens are penalized for working. Beneficiaries under age 65 may earn up to $6,480 a year in wages and those 65 to 69 may earn up to $8,880 in wages without having adverse affects to their Social Security benefits. However, if a senior citizen wishes to earn in excess of these amounts, $1 of benefits is lost for each $2 of earnings. The exempted amounts are adjusted each year to rise in proportion to average wages in the economy.

The graying of America will continue into the early 21st century. By the year 2020, there will be only two workers for every one retiree. There's good reason to believe that this labor shortage is more than cyclical. Factors contributing to a labor shortage well into the 1990's include a tightening immigration policy, low fertility rates, and the baby boom generation having fully entered the labor market.

Productive citizens, especially those who fill jobs that would otherwise go vacant in such places as hospitals, day care centers, and retirement communities, should not be penalized for maintaining an active work schedule.

Further, by sustaining these older employees in the active work force, they continue to contribute a reasonable percentage of their wages to the Social Security revenue account. This will help stabilize that account for future years when a smaller work force will be expected to support a larger recipient pool.

Seniors have every right to earn money, improve their lifestyle, and plan for their health care needs. For years, senior citizens subscribed to the American work ethic of commitment, self-sufficiency, and productivity. Their commitment has built a better America and we still have a lot to learn from them. Why should they be limited to what they can contribute to our society?

Opponents to repealing the earnings test say that the repeal would be too costly. But consider this. Currently, many seniors earn right up to the limit, $8,800, and quit working rather than see their Social Security checks reduced.

What is interesting here is that the Social Security trust fund would not experience any revenue loss with these people since they were getting their full check before the limit was changed and would continue to do so under the new limit. A loss would occur with these working seniors that made between $8,800 and $9,800. Common sense would dictate that the number of seniors in that group would be miniscule since the imposition of the earnings test would reduce their Social Security benefit by $500, not to mention any additional Federal, State, and local taxes.

Not every senior citizen will want to work once they retire. However, in this land of opportunity, everyone should have the opportunity to be hard-working contributors to our society.

Mr. Speaker, America can grow wiser as it grows older if it looks to its senior citizens for their experience. I have joined my colleagues Representative HASTERT and Representative RHODES as an original cosponsor of the Older Americans Freedom To Work Act which would repeal the Social Security earnings test for those aged 65 to 69. I call upon my colleagues to join us in repealing the Social Security earnings test and rid our country of the last vestiges of age discrimination in the Federal law.

Mr. MACHTLEY. Mr. Speaker, we all think that the 50-percent tax bracket is dead, right? Wrong. The wonders of tax reform seem to have bypassed many Americans; namely, our Nation's senior citizens.

Congress has been sending mixed signals to the elderly of this country for a long time. On the one hand, we tell them that Social Security is merely a supplement, and that people should be allowed to work past the age of 65, if they so choose.

On the other hand, we slap them with an enormously strong disincentive, and this just is not fair.

Based on an outdated provision in the Social Security Act—that is, the earnings test—today's older Americans are all but prohibited from contributing to their country's economy without suffering a severe tax penalty.

The system of tax pyramiding puts many of the elderly at an effective marginal tax rate of 50 percent or higher. This translates into working for nothing, or nearly nothing. Don't you think that's a bit much to ask?

As our population continues to grow older, and there are less and less young people to

fill more and more jobs, it will become increasingly important to address this inequity. Older Americans have a great deal to contribute to our society, but their hard work is being met with financial penalty. Unbelievable, but true.

The time to act is now, before we face a crisis. By repealing the Social Security earnings test, the elderly will be free to work—if they so choose—without suffering severe financial consequences. Let us give our seniors the right to choose.

Mr. GOSS. Mr. Speaker, our senior citizens are facing the possibility of a marginal tax rate as high as 122 percent. This is outrageous. A couple with a modest income of $10,000 to $25,000 would have a marginal tax rate of 65 to 85 percent. If you combine the earnings test with the taxes seniors pay on their benefits, an individual can exceed a marginal tax rate of 100 percent.

I ask you, where is the incentive to work? We have forced our senior citizens into an unnecessary early retirement. Eliminating the Social Security earnings test will help reduce the crippling financial situation our senior citizens find themselves in. It will also provide the incentive for hundreds of thousands of senior citizens to contribute to the workforce and earn additional, much-needed income.

It is an inherent right, in my opinion, that people who want to work should be able to work without the Federal Government penalizing them for their initiative. It is my hope that this legislation will partially lift the burden from the elderly who are being so heavily taxed.

The Older Americans' Freedom To Work Act is long overdue. We are discouraging capable, talented, and responsible citizens from working—because most of them are losing $1 of their Social Security benefits for every $2 they earn.

In today's society we need the experience and commitment of senior citizens who are able and eager to work. Mr. Speaker, fellow colleagues, we should be encouraging our seniors to lead productive lives instead of penalizing them for trying to be self-sufficient.

This country was built on an ethic of hard work, self-reliance, and pride in accomplishment. The Social Security earnings test flies in the face of those principles and should be repealed as quickly as possible.

Mr. BALLENGER. Mr. Speaker, I joined over 100 of my colleagues in introducing the Older Americans Freedom To Work Act. This legislation repeals the Social Security earnings test for Americans age 65 and older.

Currently, retirees may have their benefits reduced or withheld if their earnings exceed a specified exempt amount. In 1989, the earnings test threshold for workers aged 65 to 69 is $8,880. It is $6,480 for those who haven't reached the normal retirement age of 65. Social Security benefits for those workers are reduced by $1 for every $2 of earnings over this limit.

The test doesn't apply to investment income, dividends, interest, rents, annuity payments, and similar types of unearned income, or to those over age 70.

Working beneficiaries are subject to the same Federal, State, local, and Social Security taxes paid by all workers. Yet the loss of $1 in benefits for every $2 in gross earnings translates into a marginal tax rate of 50 percent. This can result in a combined tax rate of 80 percent, making these older Americans the most heavily taxed wage earners in the United States.

Last year, more than 1 million people had their paychecks reduced because of this test, while another million lost benefits entirely. In addition, labor economists estimate that the test deters another 1 million from working full-time.

The test is unfair. It is unfair to senior citizens who lose needed income and to America at large, because we lose some of our most experienced, talented, and dependable workers.

Ask yourself this simple question—If you had to pay 80 cents in taxes for every dollar you earned, would your work?

Senior citizens are by far our most dedicated and talented workers. In my district unemployment is very low and businesses are constantly seeking new, qualified workers. I recently conducted seminars for older Americans in every county in my district. At each seminar, we had an opportunity to discuss the earnings test. The support for the repeal of the earnings test is overwhelming. Many senior citizens would go to work tomorrow if they weren't subject to the earnings test.

Support is building for the passage of this legislation because it is good public policy for Social Security and, in the long run, for the national economy. I urge the House Ways and Means Committee to give this legislation the serious consideration that it deserves.

Mrs. SAIKI. Mr. Speaker, America is growing older. In fact, the number of people over the age of 45 is expected to increase about 30 percent by the year 2000. By the year 2020, there will be twice as many retirees per worker than there were in 1950. With these facts in mind, we cannot continue to discourage older Americans from working.

I join my colleagues here today to introduce legislation aimed at tearing down the significant barrier to older workers called the Social Security earnings limitation. I am confident that the repeal of this test will encourage more individuals to work through their retirement years in exchange for financial freedom and stability.

In 1962, outside earnings provided a 28-percent share of income for individuals over 65, but by 1984 this percentage shrank by 12 percent. The earnings limitation has the effect of a mandatory retirement provision by throwing the average individual into a remarkably high marginal tax bracket.

In America, we pride ourselves on individual initiative. However, the earnings limitation sends a message to our elderly that they should not try to earn a little outside income to help make ends meet. It is simply unreasonable for the Government to continue to penalize people for working.

It is important to keep in mind that Social Security is supposed to be a supplement to a retiree's income. When Social Security was first created, jobs were scarce. The earnings test encouraged older workers to retire and make room for the young. This theory is obviously outdated and its effects are damaging the financial stability of our senior citizens. We owe it to our seniors to make it economical to earn outside income.

I urge the Members of the House to join me in support of this resolution and cosponsor the Older Americans Freedom To Work Act.

Mr. SHUMWAY. Mr. Speaker, as many of my colleagues are aware, the American workforce is experiencing major demographic changes. The elderly are the fastest growing age group in the U.S. population. According to the Census Bureau, there are more than 30 million persons in the United States aged 65 and older. This number will continue to rise at a rate of 1.7 percent a year over the next 23 years. As a result, interest has grown for adopting measures which will eliminate penalties on senior citizens who choose to remain in the workforce. One of these penalties is the Social Security earnings limitation.

Under current law, Social Security recipients between the ages of 65 and 69 are threatened with a reduction in Social Security benefits if their outside income exceeds $8,400. For those under 65, the earnings limitation is $6,120. For every $2 earned in excess of these limits, Social Security benefits are reduced by $1.

It makes very little sense to penalize Social Security recipients in this fashion. Social Security is a retirement program, not a welfare program. To deny full benefits to those who have paid into the system throughout their working careers is little more than a breach of contract.

The earnings limitation serves as a disincentive to work. In 1986, more than 1 million people had their paychecks reduced because of the earnings limitation, while yet another million lost their benefits entirely.

Many Americans are choosing to work longer, contributing not only to their own economic well-being, but that of the entire economy. The American economy will surely benefit not only from their contribution of labor, also from their vast experience. The earnings limitation is counterproductive and outdated; it should be eliminated.

Mr. RINALDO. Mr. Speaker, I am pleased to join my colleagues in this special order on the introduction of legislation to eliminate the earnings limit for Social Security recipients. It has been a constant thorn in the side of those forced to work to supplement their retirement benefits, and its repeal is long overdue.

Simply stated, the earnings test penalizes beneficiaries age 65 to 69 who have continued to work by effectively taxing them at a rate of 50 percent on earned income above $8,880.

It is especially unjust and unfair because this limit is placed only on earnings, not income. Those who have retired to a life of leisure and collect hundreds of thousands of dollars in pension and investments are not subject to the limit. But those who work part time at the local library or department store and make a few dollars over the limit are.

This issue has been examined by congressional committees. It has been the subject of editorials, studies, and remains a key issue for many aging groups. In the Senate, it is the subject of a new bill by Senator BENTSEN. His proposal would change the test to allow seniors to keep a little more of their earned

income than the law currently allows. It is a good first step, but does not go nearly far enough to address the problem. Congress must act now to remove this barrier for the working senior.

There are those who you a change in the law is too expensive, that the only people who will be helped by changing the limit are the well off, that changing the law will alter the principles upon which Social Security was founded. They also claim that changing the law from a dollar lost for every $2 of earnings to a dollar lost for every $3 of earnings is sufficient.

I could not disagee more. Even with next year's liberalization, the working elderly will still be hit with the highest effective tax rate of any other age group. Second, the changing demographics of the work force make it unconscionable for us to discourage the skilled elderly who wish to continue to work. We need their skills, their talents, and their ability to teach younger workers.

Finally, those concerned about the costs involved ignore the increased income and payroll tax revenues which would result by seniors returning to the workforce.

I am convinced that the earnings limit must be removed for the working retired. I have been a sponsor of legislation to eliminate the test in previous Congresses, and I am pleased that today over 100 Members of the House have cosponsored this important legislative. The earnings limit is truly an idea whose time has passed.

Mr. COURTER. Mr. Speaker, I would like to thank my colleague, Representative HASTERT, for providing this important opportunity to discuss the Social Security earnings penalty.

I am a strong supporter of repealing the Social Security earnings penalty, which reduces Social Security benefits to recipients under the age of 70 who have outside earnings above a modest annual limit. This earnings test places an unfair burden on a segment of our population which all too often faces financial hardship—our senior citizens. At the same time that we are struggling to enhance our Nation's competitiveness, the Government is forcing much needed talent out of the work force. This situation is especially critical in my State of New Jersey, where we are experiencing a serious labor shortage.

Our Government should not continue to penalize those older individuals who choose to contribute to their own well-being and the good of our Nation's economy. Ironically, it is not the rich elderly who are affected the most by the Social Security earnings test, since the penalty does not apply to investment income or private pensions. The ones who suffer the most from this policy are senior citizens of moderate means, who lack pension and investment income and therefore work to supplement their earnings.

It is clear that the current policy is unfair and should be changed. I was encouraged when earlier this year, advocates of repealing the earnings test were successful in attaching an amendment to the Senate minimum wage bill, H.R. 2, to reform the Social Security earnings test. I joined many of my House colleagues in signing a letter to the minimum wage conferees to include the Senate amendment in the final version of the legislation. Unfortunately, despite the strong support for this measure, the earnings penalty reforms were not included in the final agreement.

Even though we were not successful in attaching the earnings limit measure to the minimum wage bill, our efforts prove that there is wide support for putting an end to this counterproductive policy. I will continue to push for enactment of legislation to repeal the earnings test. It is my hope that today's debate on this issue will draw attention to this matter and will prompt additional efforts to repeal the Social Security outside earnings limit.

Mr. GALLO. Mr. Speaker, today I join with my colleagues to call for major revisions to the Social Security earnings law. I believe that the law is counterproductive and unfair for senior citizens who are currently punished for being productive members of society at a time when their experience and skills are desperately needed.

After reviewing testimony by senior citizens at our January field hearing, I have cosponsored legislation to repeal the Social Security earnings test, because I believe that this law does not reflect current reality.

This law is counterproductive and unfair for senior citizens because it punishes them for being productive members of society at a time when their experience and skills are desperately needed.

Senior citizens could work and earn unlimited income without losing Social Security benefits under the proposed legislation, which would repeal the Social Security earnings test for those aged 65 or older.

Under current law, seniors age 65 to 69 lose a portion of their Social Security benefits if they continue to work and earn more than $8,400. Seniors over the age of 70 are already exempt from the earnings test.

This 50-year-old law was originally designed to encourage workers to retire at a time when the baby boomers were entering the job market.

Today, this law effectively discriminates against seniors who want or need to continue to work. It also deprives society of their expertise at a time when jobs go begging for lack of experienced workers.

We have talented individuals who would like to work and continue to share their job skills, but who choose not to because they lose $1 of Social Security benefits for every $2 they earn.

In January, we heard testimony from seniors opposed to the earnings test law at Select Committee on Aging field hearings in Morristown and a great deal was learned from the testimony.

No American should be discouraged from working, but this is exactly the result of the Social Security earnings test.

Mr. Speaker, I thank my colleagues for providing the opportunity for a discussion on the House floor of the need to change this outdated law. I join with them in calling for timely action in the House.

FINANCIAL DIFFICULTIES IN THE FEDERAL HOUSING ADMINISTRATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. DREIER] is recognized for 5 minutes.

Mr. DREIER of California. Mr. Speaker, I very much appreciate the opportunity to take just a few moments to address the House on what certainly is a very important issue, and one which, as I have said on a couple of occasions, is a delicate matter. It is one which a number of my friends say if you talk about it, you are opposing it. I do not want to leave misunderstandings about this issue.

The issue, Mr. Speaker, is a follow-up of a special order that I delivered here on May 16, when I submitted to the RECORD two newspaper articles which discussed the Federal Housing Administration's growing financial difficulties. Today, I would like to bring to the attention of my colleagues two more articles from the Washington Post which discuss a recent Congressional Research Service study on raising the FHA loan limits. The study concludes that trying FHA's loan ceiling to an area's median home price will not help the affordability problem.

The study states:

> If a family does not have the income to purchase the median-price home, it does not matter whether that median is above or below the FHA mortgage limit.

The study also stated:

> It is misleading to use the median sales price as a measure of husing affordability.

The report contains an "FHA Affordability Index" that measures the degree to which homebuyers in given communities may be able to purchase the median-priced home using FHA-insured financing. In all but 14 of the 62 metropolitan statistical areas studied, the current FHA limit is more than enough to purchase the median-priced home. In 2 of the 14 areas, the FHA loan limit is just shy of the median house price.

The effect of raising the loan limits then would be to help a small number of people earning between $50,000 and $100,000 a year purchase a home with Government assistance. The study asks:

> In an era when most entitlement programs are being targeted to those most in need, should the FHA insurance program be expanded to accommodate higher income families buying higher priced homes?

As I pointed out earlier, there are several bills pending before the Housing Subcommittee which would greatly expand FHA for the well-intended purpose of making home ownership more affordable working Americans. However, these recent studies indicate that perhaps this is not the best solution to the housing affordability problem, nor is it the least costly. Before these proposals gain momentum in the Congress, we should examine whether expanding FHA is the best course of

action, as well as study alternative proposals.

Mr. Speaker, this is a very challenging and delicate situation, and I recognize that. In fact, I was a cosponsor of an amendment which actually did increase the high-cost area, which had a direct effect on my constituents in southern California. Nevertheless, in light of this CRS study, it is very important that we closely analyze this issue.

Mr. Speaker, I submit for the RECORD the Washington Post articles I just referred to.

The articles referred to follow:

[From the Washington Post, May 13, 1989]

THE NATION'S HOUSING—GOVERNMENT MAY EXPAND DOWN-PAYMENT PROGRAMS

(By Kenneth R. Harney)

Should the federal government's most politically popular low down-payment mortgage program be expanded to finance $100,000-per-year earners in San Francisco and $80,000-per-year earners in Boston, Los Angeles and New York? Should the Federal Housing Administration (FHA) help buyers making $55,000 a year in Washington, $72,000 a year in Connecticut and $69,000 in San Diego?

The political winds on Capitol Hill are blowing strongly in that direction this spring. Major legislation pending in the Senate and House would set higher loan limits, which would benefit higher-income borrowers in high-priced metropolitan areas.

But a new, unreleased congressional study on FHA mortgages flashes a caution signal to Capitol Hill's lawmakers: If Congress' intent is to make homeownership more affordable to first-time buyers and moderate-income families, it warns, raising the FHA limits won't help. It might even divert federal assistance from the very people the FHA is supposed to help buy homes.

The new FHA study, prepared by Congress' in-house legislative-analysis arm, the Congressional Research Service, flies in the face of bills sponsored by some of Capitol Hill's most influential housing legislators. Among them are the 1989 National Affordable Housing Act sponsored by Sen. Alan Cranston (D-Calif) and Sen. Alphonse D'Amato (R-N.Y.), and the Homeownership Assistance Act of 1989, sponsored by Rep. David E. Price (D-N.C.) and Rep. Chalmers P. Wylie (R-Ohio).

Both bills would allow the FHA to insure low down-payment mortgages for up to 95 percent of the median home price in metropolitan areas nationwide. Sponsors of the measure argue that under the FHA's current limits, large chunks of key home markets are effectively cut off from the agency's low down-payment financing.

In Orange County, Calif., for instance, the median home price last year was $226,200, but FHA's statutory maximum loan limit was $101,250. In Washington, the same statutory ceiling applied, but the median-priced home sold for $135,000. In high-cost New England, the New York-New Jersey suburbs and portions of Florida, FHA Loan limits remain far below the sale price of a median home.

Legislation raising the ceiling has drawn strong support from politicians representing these areas, as well as from powerful housing lobbies such as the National Association of Home Builders and the Mortgage Bankers Association of America.

The principal critics of the bills have been private industry groups that find themselves in competition with the government—mortgage insurance companies that underwrite conventional (non-FHA or Veterans Administration) loans carrying down payments of less than 20 percent.

The private mortgage insurers received unexpected support from the unreleased Congressional Research Service study. The study questions whether there is an urgent need for higher limits when only 14 of the 62 largest metropolitan areas have FHA loan ceilings too low to finance a median-priced home. In two of the 14, Philadelphia and Seattle, the current FHA limit is adequate if buyers put down 5 percent, according to the report.

Among the areas more than adequately served with current FHA limits, the study pinpoints such big housing markets as Baltimore, Cincinnati, Chicago, Cleveland, Dallas, Detroit, Fort Lauderdale, Miami, Houston, Indianapolis, Las Vegas, Louisville, Kansas City, Milwaukee, Minneapolis, Omaha, Orlando, Phoenix, Portland and St. Louis.

The 12 areas with the largest gaps between median home prices and FHA loan limits include the Washington area; Orange County, Los Angeles, Riverside, San Diego and San Francisco in California; and Boston, Hartford, Honolulu, metropolitan New York-New Jersey, Providence, and West Palm Beach-Boca Raton.

If FHA's loan limit was raised to 95 percent of median metro area home prices, it would offer federally assisted low down-payment mortgages to borrowers with annual incomes considered high by national standards.

On top of that, the study warns, it might steer large numbers of buyers who could readily qualify for private, conventional mortgages into the federal program. FHA could then supplant the conventional, insured market. Lenders would steer buyers to FHA, the study says, because the high-end FHA loans could be so readily and profitably pooled into securities backed by the federal Government National Mortgage Association (Ginnie Mae).

Equally important, higher FHA limits would not relieve the housing-affordability problems in any of the high-cost markets, according to the report.

"If a family does not have the income to purchase the median-priced home, it does not matter whether that median is above or below the FHA limit," the report said. Moreover, the family may well be able to afford a house below the area median, with FHA loan help. Simply because the house prices is below median does not mean that the house is "substandard." All it means is that a family purchased a home with a price tag lower than one-half the homes sold in a given period.

Housing groups had no immediate comment on the new report. A spokesman for the Mortgage Bankers Association, however, said that including larger mortgages in FHA's loan inventory would help balance the agency's loan portfolio, countering the insurance losses it's suffering on lower-cost homes.

[From the Washington Post, June 10, 1989]

STUDY ASSAILS PLAN TO RAISE FHA LIMIT—BILL WOULD DO LITTLE TO AID SHUT-OUT HOME BUYERS, SERVICE SAYS

(By Sam Hankin)

Legislation to raise the limits on Federal Housing Administration-insured loans would do little to make homes more affordable for many home buyers currently shut out of the housing market because of high housing prices, according to a recent study presented to Congress.

The report, prepared by the Congressional Research Service, the research arm of Congress, criticized pending legislation that would eliminate the set limit on the amount a borrower can obtain with an FHA-insured mortgage. Currently, the maximum amount of an FHA loan is $101,250, except in a few special high cost areas of the country such as Alaska and Hawaii, where the cap is as high as $151,850.

Some housing industry officials have complained that those limits are too low in many parts of the country, especially higher-priced areas such as Washington, where the average price of a home is $143,700, for the loans to be useful to low- and moderate-income borrowers. Such borrowers generally do not have the available cash to make the down payment required for conventional loans, or those not guaranteed by the government.

FHA loans require a down payment of as low as 3 percent of the sales price, while conventional loans typically require borrowers to make at least a 10 percent down payment.

Sens. Alan Cranston (D-Calif.) and Alphonse M. D'Amato (R-N.Y.) introduced legislation in March that would, in part, tie the FHA loan limit to the cost of purchasing a home in a particular area. Instead of a fixed cap, the limits would be set at 95 percent of an area's median home sales price.

Supporters of the legislation say the measure would open more higher-priced housing to buyers who have the income but not the cash to buy houses that generally cost more than the existing limits for FHA mortgages.

But the Congressional Research Service report said the 95 percent proposal "does not address the affordability issue. The problem is that, for many metropolitan areas, new homes are no longer being sold at prices that are affordable by the moderate-income and first-time buyers that typically use the FHA program."

The report noted that family incomes have not kept pace with existing home prices. In particular, the ability of home buyers in the Northeast and Southwest to purchase a house has declined in recent years. "Only in the Midwest . . . has the median-income family been able to afford the median-priced home since 1985," the study said.

"If a family does not have the income to purchase the median-priced home, it does not matter whether that median is above or below the FHA mortgage limit," the report said.

The study also said that raising loan limits for such mortgages could lead borrowers who could have obtained conventional financing to use the FHA program instead because of the lower costs of such loans.

Consequently, those borrowers earning higher incomes would benefit more from the program than lower-income home buyers. Raising the limits on FHA mortgages also could lead to unfair competition by the agency because private mortgage companies, which underwrite lenders against losses if a borrower defaults on a conventional mortgage, require higher down payments on the loans they insure.

Moreover, the report said that those borrowers still can use FHA mortgages to pur-

chase homes that cost less than the median-priced house.

"When a family purchases a home that is priced less than the area median, it does not imply that the family has purchased a substandard house," the report said. "They have simply purchased a home that is priced lower than half the homes that were sold in a given period."

The report concluded "the FHA loan limit may be less than the median sales price in a community, but many homes in the lower half of the price range may be both affordable and adequate for the home buyers traditionally served by FHA."

Steve Doehler, executive vice president of the Mortgage Insurance Companies of America, a trade group representing private mortgage insurers, applauded the study.

"We've been saying similar things," he said. "We think the key thing is that if a family doesn't have the income to qualify for a median-priced home, then what good does it do to raise the ceilings? They still won't be able to qualify for a higher mortgage limit. Raising the limit won't raise their incomes."

But Brian Chappelle, staff vice president of the Mortgage Bankers Association of America, an organization representing lenders, said that "the report ignores the fact that families may have combined incomes of $70,000. They could qualify for a conventional loan, but they haven't been able to save a 10 percent down payment. That's the shortcoming of the report. It ignores the difficulty of accumulating a down payment."

"FHA changes are not a panacea, but they are a step in the right direction," Chappelle said.

IN HONOR OF FLAG DAY, 1989

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Maryland [Mrs. BENTLEY] is recognized for 60 minutes.

Mrs. BENTLEY. Mr. Speaker, symbols are one of the most important tools that the human mind can use, for they help one to apply tangible concepts to intangible ideas.

For example, "war" is universally seen as evil, but only through vivid images—an orphaned child weeping over the corpses of her parents, a heap of smoldering rubble which used to be a village—can we truly grasp its horrors.

"Freedom" is cherished, yet only through powerful symbols—citizens fleeing East Berlin on the eve of the wall's construction, a "goddess of democracy" chiding the totalitarian powers that be—can we fully begin to grasp what an awesome concept this is.

America too is an "intangible," and we constantly use a variety of symbols to help us comprehend her greatness. The Statue of Liberty, the National Anthem, the bald eagle—all these are helpful in stirring powerful emotions such as pride and love of country within each of us.

There is one symbol, however, which stands far above all the others. It is something that has been with us since the earliest days of this Republic and has remained during our darkest hours. It is something that has been carried from the battlefields of the Pacific to the surface of the Moon. More importantly, it is something for which hundreds of thousands of Americans have sacrificed their lives at the hands of our Nation's enemies.

The symbol I am referring to is the American flag, and it gives me great pleasure to salute her on the eve of Flag Day, 1989. Indeed there is no symbol more deserving than "Old Glory" herself.

These days, however, it seems that our flag is not given the respect it deserves. Many people do not know that they should stand when the flag passes them by in a parade or place their hand over their heart out of respect. Even fewer people can tell you its history or some of the basic rules governing flag etiquette.

Why are these things important? Because there are not that many things that we—a nation of immigrants—can call truly American. To forget such important things about our flag is to forget a part of our own culture—one that is distinctly American. Indeed as President Abraham Lincoln once said, "A country with no regard for its past will do little worth remembering in the future."

I have been quite lucky in that my home State of Maryland is one of the richest in the Nation in terms of flag lore. Indeed it was at the historic Flag House in Baltimore that Mary Pickersgill made the original "Star-Spangled Banner"—the flag which flew above Fort McHenry during the night of the "rockets red glare" which took place so long ago.

Baltimore's Flag House is also home to the National Flag Day Foundation, a patriotic organization which oversees the national observance of Flag Day each year. Foundation president Lou Koerber has worked diligently to ensure that this year's celebration is certainly on a par with past years.

And he has certainly succeeded. Last Tuesday 4,000 Maryland middle schoolers converged upon Fort McHenry to form a "living flag." Veterans of the first living flag ceremony—held in 1914—were there to watch.

Two days ago the largest replica of the Star-Spangled Banner—100 feet by 60 feet—was unveiled on historic Federal Hill in Baltimore. Student representatives from all 50 States participated in a marvelous parade of State flags. These are the outstanding students from each State who are brought to Baltimore each year to help celebrate Flag Day.

In addition, Gen. John Vessey, former Chairman of the Joint Chiefs of Staff, will serve as speaker at the salute to Flag Day luncheon to be held tomorrow in the Baltimore Hyatt-Regency. The celebration is capped off by the "pause for the pledge" program at Fort McHenry—during which time all 245 million Americans are invited to join in reciting the Pledge of Allegiance at 7 p.m. as a sign of national unity.

With so many Flag Day celebrations going on in my home State, Mr. Speaker, it would be difficult not to be caught up in all this excitement.

In fact, I attended two other fine celebrations in my district this past weekend—one in Bel Air and the other at Locust Point. The first featured a stirring address by Brig. Gen. David Nydam, program manager for Chemical Demilitarization, Edgewood Area, Aberdeen Proving Ground, as well as the patriotic music of the Bel Air High School band. The second was a wonderful breakfast where we honored the 50-student State representatives. Both were events to be remembered.

Today I would like to observe Flag Day in my own special way—by delving a little bit into the forgotten history of our glorious flag and talking about some of the rules that one should follow when saluting or displaying it.

But a flag is, of course, more than a relic to be researched or an ornament to be hung * * * it is alive as the Nation it represents. That is why I have asked some of the most prominent ethnic leaders in my district to share their thoughts on what the flag means to them. Their comments and insight will, I hope, be useful to you, Mr. Speaker, as well as to all my colleagues.

Our national treasure chest is filled with many fine artifacts and reminders of our Nation's glorious past—yet none of these prizes is more valuable than the red, white, and blue. This is a fact which I hope my constituents—as well as yours—will take to heart.

ORIGINS OF THE U.S. FLAG

The Continental Congress of the United States first agreed on a design for the national flag on June 14, 1777—nearly 1 year after the signing of the Declaration of Independence. It resolved that the flag, "shall be thirteen stripes, alternate red and white, with a union of thirteen stars of white on a blue field, representing a new constellation." The red stripes represented blood spilt in battle; the white represented bandages.

In fact, the only difference from the previous-used continental flag was that the field of stars replaced the crosses of England and Scotland found in the British Union Jack. The stripes remained the same.

The design for the new flag had—for a long time—been thought to be influenced by George Washington's coat of arms. Researchers later found that Francis Hopkinson, a signer of the Declaration of Independence, prepared the rough draft which was later shown to Philadelphia seamstress

Betsy Ross, who was commissioned by the Continental Congress and reportedly asked to make many of them.

The Congress, however, made no provision as to how the stars should be arranged. Thus some flags were made with 12 stars in a circle and one in the center; others featured three horizontal rows of 4, 5, and 4 stars. In fact, the first Stars and Stripes to be displayed in battle by land forces was the famous "76 flag" flown in the battle of Bennington.

The number of stars remained unchanged until 1794, when the addition of Vermont and Kentucky brought about the addition of two more stripes and two more stars. In 1818, however, Congress decided that the flag should contain 13 alternate red and white stripes—representing the original 13 colonies—and that a star for each new State should be added on the July 4 following its admission to the union.

June 14—long observed as Flag Day by many around the Nation—was designated by an act of Congress to be "National Flag Day" on August 3, 1949. The National Flag Day Foundation was founded in 1985 to "plan for the Nation's Flag Day ceremonies."

FLAG ETIQUETTE

Laws regarding proper use and display of the flag were first debated on Flag Day, 1923, at a conference of the American Legion. A Federal flag code was first enacted and signed in 1942 and amended during the Nation's bicentennial ceremony.

The law—as passed on July 7, 1976—includes the following points:

The flag should only be displayed from sunrise to sunset on buildings and on stationary flagstaffs in the open. Some places, such as Fort McHenry, have special permission to fly it 24 hours a day. It should be displayed every day—especially on federal holidays. It should be displayed near the main administration building of every public institution, near polling places on election day, and near every schoolhouse. It should not be displayed in poor weather.

The flag, when carried in a procession, should be on the marching right or—if there are other flags—in the front of the center of the line. No other flags should be placed above—or to the right—of the U.S. flag. In addition, the flag should always be displayed from a firm staff or—if suspended vertically from a rope—the union (the blue field with stars)—should be uppermost and to the flag's own right. When the flag passes by on such occasions, those present should stand, come to attention, and salute. Civilians should place their right hands over their hearts; those in uniform should remove their hats and give the military salute.

A flag—when flown at half-staff—should be hoisted to the peak before it is lowered to the half-staff position. The flag is to be flown at half staff for 30 days in the case of a president or former president; 10 days for the vice president, the chief justice or retired chief justice, or the Speaker of the U.S. House of Representatives; from the day of death until interment of an associate justice of the Supreme Court, a Secretary of an executive or military department; and on the day of death and the following day for a member of Congress.

Flags used to cover a casket are placed with the union at the head and over the left. Flags folded should be folded in a triangular fashion—so they resemble a cocked hat.

And, most importantly:

No disrespect shall be shown to the flag. It is not to be dipped to any other flag or person. The flag should never touch the ground. The flag should never be used as wearing apparel, bedding, or drapery. It should never be used for advertising purposes.

Flags which are no longer fit for display are to be destroyed in a ceremonial way—such as by burning.

"WHAT THE FLAG MEANS TO ME"

The American flag, indeed, is many things * * * relic of a revolution two centuries old, sacred object which has presided over battles, parades, and the funerals of Presidents. Yet the most important meaning it has is to each of us—as individuals. For each of us have our own reasons—our own memories—which tell us why the flag is so special.

Since I have been a member of this body I have come to see this more clearly. A few months back, I helped a young Czechoslovakian woman named Dana Petranova and her two children—all of whom were fleeing persecution in their homeland—to emigrate to the United States.

I was lucky enough to accompany family members to the airport to await the Petranovas' plane. The family reunion which followed was indeed very touching—almost the kind of story that one might expect to see at the movies. But there was one image which will certainly endure in my memory as long as I live.

Once all the initial hugs and kisses had ceased, I presented an American flag to the Petranovas in the hopes of making them feel more welcome in their strange new home. Jiri, the youngest child, stared at the nylon flag with wonder and amazement. Soon tears began to well up in his eyes.

To 14-year-old Jiri this was more than just a flag—it was the welcome sign at the end of a long and treacherous trip. It was the beacon of hope he had traveled many thousands of miles to see—one whose pleasant glow ensured him that the values that he and his family sought, such as freedom and peace of mind, were now here. The first time he felt safe, he said, was when he saw the United States flag in the United States Embassy in Belgrade, Yugoslavia.

The look in his eyes was the same as that in the eyes of those heroic students in China, who risked—and gave all—in pursuit of liberty against overwhelming odds. It was a look that too few Americans remember—having grown too used to the freedoms we now enjoy.

Many times I have felt that ethnic Americans are among our Nation's most special citizens—for they had to earn the right to be an American. I contacted a number of them during the past few days and asked them to tell me what the flag means to them. It pleased me so much to learn that—even after having been Americans for years, in some cases—their love of the Stars and Stripes burns just as intensely in their hearts as it ever did.

Greece—John Demitrotis: "The American flag is my emblem. It stands for everything America stands for, and that means "the Bill of Rights." As ethnic people, the flag enables us to practice our culture, our traditions, and our religion without fear."

Norway—Kjell Rassmussen: "It means a lot to me, in fact everything I believe in, freedom and pride. I am also proud to say that most Scandinavian countries have a flag of red, white and blue. The world has a lot to learn from this country. We have so much to be grateful for. We must not let it be forgotten that we owe it all to our elders. The young, I am afraid have been spoiled. They expect too much with too little effort."

The Republic of China—Taiwan—Stephanie Chin: "As a young Asian, I have been taught that nothing is gained without effort. The old saying is: 'Busy hands are happy hands,' and so with a busy mind. I cherish the American flag because it represents the freedom other countries do not have, something sometimes taken for granted. While saluting the American flag and singing the National Anthem, I am overcome with a patriotic feeling and a sense of pride in our Nation."

Africa—Mary Carter Smith: "Let it not be forgotten that people of all races have died on the battlefields to protect the symbol of our flag, freedom and justice for all."

Czechoslovakia—Frank Vlchek Sr.: "America the Beautiful. The land of opportunity, where any man may be king, if he is willing to work hard enough. God bless America, and our flag."

Yugoslavia—Dr. Milton Marisic: "Our flag is a symbol of freedom, liberty and free speech. As a practical scientist I value a capitalistic system of free enterprise, and the rewards being rewarded to industriousness."

Japan—Dr. Edward Sawada: "Our flag is a symbol of freedom, that identifies our nation as the country who supports and protects the ideals of freedom and democracy."

"WHAT THE AMERICAN FLAG MEANS TO ME"

American Indian—Barry Richardson: We regret a lot of things that have happened to the American Indians in order to be able to have an American flag. However, our people have always ascertained that there is more than enough room on this continent for everyone, but no room for greed. Our people through the years have fought for our flag, because that flag, for better or worse represents freedom. For people, freedom represents life.

Lithuania—Elena Okas: Regardless of where I may be, when I see our American flag, I salute. I am proud to be an Lithuanian American, and proud the Lithuanians in Europe are protesting for democracy.

Italy—Mary Torrieri: To me the flag is a symbol both of the freedom that makes life worth while, and of a nation of all races and religious living together in harmony, with the opportunity to share in its bounty, as

well as the opportunity to contribute to its well being. Industriousness, dignity, pride, produce happiness and self esteem.

India—Shella Rao: Our flag makes me very proud to be an American citizen. This is the land of opportunity. We rise above the struggles going on in other countries. The quality of the flag itself, depicts power and strength for the benefit of mankind.

Ecuador—Monica Jaramillo: My father, Ivan Jaramillo is not present, with your permission, as a nineteen year old Ecuadorian, I will be happy to give my feelings into "what the American flag means to me." Basically it stands for everyone, not just for the people in our nation, but for people world-wide in search of peace, justice and democracy. The Stars and Stripes depict the struggle of what our Nation has had to face to become the great nation that is the world leader in democracy.

Peru—Isabel Razuri Jones: After observing the situation in a recent visit to South America, I witnessed a lot of terrorism, especially in Peru, where communism is a major threat. The American flag now means more to me than ever.

Naturalized Americans, of course, do not have a monopoly on love of flag or of country—they are merely a stunning example. Another great example is our Nation's veterans. Their devotion to our Nation—and its greatest symbol—never ceases to impress me.

Indeed—as ethnic Americans had to earn the freedoms America has to offer—veterans fought to protect theirs in battle. And the prices they paid—some with their lives, others with their limbs—could not have been greater.

I have spent a lot of time with the veterans of my district. I have marched with them in parades, celebrated with them on the Fourth of July, and wept with them on Memorial Day. Yet I am still haunted by the case of one very special veteran. This is a man whom I never met, yet I can say that—even though I truly love all of America's veterans—he occupies a special place in my heart.

His name was Mike Christian, and he was the former POW whom Senator John McCain described in his breathtaking speech to this party's convention last year. He was the man who made an American flag out of an old shirt and said the Pledge of Allegiance every day. He was the man who was caught and beaten by his Vietnamese captors for his defiance. He was the man who picked up his bamboo needle and his rags and began to make another flag after the first one—a product of hours of hard work and affection—was confiscated.

I suppose the Star-Spangled Banner which flew over Fort McHenry is the most famous flag of all. Yet Mike Christian's flag—made of scraps of old clothing—is just as much a testament to the ideals of liberty as was that fine piece of work.

That is what makes the American flag so great. It has nothing to do with where it is made or where it was flown. Its greatness stems from the feelings it stirs inside each of us. For a flag—in the end—is only worth what it stands for in the hearts of those whom it represents.

And it stands for many things. For example, our flag is a living memorial to any person—soldier, astronaut, or President—who has given his life in the name of our country—whether it be through some terrible accident or at the hands of our Nation's enemies.

Our flag stands for pride in America's achievements—at Iwo Jima, at Fort McHenry, and on the Moon, where—even after 20 years—it is still the only one there.

Most of all, however, our flag stand for freedom. America—despite what some people will have you believe—is still the last best hope on Earth for people yearning to breathe free. Indeed I can name many nations where people are fighting to get out—but ours is the only one where they will—and have—sacrifice all to get in.

So I urge you, Mr. Speaker, all my colleagues, and all the people of the United States to join me in pausing for the Pledge tomorrow at 7 p.m. Our flag is still a beacon of hope to others around the world—like the students in China—who seek freedom. Let's stand up as a nation and show others around the world that it still means something to us.

□ 1710

FOREIGN OWNERSHIP OF U.S. DEFENSE COMPANIES

The SPEAKER pro tempore (Mr. Hutto). Under a previous order of the House, the gentleman from Virginia [Mr. Wolf] is recognized for 30 minutes.

Mr. WOLF. Mr. Speaker, I will not take the 30 minutes. I just wanted to bring to the attention of the House the facts about an issue that I believe is very important and will be of interest to the Members and certainly to the American public and to the administration.

There was a report done by Johns Hopkins University, the Foreign Policy Institute, on the question of foreign ownership of U.S. defense companies.

At the beginning of the report, the author of the report said: "According to the author, the continued loss of significant defense resources" is significant. He said "that this could progressively place the United States at a competitive disadvantage vis-a-vis our adversaries, especially in light of persistent U.S. budgetary constraints, and of our reliance on advanced technologies for effective deterrence."

The report "urges the U.S. government—especially the Pentagon—to adopt a national policy governing foreign takeovers of parts of the U.S. defense industrial base—one that can be understood all the more readily by would-be investors as it is clearly articulated and consistently implemented by relevant officials."

The report goes on to talk about how a number of high-technology companies, defense-related companies, have been taken over by foreign investors.

Mr. Speaker, it says this:

Yet in the short term, foreign investment almost certainly has a positive impact on the U.S. trade balance.

But it goes on to say that the flow of technology resulting from foreign acquisitions, on the other hand, is almost certainly unfavorable to the United States.

The absence of restrictions on foreign investment permits foreigners to buy advanced technological know-how, repatriate it, and then exploit the technology to compete directly against U.S. companies. In this sense, quite apart from the potential implications of technology transfers for U.S. national security interests, the United States may be literally selling off its economic advantages.

It gives some examples of some of the companies that have been taken over, and again for the American people and for the Members who are listening, we are not talking about companies that are making toys or making food; we are talking about companies that are related to the defense of the United States.

It says in the report:

However, there are several recent striking examples. In 1987 when Paul Bilzerian, an American investor, acquired the Singer Company, a major defense electronics company, he sold several of its component units to foreign purchasers. In July, Ryobi Ltd., a Japanese company, acquired Singer's largely commercial motor products division. A Canadian firm, CAE Industries Ltd., acquired Singer's Link Simulation and Training Systems Division, a major supplier of aircraft simulators to the U.S. Army, Navy, Air Force and The National Aeronautics and Space Administration (NASA). Link produces the simulators for the F-16, the C-130 transport, and the Apache and Black Hawk helicopters, and has updated simulators for the F-111, B-52, F-14 and P-3C aircraft. Link simulators are used at NASA's Johnson Space Center to train space shuttle crews and ground personnel. CAE industries also holds a contract for the development and, presumably, eventual production of a simulator for the B-2 Stealth bomber.

□ 1720

Mr. Speaker, these are absolutely critical to the national defense of our country. Foreign acquisition of U.S. defense firms increased almost fourfold from 1983 to 1987, and the number of purchases in the first half of 1988, which were 37, were almost equal to the total for all of 1987, which was 41, meaning, Mr. Speaker, that in the first 6 months of 1988, 37 high technology defense-related companies where taken over by foreign interests, which was almost as many as were taken over in all of 1987. So my

colleagues can see the trend going very, strongly in takeovers.

There are three unique risks when a U.S. defense company is sold to a foreign owner: The possible compromise of confidential information, the redirection of vital investments such as research and development funds away from U.S. defense needs, and a dangerous dependence on foreign sources.

In ending, Mr. Speaker, and there is more in this report, and I urge my colleagues to obtain a copy of "Foreign Ownership of U.S. Defense Companies—Where Do We Draw the Line?" by Bernard L. Schwartz, and here is what he makes with regard to recommendations:

He says:

First the Secretary of Defense should take the lead within the government in determining which defense properties should be protected from ownership. In this regard, the Defense Department should prepare systematic policy guidelines that define those industries and technologies which would be of greatest concern from a national security standpoint if corporate control was lost to foreign ownership.

Second, the new leadership team at the Department of Defense.

And we are very fortunate to have our former colleague, Dick Cheney, now down there as Secretary of Defense; he says:

The Department of Defense leadership should issue a clear statement that foreign ownership of defense companies is not in the best interests of the United States and that efforts to acquire such companies will be examined carefully before being permitted.

Third, the U.S. Government needs to monitor and evaluate more carefully the dramatic increase in foreign purchases of U.S. defense companies.

Again we are not talking about nondefense companies. We are talking about defense, high technology, defense-related companies. He says:

There must be more careful, dramatic increase and a monitoring. No one agency or individual in our government has a comprehensive view of the degree of foreign ownership of our firms and its impact, real and potential, on our national security. The raw data already exists, but needs to be consolidated more effectively. With a sound central collection and reporting system, the senior levels of the U.S. Government will have the information necessary to make decisions that are vital to our long-term national interests.

Mr. Speaker, the issue of foreign ownership of U.S. defense companies is critical, and I hope the Members of this body agree, and it requires the immediate attention of the new administration and also, I believe, Congress.

Mrs. BENTLEY. Mr. Speaker, will the gentleman yield?

Mr. WOLF. I yield to the gentlewoman from Maryland.

Mrs. BENTLEY. Mr. Speaker, first of all I want to commend the gentleman from Virginia [Mr. WOLF] for bringing this Hopkins presentation to the attention of the Members of Congress. This is a very, very important document, and the statements that the gentleman from Virginia made in connection with it about the concern of our defense industries being taken over by foreign investments and foreign control I think is very serious.

Mr. Speaker, since that book was published I think we need to note that Monsanto, which made a very important wafer for the computer industry, the only producer of that in this country, that we allowed German interests to buy that earlier this year. Efforts were made to stop it, but it went.

Mr. Speaker, right now we are trying to protect the sale of Perkin Elmer Co. which produces the microscan DAV stepper, a vital component in today's modern world of technology. The firm holds a worldwide position in electronic beam mark reticle production equipment for lithographing.

The people from Semitech were into my office recently to say we have to make sure that this industry, which deals so much with computers, stays in this country, the control of its stays in this country. They are very concerned about once again foreign interests coming in and taking this over, and we will lose all—we have almost lost all of our industry base, but we are going to lose everything at the rate we are going.

Mr. Speaker, something has to be done, and once again I want to commend the gentleman from Virginia [Mr. WOLF] for bringing this to the attention of the Congress.

Mr. WOLF. Mr. Speaker, I appreciate the comments of the gentlewoman from Maryland [Mrs. BENTLEY]. She makes a very good case. I did not know about that latest company. I hope, and I have been talking to some Members, where there may be an amendment offered on the defense bill that comes up. I would hope that we will deal with this issue particularly in the defense-related companies.

Mr. Speaker, the Members might want to get a copy of Touche Ross' "Impact of Foreign Investment in the United States," a report done by Touche Ross, very balanced. There are some excellent articles in here in support of foreign investment and some excellent articles in here warning of the dangers of foreign investment. So, it is very well balanced, and I think I would want to commend Touche Ross, but in the study, before I close, the Touche Ross survey, of 519 top-ranking U.S. business executives on foreign investments 71 percent, 71 percent, favor restricting or prohibiting foreign investments in industries vital to the country's national interest.

Again, that is what we are talking about, foreign investment for industries that are vital to our national security, and it said that 99 percent cited defense industries for special consideration.

My last comment, and I appreciate the speaker bearing with me, the last comment and the last sentence from the report is perhaps the most telling, and I hope, if we remember anything that was said today on this one issue, this one sentence will ring in my colleagues' minds. It says:

Future generations should not look back and wonder how our leaders could have allowed the Nation to sell its basic defense resources to foreign interests for short-term economic gain.

I pray, Mr. Speaker, that we will not do that, and I yield back the balance of my time.

AMENDMENT TO CHANGE THE BASIS OF FEDERAL DEPOSIT INSURANCE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio [Mr. PEASE] is recognized for 5 minutes.

Mr. PEASE. Mr. Speaker, I rise today briefly to alert my colleagues that hopefully the Committee on Rules will make in order for our consideration on the savings and loan bailout bill an amendment of mine which would change the basis of Federal deposit insurance.

As my colleagues know, currently and for a number of years Federal deposit insurance has been available to individuals on a per-account basis. Theoretically, deposit insurance is available only once to a person in an institution. As a matter of fact, what happens is that members or individuals can have any number of deposits in a single institution as long as they have somebody else's name on the account with them and as long as it is a different name.

In addition to that, individuals can, or corporations for that matter, or pension funds, can also place money in a multiplicity of savings and loans and banks around the country, and in the same manner have a number of accounts in each one of those institutions.

So, it is possible, or would be possible, for example, for a person to put $10 million into one hundred different savings and loans around the country in denominations of $100,000. In that case all $10 million would be guaranteed by FSLIC and ultimately, of course, by the taxpayers of this country. A lot of sharp operators have figured that out long ago, and we entered in the middle of the 1930's into the practice of having brokers take large blocks of money from individuals, but also from institutions, corporations, pension funds, and so forth, and spreading that money in $100,000 chunks around the country in a number of savings and loan institutions. The perversity of that situation is that obviously the institutions or

the individuals wanted to get the highest possible return.

□ 1730

So the brokers placed these $100,000 chunks of money in those institutions offering the very highest returns. And what institutions were they? They were the savings and loans in the most serious trouble because they could not raise the money or get deposits locally. Local people knowing the situation were reluctant to put money into those institutions.

The brokers in the institutions and the individuals represented by those brokers could care less whether those savings and loans were sound or not because the good old Federal Government in the guise of FSLIC or the FDIC was guaranteeing those deposits up to $100,000. So what we have seen over the last several years is more and more money, millions of dollars, going into the weakest savings institutions in our country, the ones most likely to go belly-up, and all that liability being added to the Federal Government as we now cope with bailing out those savings and loans.

There are no absolutely firm figures on how much we are dealing with here, but the CBO has come up with an estimate of at least $137 billion over the last several years of liability. That means ultimately that if we have to make good on the insurance of those various depositors, it is $137 billion that we, the Federal Government and the taxpayers who support us, are responsible for.

I have no doubt at all in my own mind that the magnitude of the bailout cost that we are facing now was contributed to significantly by the fact that brokered accounts have been placed in institutions all over the country. If we want to prevent a recurrence of the kind of mess we are in now, it is imperative that in the future we stop that.

I will offer hopefully an amendment to the savings and loan bill tomorrow or the next day to change the basis from a per-depositor, per-account basis to one per person. Each one of our ordinary constituents could save up to $100,000 in one institution or in combination in several and have that money fully protected, but we would not be protecting millions or tens of millions of large institutional money being put in difficult savings and loans.

I hope very much that my colleagues will pay attention to that amendment and will want to support it when it comes up.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. BEREUTER (at the request of Mr. MICHEL), for today, on account of official business.

Mrs. COLLINS (at the request of Mr. ROSTENKOWSKI), for June 13 through June 20, on account of illness.

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. HASTERT) to revise and extend their remarks and include extraneous material:)

Mr. BOEHLERT, for 5 minutes, on June 14 and 15.

(The following Members (at the request of Mr. MARTINEZ) to revise and extend their remarks and include extraneous material:)

Mr. PEASE, for 5 minutes, on June 14 and 15.

Mr. MARTINEZ, for 5 minutes, today.

Mr. HALL of Ohio, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. ROSE, for 5 minutes, today.

Mr. NELSON of Florida, for 5 minutes, today.

Mr. PEASE, for 5 minutes, on June 14 and 15.

Mr. MFUME, for 60 minutes, on June 20.

(The following Member (at his own request) to revise and extend his remarks and include extraneous material:)

Mr. DREIER of California, for 5 minutes, today.

(The following Member (at his own request) to revise and extend his remarks and include extraneous material:)

Mr. WOLF, for 30 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. HASTERT) and to include extraneous matter:)

Mr. SCHUETTE in three instances.
Mr. MARTIN of New York.
Mr. CONTE.
Mrs. MEYERS of Kansas.
Mr. BUECHNER.
Mr. HASTERT.
Ms. SNOWE in two instances.
Mr. MACHTLEY.
Mr. GILMAN.
Mr. SHUMWAY.
Mr. GALLO.
Mr. FISH.
Mr. SOLOMON in four instances.
Mr. COBLE.
Mr. WELDON.

(The following Members (at the request of Mr. MARTINEZ) and to include extraneous matter:)

Mr. LANTOS in two instances.
Mr. DORGAN of North Dakota.
Mr. FORD of Michigan.
Mr. FAUNTROY.
Mr. GUARINI.
Mr. BERMAN.
Mr. TALLON.
Mr. BILBRAY.
Mr. BATES.
Mr. MCHUGH.
Mr. MANTON.
Mr. MILLER of California.
Mr. WEISS.
Mr. MAZZOLI.
Mr. HOCHBRUECKNER.
Mr. SOLARZ.
Mr. MFUME.
Mr. BRYANT.

SENATE JOINT AND CONCURRENT RESOLUTIONS REFERRED

Joint and concurrent resolutions of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S.J. Res. 55. Joint resolution to designate the week of October 1, 1989, through October 7, 1989, as "Mental Illness Awareness Week"; to the Committee on Post Office and Civil Service.

S.J. Res. 67. Joint resolution to commemorate the twenty-fifth anniversary of the Wilderness Act of 1964 which established the National Wilderness Preservation System; to the Committee on Post Office and Civil Service.

S.J. Res. 73. Joint resolution to designate the week beginning October 29, 1989, as "Gaucher's Disease Awareness Week"; to the Committee on Post Office and Civil Service.

S.J. Res. 76. Joint resolution to designate the period commencing on June 21, 1989, and ending on June 28, 1989, as "Food Science and Technology Week"; to the Committee on Post Office and Civil Service.

S.J. Res. 78. Joint resolution to designate the month of November 1989 and 1990 as "National Hospice Month"; to the Committee on Post Office and Civil Service.

S.J. Res. 85. Joint resolution to designate the week of July 24 to July 30, 1989, as the "National Week of Recognition and Remembrance for Those Who Served in the Korean War"; to the Committee on Post Office and Civil Service.

S.J. Res. 95. Joint resolution to designate the week of September 10, 1989, through September 16, 1989, as "National Check-Up Week"; to the Committee on Post Office and Civil Service.

S.J. Res. 96. Joint resolution designating July 2, 1989, as "National Literacy Day"; to the Committee on Post Office and Civil Service.

S.J. Res. 105. Joint resolution to designate October 7 through October 14, 1989, as "National Week of Outreach to the Rural Disabled"; to the Committee on Post Office and Civil Service.

S.J. Res. 108. Joint resolution designating October 3, 1989, as "National Teacher Appreciation Day"; to the Committee on Post Office and Civil Service.

S.J. Res. 109. Joint resolution to designate the period commencing September 11, 1989, and ending on September 15, 1989, as "National Historically Black Colleges Week"; to the Committee on Post Office and Civil Service.

S.J. Res. 110. Joint resolution designating October 5, 1989, as "Raoul Wallenberg Day"; to the Committee on Post Office and Civil Service.

S.J. Res. 117. Joint resolution to designate the week of November 19, 1989, through November 25, 1989, and the week of November 18, 1990, through November 24, 1990, as "National Family Week"; to the Committee on Post Office and Civil Service.

S.J. Res. 118. Joint resolution designating October 6, 1989, as "German-American Day"; to the Committee on Post Office and Civil Service.

S.J. Res. 120. Joint resolution to designate the period commencing November 12, 1989, and ending November 18, 1989, as "Geography Awareness Week"; to the Committee on Post Office and Civil Service.

S.J. Res. 122. Joint resolution to designate October 1989 and 1990 as "National Down Syndrome Month"; to the Committee on Post Office and Civil Service.

S.J. Res. 124. Joint resolution to designate October as "National Quality Month"; to the Committee on Post Office and Civil Service.

S.J. Res. 126. Joint resolution commemorating the bicentennial of the United States Coast Guard; to the Committee on Post Office and Civil Service.

S.J. Res. 130. Joint resolution designating February 11 through February 17, 1990, as "Vocational-Technical Education Week"; to the Committee on Post Office and Civil Service.

S.J. Res. 133. Joint resolution designating October 1989 as "National Domestic Violence Awareness Month"; to the Committee on Post Office and Civil Service.

S.J. Res. 136. Joint resolution designating August 8, 1989, as "National Neighborhood Crime Watch Day"; to the Committee on Post Office and Civil Service.

S.J. Res. 137. Joint resolution designating January 7, 1990, through January 13, 1990, as "National Law Enforcement Training Week"; to the Committee on Post Office and Civil Service.

S.J. Res. 138. Joint resolution designating October 16, 1989, and October 16, 1990, as "World Food Day"; to the Committee on Post Office and Civil Service.

S.J. Res. 142. Joint resolution Designating the week beginning July 23, 1989, as "Lyme Disease Awareness Week"; to the Committee on Post Office and Civil Service.

S.J. Res. 143. Joint resolution to designate the week of December 10, 1989, through December 16, 1989, as "National Drunk and Drugged Driving Awareness Week"; to the Committee on Post Office and Civil Service.

S.J. Res. 146. Joint resolution designating the week of September 24, 1989, as "Religious Freedom Week"; to the Committee on Post Office and Civil Service.

S.J. Res. 148. Joint resolution to designate the week of October 8, 1989, through October 14, 1989, as "National Job Skills Week"; to the Committee on Post Office and Civil Service.

S.J. Res. 150. Joint resolution to designate August 1, 1989, as "Helsinki Human Rights Day"; to the Committees on Foreign Affairs and Post Office and Civil Service.

S.J. Res. 151. Joint resolution to honor the United States Customs Service on the two hundredth anniversary of its establishment; to the Committee on Post Office and Civil Service.

S. Con. Res. 39. Concurrent resolution to commend the group of aviators known as the "Flying Tigers" for nearly 50 years of service to the United States; to the Committee on Post Office and Civil Service.

S. Con. Res. 40. Concurrent resolution to designate June 21, 1989, as Chaney, Goodman, and Schwerner Day; to the Committees on the Judiciary and Post Office and Civil Service.

SENATE ENROLLED JOINT RESOLUTION SIGNED

The SPEAKER announced his signature to an enrolled Joint resolution of the Senate of the following title:

S.J. Res. 63. Joint resolution designating June 14, 1989, as "Baltic Freedom Day," and for other purposes.

BILLS 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 of the House of the following titles:

H.R. 2. An act to amend the Fair Labor Standards Act of 1938 to restore the minimum wage to a fair and equitable rate, and for other purposes;

H.R. 932. An act to provide for the settlement of land claims, and the resolution of certain issues of governmental jurisdiction, of the Puyallup Tribe of Indians in the State of Washington, and for other purposes; and

H.R. 964. An act to correct an error in Private Law 100-29 (relating to certain lands in Lamar County, Alabama) and to make technical corrections in certain other provisions of law.

ADJOURNMENT

Mr. PEASE. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 34 minutes p.m.), under its previous order the House adjourned until tomorrow, Wednesday, June 14, 1989, at 1 p.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1347. A letter from the Comptroller of the Department of Defense, transmitting the supplemental contract award report for the periods July 1, 1989, to August 31, 1989, pursuant to 10 U.S.C. 2431 (b); to the Committee on Armed Services.

1348. A letter from the Secretary of Health and Human Services, transmitting a report on the review of swing-bed care by Peer Review Organizations, pursuant to Public Law 100-203; jointly, to the Committee on Ways and Means and Energy and Commerce.

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. HAWKINS: Committee on Education and Labor. H.R. 2281. A bill to amend the Elementary and Secondary dropout demonstration programs; with amendments (Rept. 101-82). Referred to the Committee of the Whole House on the State of the Union.

Mr. UDALL: Committee on Interior and Insular Affairs. H.R. 1529. A bill to provide for the establishment of the White Haven National Historic Site in the State Of Missouri, and for other purposes; with amendments (Rept. 101-83). Referred to the Committee of the Whole House on the State of the Union.

Mr. MOAKLEY: Committee on Rules. House Resolution 173. Resolution providing for the consideration of H.R. 1278, a bill to reform, recapitalize, and consolidate the Federal deposit insurance system, to enhance the regulatory and enforcement powers of Federal financial institutions regulatory agencies, and for other purposes (Rept. 101-85). Referred to the House Calendar.

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. UDALL: Committee on Interior and Insular Affairs. H.R. 987. A bill to amend the Alaska National Interest Lands Conservation Act, to designate certain lands in the Tongass National Forest as wilderness, and for other purposes; with an amendment; referred to the Committee on Agriculture for a period ending not later than June 30, 1989, for consideration of such provisions of the bill and amendment as fall within the jurisdiction of that Committee pursuant to clause 1(a), rule X (Report 101-84, 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. ROSE:

H.R. 2600. A bill to amend the Social Security Act to establish a new program to provide for the health care needs of the elderly, and for other purposes; jointly, to the Committees on Ways and Means and Energy and Commerce.

By Mr. WAXMAN:

H.R. 2601. A bill to amend the Public Health Service Act to establish an agency to be known as the Agency for Health Care Research and Policy and to amend title XI of the Social Security Act with respect to evaluations of the outcomes of health care services and procedures; to the Committee on Energy and Commerce.

By Mr. AuCOIN:

H.R. 2602. A bill to convey to the Northwest Oregon Housing Authority certain property located in Astoria, OR; to the Committee on Education and Labor.

By Mr. BRYANT:

H.R. 2603. A bill to direct the Secretary of Health and Human Services to provide Federal minimum standards for health insurance for the elderly; to the Committee on Energy and Commerce.

By Mr. CAMPBELL of Colorado:

H.R. 2604. A bill to establish an abandoned minerals and materials mine reclamation fund to provide for the reclamation of areas adversely affected by certain mining activities, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. DORGAN of North Dakota:

H.R. 2605. A bill to amend the Internal Revenue Code of 1986 to provide that the discount rules relating to short-term obligations shall not apply to certain obligations of small banks; to the Committee on Ways and Means.

By Mr. FOGLIETTA (for himself, Mr. FLORIO, Ms. SCHNEIDER, Mr. BORSKI, Mr. KOSTMAYER, Mr. WALGREN, Mr. DWYER of New Jersey, Mr. SAXTON, Mr. MCNULTY, Mr. TALLON, Mr. ESPY, Mrs. BOGGS, Mr. SMITH of Mississippi, and Mr. WELDON):

H.R. 2606. A bill to amend the Maritime Act of 1981 to enhance interstate and foreign commerce and improve competitiveness of U.S. ports in such commerce by establishing a port improvement revolving loan program to be administered jointly by the Secretary of Commerce and the Secretary of Transportation; to the Committee on Public Works and Transportation.

By Mr. FRENZEL:

H.R. 2607. A bill to amend the Internal Revenue Code of 1986 to exclude certain employee productivity awards from gross income; to the Committee on Ways and Means.

H.R. 2608. A bill to amend the Internal Revenue Code of 1986 to permit private foundations and community foundations to establish tax-exempt cooperative service organizations; to the Committee on Ways and Means.

By Mr. GALLO (for himself, Mr. ROE, Mr. SAXTON, Mr. HUGHES, Mrs. JOHNSON of Connecticut, Mr. GUNDERSON, Mr. PENNY, Mr. HENRY, Mr. FAWELL, Mr. HORTON, Mr. KASICH, Mr. DOWNEY, Mr. OWENS of New York, Mr. COURTER, Mr. PALLONE, Mrs. ROUKEMA, Mr. FLORIO, Mr. DWYER of New Jersey, Mr. SOLOMON, Mr. KLECZKA, Mr. SMITH of New Jersey, Mr. TORRICELLI, Mr. ROBINSON, Mr. MCMILLAN of North Carolina, Mr. MCMILLEN of Maryland, Mrs. BOXER, Mr. HASTERT, Mr. NEAL of North Carolina, and Mr. SCHUETTE):

H.R. 2609. A bill to amend title 46, United States Code, to require double hulls on all tank vessels; to the Committee on Merchant Marine and Fisheries.

By Mr. GIBBONS (for himself and Mr. FRENZEL):

H.R. 2610. A bill to make the Superfund petroleum tax consistent with the General Agreement on Tariffs and Trades; to the Committee on Ways and Means.

By Mr. GILMAN:

H.R. 2611. A bill concerning democracy and human rights in the People's Republic of China and Tibet; jointly, to the Committees on Banking, Finance and Urban Affairs, Foreign Affairs, and Ways and Means.

By Mr. JONES of North Carolina (for himself, Mr. DAVIS, Mr. DYSON, Mr. FIELDS, Mr. TAUZIN, and Mrs. BENTLEY):

H.R. 2612. A bill to provide temporary authority to certain employees of the Panama Canal Commission to purchase food and other goods at any commissary or exchange store located in Panama which is operated by any military department of the United States; jointly, to the Committees on Armed Services and Merchant Marine and Fisheries.

By Mr. LANTOS (for himself and Mr. PORTER):

H.R. 2613. A bill to suspend most-favored-nation treatment for the products of the People's Republic of China and to suspend further operations by the Overseas Private Investment Corporation [OPIC] in the People's Republic of China until that country recognizes and protects fundamental human rights jointly, to the Committee on Ways and Means and Foreign Affairs.

By Mr. MACHTLEY:

H.R. 2614. A bill to establish a pilot program to encourage college students to serve as mentors for disadvantaged youths; to the Committee on Education and Labor.

By Mrs. MORELLA:

H.R. 2615. A bill to ensure the eligibility of displaced homemakers and single parents for Federal assistance for first-time home buyers; to the Committee on Banking, Finance and Urban Affairs.

By Mr. NEAL of North Carolina:

H.R. 2616. A bill to amend title II of the Social Security Act to eliminate the earnings test for individuals who have attained retirement age; to the Committee on Ways and Means.

By Mr. RUSSO (for himself and Mr. MILLER of California):

H.R. 2617. A bill to amend the National Labor Relations Act to make it an unfair labor practice for an employer to fail to reinstate certain senior employees upon the conclusion of a strike; to the Committee on Education and Labor.

By Mr. RUSSO (for himself and Mr. MILLER of California):

H.R. 2618. A bill to amend the Railway Labor Act to require the reinstatement of certain senior employees upon the conclusion of a strike; to the Committee on Energy and Commerce.

By Mr. SHUMWAY:

H.R. 2619. A bill to extend the Federal Energy Regulatory Commission License No. 2761 for construction of the South Fork American River Project, El Dorado County, CA; to the Committee on Energy and Commerce.

By Mr. SMITH of Mississippi:

H.R. 2620. A bill to amend the Endangered Species Act of 1973 to prohibit importation of shrimp from any country which does not require its shrimp fishing vessels to use turtle excluder devices, and for other purposes; jointly, to the Committees on Merchant Marine and Fisheries and Ways and Means.

By Ms. SNOWE:

H.R. 2621. A bill to provide for additional Border Partol personnel and the procurement of additional mobile sensor response systems for deployment at and designated Border Patrol checkpoint in the State of Maine; to the Committee on the Judiciary.

H.R. 2622. A bill to amend the Medicare Catastrophic Coverage Act of 1988 to expand the responsibilities of the Advisory Committee on Medicare Home Health Claims and to provide a fixed date for the termination of such Advisory Committee; jointly, to the Committees on Ways and Means and Energy and Commerce.

By Ms. SNOWE (for herself and Mr. BRENNAN):

H.R. 2623. A bill to authorize funds for the Muskie Archives, and for other purposes; to the Committee on Education and Labor.

By Mr. SOLOMON:

H.R. 2624. A bill to prohibit the export of satellites intended for launch from launch vehicles owned by China; to the Committee on Foreign Affairs.

By Mr. SYNAR:

H.R. 2625. A bill to prohibit further obligation of funds for procurement of production aircraft under the B-2 Advanced Technology Bomber Program until the Secretary of Defense certifies to Congress that flight testing of the B-2 aircraft has been successfully accomplished; to the Committee on Armed Services.

By Mr. TALLON:

H.R. 2626. A bill to amend the Internal Revenue Code of 1986 to facilitate the use of amounts from individual retirement plans to pay long-term health care insurance premiums, educational expenses, and first home acquisition costs; to the Committee on Ways and Means.

By Mr. HOYER (for himself, Mr. FASCELL, Mr. MARKEY, Mr. FEIGHAN, Mr. RICHARDSON, Mr. RITTER, Mr. SMITH of New Jersey, Mr. PORTER, and Mr. WOLF):

H.J. Res. 292. Joint resolution to designate August 1, 1989, as "Helsinki Human Rights Day"; jointly, to the Committees on Post Office and Civil Service and Foreign Affairs.

By Mr. HUGHES (for himself and Mr. MCCOLLUM):

H.J. Res. 293. Joint resolution designating August 8, 1989, as "National Neighborhood Crime Watch Day"; to the Committee on Post Office and Civil Service.

By Mr. SANGMEISTER (for himself, Mr. COSTELLO, Mr. DURBIN, Mr. LIPINSKI, Mr. POSHARD, Mr. COBLE, and Mr. HUTTO):

H.J. Res. 294. Joint resolution proposing an amendment to the Constitution of the United States to provide for the automatic removal of Federal judges upon their conviction of serious crimes; to the Committee on the Judiciary.

By Mr. BATES:

H. Con. Res. 150. Concurrent resolution authorizing the printing of a collection of statements in tribute to the late Representative Claude Denson Pepper; to the Committee on House Administration.

By Mr. JONES of North Carolina (for himself, Mr. DAVIS, Mr. LENT, Mr. ACKERMAN, Mr. AKAKA, Mr. ANDERSON, Mr. ANNUNZIO, Mr. AUCOIN, Mr. BATEMAN, Mr. BENNETT, Mrs. BENTLEY, Mr. BEVILL, Mr. BILBRAY, Mr. BILIRAKIS, Mrs. BOGGS, Mr. BORSKI, Mr. BOSCO, Mrs. BOXER, Mr. BRENNAN, Mr. BUNNING, Mr. BUSTAMANTE, Mr. CALLAHAN, Mr. CAMPBELL of Colorado, Mr. CLARKE, Mr. CLEMENT, Mr. CLINGER, Mrs. COLLINS, Mr. DELLUMS, Mr. DICKS, Mr. DYSON, Mr. ENGEL, Mr. FASCELL, Mr. FAZIO, Mr. FIELDS, Mr. FOGLIETTA, Mr. FORD of Michigan, Mr. GALLO, Mr. GAYDOS, Mr. GOSS, Mr. GRANT, Mr. GUARINI, Mr. HASTERT, Mr. HAYES of Illinois, Mr. HAYES of Louisiana, Mr. HEFNER, Mr. HOCHBRUECKNER, Mr. HORTON, Mr. HUBBARD, Mr. HUGHES, Mr. HUNTER, Mr. HUTTO, Mr. INHOFE, Mr. JONTZ, Mr. KOLTER, Mr. LANCASTER, Mr. LEWIS of California, Mr. LIPINSKI, Mr. LIVINGSTON, Mrs. LOWEY of New York, Mr. MANTON, Mr. MARTIN of New York, Mr. MAVROULES, Mr. MCCLOSKEY, Mr. MCGRATH, Mr. MCNULTY, Mr. MILLER of Washington, Mr. MOAKLEY, Mr. MOLINARI, Mr. MRAZEK, Mr. MURPHY, Mr. NEAL of North Carolina, Mr. ORTIZ, Mr. PALLONE, Ms. PELOSI, Mr. PERKINS, Mr. PICKETT, Mr. QUILLEN, Mr.

RAHALL, Mr. ROE, Mr. ROSE, Mrs. SAIKI, Mr. SAVAGE, Mr. SAXTON, Mr. SHUMWAY, Mr. SIKORSKI, Mr. SMITH of Florida, Mr. SMITH of Mississippi, Mr. SMITH of New Jersey, Mr. SOLARZ, Mr. SOLOMON, Mr. STAGGERS, Mr. STOKES, Mr. STUDDS, Mr. TALLON, Mr. TAUZIN, Mr. TORRICELLI, Mr. TOWNS, Mrs. UNSOELD, Mr. VANDER JAGT, Mr. WELDON, Mr. WILSON, Mr. YATRON, and Mr. YOUNG of Alaska):

H. Con. Res. 151. Concurrent resolution to recognize the uniqueness of and express strong support for the maritime policy of the United States, and to urge the Administration in the strongest possible terms to not propose maritime transportation services for inclusion at the General Agreement on Tariffs and Trade and to actively oppose any proposal that would consider maritime transportation as an area for negotiation; jointly, to the Committees on Ways and Means and Merchant Marine and Fisheries.

By Mr. LANTOS (for himself, Mr. BROOMFIELD, and Mr. PORTER):

H. Con. Res. 152. Concurrent resolution expressing the grave concern of the Congress regarding human rights violations in the Socialist Federal Republic of Yugoslavia; to the Committee on Foreign Affairs.

By Mr. BILIRAKIS (for himself, Mr. TOWNS, Mr. BROOMFIELD, Mr. BATES, Mr. MCCOLLUM, Mr. GIBBONS, Mr. RICHARDSON, Mr. FIELDS, Mr. LEWIS of Florida, Mr. RHODES, Mr. COURTER, Mr. COMBEST, Mr. RITTER, Mr. BARTON of Texas, Mr. ANDERSON, Mr. CALLAHAN, Mr. COUGHLIN, Mr. BLILEY, Mr. GOSS, Mr. DONALD E. LUKENS, Mrs. MORELLA, Mr. MADIGAN, Mr. DORNAN of California, Mr. ROWLAND of Georgia, Mr. TAUKE, Mr. JAMES, Mr. MCCANDLESS, Mr. BILBRAY, Mr. BAKER, Mr. LAGOMARSINO, Mrs. MARTIN of Illinois, Mr. DYMALLY, Mr. ARMEY, Mr. LANCASTER, Mr. NIELSON of Utah, Mr. APPLEGATE, Mr. FROST, Mr. GILLMOR, Mr. ROHRABACHER, Mr. DOUGLAS, Mr. CAMPBELL of California, Mr. STEARNS, Mr. WALSH, Mr. SMITH of Mississippi, Mr. COX, Mr. HANCOCK, Mr. SCHIFF, Mr. SMITH of Vermont, Mr. PAXON, Mr. BURTON of Indiana, Mr. SLAUGHTER of Virginia, Mrs. BENTLEY, Mr. ORTIZ, Mr. RAHALL, Mr. HATCHER, Mr. SMITH of New Hampshire, Mr. SAXTON, Mr. MACHTLEY, Mr. SMITH of Texas, Mr. BEILENSON, Mr. MORRISON of Washington, Mr. HYDE, Mr. PARKER, Mr. ROBERTS, Mr. OXLEY, Mr. HAYES of Louisiana, Mr. RINALDO, Mr. SCHAEFER, Mr. SKAGGS, Mr. WILSON, Mr. FAWELL, Mr. WELDON, Mr. BEREUTER, Mr. KOLTER, Mr. HALL of Texas, Mr. KYL, Mr. GRANT, Mr. DANNEMEYER, Mr. QUILLEN, Mr. LIVINGSTON, Mr. PAYNE of New Jersey, Mr. NEAL of Massachusetts, Mr. WYLIE, Mr. HILER, Mr. BUNNING, Mr. FRANK, Mr. CLEMENT, Mrs. LLOYD, Mr. HUGHES, Mr. JONTZ, Mr. HOLLOWAY, Mr. BEVILL, Mr. POSHARD, Mr. SHAYS, Mr. VALENTINE, Mr. GUNDERSON, Mr. HEFNER, Mr. DURBIN, Mr. MOORHEAD, Mrs. ROUKEMA, Mr. CAMPBELL of Colorado, Mr. MOLINARI, Mr. STUMP, Mr. MCMILLAN of North Carolina, Mr. HOUGHTON, Mr. BALLENGER, Mrs. MEYERS of Kansas, Mr. HORTON, Mr. THOMAS of Georgia, Mr. HARRIS, Mr. MCCRERY, Mr. BROWN of Colorado, Mr. GALLEGLY, Mr. HUTTO, Mr. PAYNE of Virginia, Mr. OWENS of Utah, Mr. NELSON of Florida, Mr. ROE, Mrs. LOWEY of New York, Mr. MICHEL, and Mrs. PATTERSON):

H. Res. 169. Resolution expressing the sense of the House of Representatives respecting review of, and hearings on, the Medicare Catastrophic Coverage Act of 1988; jointly, to the Committees on Ways and Means and Energy and Commerce.

By Ms. KAPTUR:

H. Res. 170. Resolution expressing the sense of the House of Representatives that long-term care aides make significant contributions to individuals of all ages in the United States and deserve recognition and compensation for their efforts; jointly to the Committees on Energy and Commerce and Education and Labor.

By Mr. LANCASTER (for himself, Mr. ACKERMAN, Mr. AUCOIN, Mr. BOUCHER, Mr. FAZIO, Mr. FUSTER, Mr. GREEN, Mr. JACOBS, Mr. KOSTMAYER, Mr. NIELSON of Utah, Mrs. PATTERSON, Ms. PELOSI, Mr. PENNY, Mr. PRICE, Mr. RAHALL, Mr. ROBINSON, Mr. SKAGGS, Mr. SLATTERY, Mr. VALENTINE and Mr. WALSH):

H. Res. 171. Resolution amending the Rules of the House of Representatives to create a Scholars' Gallery; to the Committee on Rules.

By Mr. STENHOLM (for himself, Mr. WELDON, Mr. BALLENGER, Mr. BARTLETT, Mr. BARTON of Texas, Mr. BATES, Mr. BENNETT, Mr. BILBRAY, Mr. BROWDER, Mr. BUECHNER, Mr. CAMPBELL of Colorado, Mr. CARPER, Mr. COURTER, Mr. DE LA GARZA, Mr. DYSON, Mr. FAWELL, Mr. FLORIO, Mr. HALL of Texas, Mr. HAMILTON, Mr. HARRIS, Mr. HUCKABY, Mr. INHOFE, Mr. JOHNSON of South Dakota, Mr. LANCASTER, Mr. LEATH of Texas, Mr. LEWIS of Florida, Mr. MARLENEE, Mr. MCCOLLUM, Mrs. MEYERS of Kansas, Mr. MONTGOMERY, Mr. MOORHEAD, Mr. NEAL of North Carolina, Mr. NIELSON of Utah, Mr. OLIN, Mr. PARKER, Mrs. PATTERSON, Mr. PAYNE of Virginia, Mr. PENNY, Mr. PETRI, Mr. RAY, Mr. ROBINSON, Mr. SARPALIUS, Mr. SAXTON, Mrs. SCHROEDER, Mr. SHARP, Mr. SIKORSKI, Mr. SKAGGS, Mr. SKELTON, Mr. SLATTERY, Mr. DENNY SMITH, Mr. SMITH of Texas, Mr. SOLOMON, Mr. STALLINGS, Mr. SYNAR, Mr. TALLON, Mr. TAUKE, Mr. TAUZIN, Mr. THOMAS of Georgia, Mr. TRAFICANT, Mr. UPTON, Mr. VALENTINE, and Mr. WALKER):

H. Res. 172. Resolution to amend the Rules of the House of Representatives to require committees to include in committee reports, and conference committees to include in joint explanatory statements, the identity, sponsor, and cost of each provision of a reported bill or conference report which benefits 10 or fewer beneficiaries to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. OXLEY introduced a bill (H.R. 2627) for the relief of the estate of Commodore Perry Miller; which was referred to the Committee on Ways and Means.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 6: Mr. WHITTAKER, Mr. HASTERT, Mr. SMITH of New Hampshire, Mr. KOLBE, Mr. GALLEGLY, Mr. RAVENEL, Mr. HEFLEY, Mr. DEWINE, Mr. GRANDY, Mr. SCHIFF, Mr. GOODLING, Mr. LIGHTFOOT, Mr. CHANDLER, Mrs. SMITH of Nebraska, Mr. PACKARD, Mr. WELDON, Mr. BOEHLERT, Mr. GALLO, Mr. COBLE, Mr. COLEMAN of Missouri, Ms. SCHNEIDER, and Mr. YOUNG of Alaska.

H.R. 19: Mr. BEILENSON, Mr. CLEMENT, and Mr. EVANS.

H.R. 24: Mrs. BOXER, Mr. STARK, and Mr. JOHNSTON of Florida.

H.R. 45: Mr. CARPER.

H.R. 58: Mr. GOODLING and Mr. SUNDQUIST.

H.R. 60: Mr. SCHULZE, Mr. MCEWEN, Mr. BUSTAMANTE, Mr. HANSEN, Mr. PORTER, Mr. STALLINGS, Mr. EMERSON, Mr. COLEMAN of Missouri, Mr. GORDON, Mr. HOPKINS, Mr. LAGOMARSINO, Mr. SHUMWAY, Mr. QUILLEN, Mr. JACOBS, Mr. BEREUTER, Mr. MORRISON of Washington, Mr. LIVINGSTON, and Mr. INHOFE.

H.R. 63: Mr. GOODLING, Mr. SMITH of New Hampshire, Mr. PACKARD, Mr. BUSTAMANTE, Mr. BATES, Mr. MOLINARI, and Mr. GILLMOR.

H.R. 108: Mr. BAKER, Mrs. BOXER, and Mr. LIPINSKI.

H.R. 110: Mr. ANDREWS and Mr. EDWARDS of Oklahoma.

H.R. 145: Mr. BRYANT, Mr. COLEMAN of Texas, Mr. HORTON, Mrs. LOWEY of New York, Mr. MCDERMOTT, Mr. OBEY, and Mr. SANGMEISTER.

H.R. 201: Mrs. SCHROEDER.

H.R. 215: Mr. LENT, Mr. ENGEL, Mr. SCHAEFER, Mrs. MORELLA, Mr. BARNARD, and Mr. MOORHEAD.

H.R. 220: Ms. KAPTUR.

H.R. 283: Mr. HASTERT, Mr. WALSH, Mr. ANDREWS, and Mr. HUBBARD.

H.R. 286: Mr. SOLOMON.

H.R. 332: Mr. MOLINARI.

H.R. 360: Mr. CLAY.

H.R. 361: Mr. SAVAGE, Mr. FORD of Tennessee, Mr. CLAY, Mr. HAWKINS, Mr. DIXON, Mr. TOWNS, and Mr. PAYNE of New Jersey.

H.R. 458: Mr. HENRY and Mr. MOORHEAD.

H.R. 500: Mr. PENNY, Mr. NOWAK, and Mr. KOSTMAYER.

H.R. 534: Mr. GOSS, Mr. HAWKINS, Mr. BRUCE, Mr. MATSUI, Mr. HOCHBRUECKNER, Mr. TAUZIN, and Mr. KANJORSKI.

H.R. 560: Mrs. BOXER.

H.R. 561: Mr. EDWARDS of Oklahoma.

H.R. 634: Mr. BROWDER, Mr. FEIGHAN, Mr. FLAKE, Mr. GAYDOS, Mr. DICKINSON, Mr. JOHNSON of South Dakota, Mr. PALLONE, Mr. HOUGHTON, Mr. MCCANDLESS, Mr. TORRICELLI, and Ms. SNOWE.

H.R. 664: Mr. SARPALIUS and Mr. GALLEGLY.

H.R. 694: Mr. BUSTAMANTE, Mr. CAMPBELL of Colorado, Mr. CHAPMAN, Mrs. COLLINS, Mr. DEFAZIO, Mr. DYMALLY, Mr. FAZIO, Mr. FLIPPO, Mr. FRANK, Mr. GEJDENSON, Mr. JOHNSON, of South Dakota, Mr. LEATH of Texas, Mrs. LOWEY of New York, Mr. MAVROULES, Mr. MURPHY, Mr. OWENS of New York, Mr. PAYNE of New Jersey, Mr. RICHARDSON, Mr. COBLE, Mr. DELAY, Mr. FIELDS, Mr. GILMAN, Mr. GUNDERSON, Mr. HENRY, Mr. HORTON, Mr. JAMES, Mr. LAGOMARSINO, Mr. MCCRERY, Mr. MCMILLAN of North Carolina, Mr. MADIGAN, Mr. MARTIN of New York, Mr. MACHTLEY, Mr. NIELSON of Utah, Mr. PACKARD, Mr. PASHAYAN, Mr. PAXON, Mr.

RAVENEL, Mr. SHAYS, Mr. SHUMWAY, Mr. SLAUGHTER of Virginia, Mr. SMITH of Vermont, Mr. TAUKE, Mr. WALKER, Mr. WOLF, Mr. ROBINSON, Mr. SISISKY, Mr. WILSON, Mr. WOLPE, Mr. BEVILL, Mr. BROWDER, and Mr. GLICKMAN.

H.R. 711: Mr. BARNARD and Mr. KANJORSKI.

H.R. 719: Mr. GUNDERSON, Mr. GINGRICH, Mr. PACKARD, Mr. DELAY, Mr. HASTERT, Mr. MCMILLAN of North Carolina, and Mr. BAKER.

H.R. 844: Mr. MCEWEN.

H.R. 854: Mr. JOHNSTON of Florida, Mr. FRANK, Mr. SCHUETTE, Mr. OWENS of Utah, Mr. BRENNAN, and Mr. ROE.

H.R. 883: Mr. BROOMFIELD, Mr. JACOBS, Mr. FEIGHAN, Mr. COSTELLO, Mr. ACKERMAN, Mr. EVANS, and Mr. DWYER of New Jersey.

H.R. 915: Mr. MARTINEZ, Mr. HUNTER, Mr. DENNY SMITH, Mr. LEWIS of California, Mr. HERGER, Mr. MCCANDLESS, Mr. MOORHEAD, Mr. DEFAZIO, Mr. PASHAYAN, and Mr. SHUMWAY.

H.R. 917: Mr. GOSS.

H.R. 930: Mr. SABO, Mr. MCMILLEN of Maryland, Mr. CLAY, and Mr. FORD of Michigan.

H.R. 979: Mr. FAUNTROY, Mr. NAGLE, Mr. HUCKABY, Mr. JONTZ, Mr. ATKINS, Mr. FORD of Michigan, Mrs. KENNELLY, Mr. CONYERS, and Mr. MYERS of Indiana.

H.R. 985: Mr. PETRI.

H.R. 987: Mr. COURTER.

H.R. 995: Mr. MADIGAN, Mr. KOSTMAYER, Mr. GUNDERSON, Mr. WALSH, Mr. COLEMAN of Missouri, and Mr. EDWARDS of Oklahoma.

H.R. 1028: Mr. JONTZ, Mr. CHAPMAN, Mr. SCHIFF, Mr. BOEHLERT, Mr. SAWYER, Mr. VALENTINE, Mr. CRAIG, Mr. TRAFICANT, Mr. SMITH of New Jersey, Mr. FEIGHAN, Mr. PETRI, Mr. FUSTER, Mr. SAVAGE, Mr. HUNTER, Mr. ROBERTS, Mr. ATKINS, Mr. MARTINEZ, Mr. PURSELL, Mr. CHANDLER, Mr. STENHOLM, Mr. HUTTO, Mr. BERMAN, Mr. VOLKMER, Mr. STANGELAND, Mr. EMERSON, Mr. SUNDQUIST, Mr. POSHARD, Mr. BRYANT, Mr. APPLEGATE, Mr. HYDE, Mr. GRAY, Mr. LENT, Mr. SCHEUER, Mr. BENNETT, Mr. PICKLE, Mr. KASICH, Mr. BROWN of Colorado, Mr. RICHARDSON, Mr. GOSS, Mr. ROWLAND of Connecticut, Mr. SHAYS, Mr. PICKETT, Mr. SISISKY, Mr. WAXMAN, Mr. HUGHES, Mr. FAWELL, Mr. MCNULTY, Mr. WALSH, Mr. ERDREICH, Mr. MFUME, and Mr. SCHAEFER.

H.R. 1030: Mr. ATKINS.

H.R. 1074: Mr. ESPY, Mr. CROCKETT, Mr. FUSTER, Mr. WAXMAN, and Mr. HUBBARD.

H.R. 1174: Mr. SMITH of Mississippi, Mr. ROE, and Mr. ECKART.

H.R. 1216: Ms. PELOSI, Mr. SYNAR, Mrs. MORELLA, and Mr. CAMPBELL of Colorado.

H.R. 1226: Mr. RINALDO.

H.R. 1235: Mr. RANGEL and Mr. PANETTA.

H.R. 1243: Mr. PURSELL.

H.R. 1333: Mrs. BENTLEY and Mr. ATKINS.

H.R. 1371: Mr. FRANK and Mr. LAUGHLIN.

H.R. 1386: Mr. ATKINS.

H.R. 1394: Mr. MARTINEZ.

H.R. 1432: Mr. LEWIS of Georgia, Mrs. BOXER, Mr. WHEAT, Mr. LELAND, Mr. MCGRATH, Mr. KOLTER, Mr. TOWNS, Mr. ACKERMAN, Mrs. COLLINS, Mrs. JOHNSON of Connecticut, Mr. CHAPMAN, Mr. CONTE, Mrs. SAIKI, Mr. BUSTAMANTE, Mr. STARK, Mr. KILDEE, Mr. LEVINE of California, Mr. SCHUETTE, Ms. SCHNEIDER, Mr. ROE, Mr. GEJDENSON, Mr. OWENS of New York, Mr. FAZIO, Mr. MORRISON of Connecticut, Mr. STOKES, Mr. GAYDOS, Mr. MILLER of California, Mr. MURPHY, Mr. HAYES of Illinois, Mr. PERKINS, Mr. SAWYER, Mr. PAYNE of New Jersey, Mrs. LOWEY of New York, Mr. POSHARD, Mrs. UNSOELD, Mr. RAHALL, Mr. VISCLOSKY, Mr. JONTZ, Mr. DWYER of New Jersey, and Mr. MRAZEK.

H.R. 1456: Mr. MOODY.

H.R. 1528: Mr. CLINGER.

H.R. 1599: Mr. HASTERT.

H.R. 1601: Mr. HASTERT.

H.R. 1614: Mr. YOUNG of Florida and Mr. CLARKE.

H.R. 1632: Mr. FAUNTROY and Mr. ERDREICH.

H.R. 1690: Mr. CLEMENT, Mr. CLINGER, Mr. ESPY, Mr. MARTINEZ, and Mr. BROWN of California.

H.R. 1699: Mr. LEWIS of Georgia, Mr. BLILEY, and Mr. JOHNSON of South Dakota.

H.R. 1711: Mr. LAGOMARSINO, Mr. SKEEN, Mr. PORTER, Mr. PETRI, and Mrs. BENTLEY.

H.R. 1760: Mr. THOMAS of Georgia and Mr. TALLON.

H.R. 1780: Mr. GEJDENSON, Mr. LIPINSKI, Mr. BUSTAMANTE, Mr. BRENNAN, Mr. SISISKY, and Mrs. PATTERSON.

H.R. 1782: Mr. WALSH, Mr. WEBER, and Mr. RHODES.

H.R. 1860: Mr. ERDREICH, Mr. STAGGERS, Mr. CLAY, Mr. HORTON, Mr. SIKORSKI, and Mr. EMERSON.

H.R. 1864: Mr. ROBINSON, Mrs. UNSOELD, Mr. NEAL of North Carolina, Mr. FORD of Michigan, Ms. PELOSI, and Mr. HANSEN.

H.R. 2008: Mr. PETRI, Mr. SPENCE, Mr. MADIGAN, Mr. MCEWEN, Mr. IRELAND, Mr. SKEEN, Mr. MILLER of Washington, Mr. BARTON of Texas, and Mr. FIELDS.

H.R. 2021: Mr. ROBINSON, Mr. TANNER, and Mr. PARKER.

H.R. 2023: Mr. DURBIN.

H.R. 2055: Mr. LEWIS of California.

H.R. 2080: Mr. ERDREICH, Mr. KOLTER, and Mr. OWENS of New York.

H.R. 2098: Mr. FAWELL, Ms. LONG, Mr. MCCOLLUM, Mr. ROE, Mr. ORTIZ, Mr. DREIER of California, Mr. CALLAHAN, Mr. NIELSON of Utah, Mr. BATEMAN, Mr. WALSH, Mr. ENGLISH, Mr. LANTOS, Mr. THOMAS of Georgia, Mr. HARRIS, Mr. RAVENEL, Mr. MINETA, Mr. YOUNG of Alaska, Mr. DEFAZIO, Mr. COBLE, Mr. MCCLOSKEY, Mr. BROWN of California, Mr. RHODES, Mr. FAZIO, Mr. CAMPBELL of Colorado, Mr. GINGRICH, Mr. FOGLIETTA, Mrs. VUCANOVICH, Mr. OLIN, and Mr. EDWARDS of California.

H.R. 2111: Mr. BRYANT.

H.R. 2121: Mr. WALKER, Mr. CONYERS, Mr. MILLER of Ohio, Mr. KANJORSKI, Mr. WALSH, and Mr. AKAKA.

H.R. 2144: Mr. OLIN.

H.R. 2191: Mr. SOLOMON and Mr. VANDER JAGT.

H.R. 2192: Mr. LANCASTER, Mr. DYMALLY, Mr. BROWN of California, and Mr. WALSH.

H.R. 2233: Mr. ATKINS.

H.R. 2245: Mr. JACOBS, Mr. FAUNTROY, Mr. ATKINS, Mr. GALLEGLY, Mr. FUSTER, Mr. SMITH of Mississippi, Mr. TOWNS, Mr. HAYES of Louisiana, Mr. ROBINSON, Mr. LAGOMARSINO, and Mr. PARKER.

H.R. 2283: Mr. FLORIO, Mr. BUSTAMANTE, Mrs. BENTLEY, Mr. BILIRAKIS, Mr. POSHARD, and Mr. EMERSON.

H.R. 2302: Mr. LAGOMARSINO.

H.R. 2303: Mr. LAGOMARSINO and Mr. JONTZ.

H.R. 2318: Mr. DWYER of New Jersey, Mr. BUSTAMANTE, Mr. OWENS of New York, and Mrs. ROUKEMA.

H.R. 2319: Mr. BATEMAN, Mr. DERRICK, Mr. CLAY, Mr. KENNEDY, Mr. CALLAHAN, Mr. BARNARD, Mr. MFUME, Mr. ROBINSON, Mr. RAVENEL, Mr. STUDDS, Mr. CROCKETT, Mr. BALLENGER, Mr. OBERSTAR, Mr. MAZZOLI, Mrs. ROUKEMA, Mr. SPRATT, Mr. GEJDENSON, Mr. FAZIO, Mr. EMERSON, Mr. LAGOMARSINO, Mr. BILBRAY, Mr. EVANS, Mr. TALLON, Mr. LELAND, and Mr. NATCHER.

H.R. 2345: Mr. MARTINEZ, Mr. OWENS of New York, Mr. GIBBONS, and Mr. LIPINSKI

H.R. 2348: Mr. OLIN, Mr. FAWELL, Mr. SUNDQUIST, Mr. ARMEY, Mr. WALKER, Mr. BAKER, Mr. DYMALLY, Mr. FIELDS, Mr. WALSH, Mr. DORNAN of California, Mr. CHAPMAN, Mr. GUNDERSON, Mr. LAGOMARSINO, and Mr. SHAW.

H.R. 2349: Mr. FAWELL, Mr. RAHALL, and Mr. HUCKABY.

H.R. 2353: Mr. ANDREWS and Mrs. MEYERS of Kansass.

H.R. 2376: Mr. PALLONE, Mr. BUSTAMANTE, Mr. LEWIS of Georgia, Mr. STUDDS, Mr. JONTZ, Mr. FAUNTROY, Mr. TOWNS, Mr. MANTON, Mr. KOLTER, Mr. DWYER of New Jersey, Mr. OWENS of New York, Mr. GEJDENSON, and Mr. FUSTER.

H.R. 2380: Mr. BROWN of California, Mr. BROWN of Colorado, Mr. LIPINSKI, Mr. HANCOCK, Mr. ROBINSON, and Mr. SIKORSKI.

H.R. 2460: Mr. DARDEN.

H.R. 2529: Mr. COSTELLO, Mr. PACKARD, Mr. STARK, Mr. BAKER, Mr. MCGRATH, Mr. ROBINSON, Mr. PASHAYAN, Mr. WHITTAKER, Mr. PORTER, Mrs. PATTERSON, Mr. HAWKINS, and Mr. BROWN of Colorado.

H.R. 2560: Mr. FRANK, Mr. STOKES, Mr. FUSTER, Mr. KOSTMAYER, Mr. WOLPE, Mr. ATKINS, Mr. FLORIO, Mr. DYMALLY, Mr. MILLER of Washington, Mr. HYDE, Mr. VOLKMER, Mrs. UNSOELD, and Mr. ROWLAND of Connecticut.

H.J. Res. 3: Mr. LEACH of Iowa and Mr. HENRY.

H.J. Res. 104: Mr. PRICE, Mr. FISH, Mr. WELDON, Mr. GUARINI, Mr. SAXTON, Mr. SPENCE, Mr. CRANE, Mr. NATCHER, Ms. SLAUGHTER of New York, Mr. PALLONE, Mr. MILLER of California, Mrs. LOWEY of New York, Mr. PARRIS, Mr. WYLIE, Mr. KANJORSKI, Mrs. PATTERSON, Mr. MAZZOLI, Mr. TORRICELLI, and Mr. OXLEY.

H.J. Res. 138: Mrs. KENNELLY.

H.J. Res. 163: Mr. VOLKMER, Mr. CARPER, Mr. JONTZ, Mr. CHAPMAN, Mr. MANTON, Mr. MCNULTY, Mr. LEVIN of Michigan, Mr. HAWKINS, Mr. SKELTON, Mr. LEWIS of Georgia, Mr. WILLIAMS, Mr. MARTIN of New York, Mr. FLORIO, Mr. SABO, Mr. MADIGAN, Mr. DICKS, Mr. COELHO, Mr. MCCOLLUM, Mr. VALENTINE, Mr. SAVAGE, Mr. SOLOMON, Mr. GALLEGLY and Mrs. MEYERS of Kansas.

H.J. Res. 166: Mr. THOMAS of Georgia, Mr. EMERSON, Mr. FAUNTROY, Mr. FAZIO, Mr. TRAXLER, Mr. BLILEY, Mr. HORTON, Mr. DYMALLY, Mr. ESPY, Mr. SKEEN, Mr. HATCHER, Mr. SCHUETTE, Mr. LANCASTER, Mr. HARRIS, Mr. MARTINEZ, Mr. YOUNG of Alaska, Mr. JOHNSON of South Dakota, Mr. HAMILTON, Mr. EVANS, Mr. ROBERTS, Mr. SOLOMON, Mr. FUSTER, Mr. BILBRAY, Mr. HERGER, Mr. STENHOLM, Mrs. MARTIN of Illinois, Mr. WILSON, Mr. MADIGAN, Mr. ROBERT F. SMITH, Mr. GUNDERSON, Mr. ECKART, Mr. SAWYER, Mr. GRANDY, Mr. WISE, Mr. LEWIS of Florida, Mr. SAVAGE, Mr. LAGOMARSINO, Mr. FLIPPO, Mr. GRANT, Mr. DEFAZIO, Mr. DE LUGO, Mr. HAMMERSCHMIDT, Mr. HAYES of Louisiana, Mr. HENRY, Mr. TALLON, Mr. WEBER, Mr. WHITTEN, and Mr. WOLF.

H.J. Res. 184: Mr. BROWN of California, Mr. FAZIO, Mr. WYLIE, Mr. COOPER, Mr. OWENS of New York, Mr. BORSKI, Mr. SANGMEISTER, Mrs. LOWEY of New York, Mr. MARKEY, Mr. ROE, Mr. ASPIN, Mr. HOYER, Mr. KASICH, Mr. HEFLEY, Mr. ECKART, Mr. GUNDERSON, Mr. ERDREICH, Mr. CRANE, Mr. NOWAK, Mr. MCCOLLUM, Mr. MFUME, Mr. SAVAGE, Mr. LANCASTER, Mr. LEWIS of Florida, Mr. LELAND, Mr. BONIOR, Mr. GORDON, Mr. DREIER of California, Mr. HAYES of Illinois, Mr. HEFNER, Mr. HOCHBRUECKNER, Mr. RHODES, Mrs. ROUKEMA, Mrs. BYRON, Mr.

GARCIA, Mr. ATKINS, Mr. FORD of Tennessee, Mr. FLIPPO, Mr. GOSS, Mr. ANDERSON, Mr. MAVROULES, Mr. TORRES, Mr. SAWYER, Mr. HARRIS, Mr. NEAL of North Carolina, Mr. BOSCO, Mr. STUDDS, Mr. HUTTO, Mr. HILER, Mr. LAGOMARSINO, Mr. ROSE, Mr. LOWERY of California, Mr. WYDEN, Mr. SHARP, Mr. DIXON, Mr. DAVIS, Mr. DORGAN of North Dakota, Mr. SAXTON, Mr. BRUCE, Mr. HUNTER, Mr. GILMAN, Mr. PEASE, Mr. CHANDLER, Mr. ROWLAND of Georgia, Mr. MCMILLEN of Maryland, Mr. MICHEL, Mr. GUARINI, Mr. PAYNE of New Jersey, Mr. ARCHER, Mr. UDALL, Mr. KANJORSKI, Mr. MCDERMOTT, Mr. SARPALIUS, Mrs. UNSOELD, Mr. HERGER, Mr. WALGREN, Mr. GLICKMAN, Mr. LENT, Mr. BROWN of Colorado, Mr. SLATTERY, Mr. WALSH, Mr. KASTENMEIER, and Ms. KAPTUR.

H.J. Res. 194: Mr. INHOFE, Mr. RAVENEL, Mr. HALL of Ohio, Mr. STALLINGS, Mr. RICHARDSON, Mr. YOUNG of Florida, Mr. GOSS, Mr. RITTER, Mr. SAXTON, Mr. STANGELAND, Mr. MCCLOSKEY, Mr. DE LA GARZA, Mrs. ROUKEMA, Mr. FASCELL, Mr. HUBBARD, Mr. WOLPE, Mr. SARPALIUS, Mr. SHAYS, Mrs. BOGGS, Mr. ROWLAND of Connecticut, Mr. HOPKINS, Mr. JONES of Georgia, Mr. SOLARZ, Mr. CARR, Mr. KENNEDY, Ms. LONG, Mr. MCCOLLUM, Mr. SOLOMON, Mr. HAMMERSCHMIDT, Mr. BOEHLERT, Mr. HATCHER, Mr. CLINGER, Mr. OXLEY, Mr. COLEMAN of Missouri, Mr. RINALDO, Mr. HARRIS, Mr. UDALL, Ms. KAPTUR, Mrs. SAIKI, Mr. LELAND, Mr. SPENCE, Mr. WEBER, Mrs. MEYERS of Kansas, Mr. ANNUNZIO, Mr. HAYES of Louisiana, Mr. GALLEGLY, Mr. KOLTER, Mr. STUDDS, Mr. BRENNAN, Mr. OWENS of New York, Mr. VALENTINE, Mr. RAY, Mr. PORTER, Mr. HUCKABY, Mr. MCDERMOTT, Mr. BILIRAKIS, Mr. EMERSON, Mr. ESPY, Mr. SMITH of Vermont, Mr. PRICE, Mr. SCHAEFER, Mr. BRUCE, Mr. KLECZKA, Mr. GUARINI, Mr. SMITH of Texas, Mr. WAXMAN, Mr. TAUZIN, Mr. FAWELL, Mr. JONES of North Carolina, Mrs. VUCANOVICH, Mr. FRENZEL, Mr. ROWLAND of Georgia, Mr. JONTZ, Mr. ENGLISH, Mrs. MORELLA, Mrs. UNSOELD, Mrs. PATTERSON, Mr. FLORIO, Mr. GRANDY, Mr. SANGMEISTER, and Mr. GEKAS.

H.J. Res. 215: Mr. NATCHER, Ms. OAKAR, Mrs. PATTERSON, Mr. BILBRAY, and Mr. NEAL of North Carolina.

H.J. Res. 221: Mr. CONTE, Mr. DWYER of New Jersey, Mr. EDWARDS of Oklahoma, Mr. ESPY, Mr. FOGLIETTA, Mr. HAYES of Louisiana, Mr. INHOFE, Mr. LEWIS of California, Mr. MORRISON of Washington, Mr. ROE, Mr. SMITH of New Jersey, and Mr. TAUZIN.

H.J. Res. 255: Mrs. PATTERSON, Mr. JONTZ, Mr. BORSKI, Mr. WALSH, Mrs. ROUKEMA, Mr. ROBERTS, Mr. PACKARD, Mr. LEWIS of California, Mr. TAUKE, and Mr. BATES.

H.J. Res. 257: Mr. THOMAS of Georgia, Mr. OXLEY, Mr. JOHNSON of South Dakota, Mr. PORTER, Mr. DEWINE, Mr. JONTZ, Mr. MADIGAN, Mr. MCCRERY, Mr. SMITH of Florida, Mr. BROWDER, Mr. SOLARZ, Mr. LEVINE of California, Mr. MCNULTY, Mr. BROWN of California, Mr. LIPINSKI, Mr. LAUGHLIN, Mr. CONYERS, Mrs. BENTLEY, Mr. WALSH, Mr. DEFAZIO, Mr. HAYES of Illinois, Mr. PASHAYAN, Mr. GUARINI, Mr. HUGHES, Mr. MRAZEK, Mrs. MEYERS of Kansas, Mr. BILBRAY, Mr. CHANDLER, Mr. BORSKI, Mr. DENNY SMITH, Mr. BERMAN, Mr. PALLONE, Mr. HANCOCK, Mr. CRAIG, Mr. SCHUETTE, Mr. WOLPE, Mr. POSHARD, Mr. MOAKLEY, and Mr. BUECHNER.

H.J. Res. 273: Mr. RINALDO, Mr. PORTER, Mr. TRAFICANT, Mr. COSTELLO, Mr. HAYES of Louisiana, Mr. HORTON, Mr. FUSTER, Mr. SMITH of Mississippi, Mr. KLECZKA, Mr. WYLIE, Mr. DYMALLY, Mr. LEACH of Iowa, Mr. JONTZ, Mr. DARDEN, Mr. HALL of Ohio, Mr. MRAZEK, Mr. FEIGHAN, Mr. MOODY, Mr. SMITH of Florida, Mr. SMITH of Vermont, Mr. AUCOIN, Mr. BAKER, Mr. BEVILL, Mr. BLAZ, Mr. BUSTAMANTE, Mr. CALLAHAN, Mr. BILBRAY, Mr. DICKS, Mr. DONNELLY, Mr. DORNAN of California, Mr. FAZIO, Mr. FORD of Tennessee, Mr. GRANT, Mr. SHAYS, Mr. BARTON of Texas, Mr. MATSUI, Mr. FAUNTROY, Mr. STALLINGS, Mr. CARPER, Mr. BOEHLERT, Mr. HATCHER, Mr. GILMAN, Mr. DEFAZIO, Mr. KASICH, Mr. FLIPPO, Mr. GORDON, Mr. LEHMAN of Florida, Mr. LEVIN of Michigan, Mr. BUNNING, Mr. MCCLOSKEY, Mr. MORRISON of Connecticut, Mr. MURPHY, Mr. MCEWEN, Mr. OWENS of Utah, Mr. GUNDERSON, Mr. RAVENEL, Mr. EVANS, Mr. HUBBARD, Mr. ROYBAL, Mr. MARTIN of New York, Mr. LENT, Mrs. KENNELLY, Mr. LANCASTER, Mr. SAWYER, Mr. STOKES, Mr. ROE, Mr. BORSKI, Mr. PALLONE, Mr. RANGEL, Mr. THOMAS of Georgia, Mr. TOWNS, Mr. TRAXLER, Mr. NOWAK, Mr. BLILEY, Mr. SISISKY, Mr. SAXTON, Mr. SCHAEFER, Mr. LEWIS of Florida, Mr. CHAPMAN, Mr. IRELAND, Mr. SKELTON, Mr. SMITH of Iowa, Mr. PACKARD, Mr. BATES, Mr. RUSSO, Mr. MCNULTY, Mr. POSHARD, Mr. SMITH of New Jersey, Mrs. COLLINS, Mr. HAMILTON, Mr. FASCELL, Mr. WOLF, Mr. JACOBS, Mr. HARRIS, Mr. SCHUETTE, Mrs. PATTERSON, Mr. APPLEGATE, Mr. ANNUNZIO, Mr. AKAKA, Mr. NELSON of Florida, Mr. LIPINSKI, Mr. HANCOCK, Mr. BILIRAKIS, Mr. BURTON of Indiana, Mr. ROWLAND of Connecticut, Mr. ANDERSON, Mr. BUECHNER, Mr. DE LUGO, Mr. DIXON, Mr. DOWNEY, Mr. JOHNSTON of Florida, Mr. BENNETT, and Mr. ESPY.

H.J. Res. 274: Ms. OAKAR, Mr. STOKES, and Mr. BILIRAKIS.

H.J. Res. 275: Mr. PICKETT, Mr. DYMALLY, Mr. BUSTAMANTE, Mr. DERRICK, Mr. STUMP, Mr. BUNNING, Mr. GOODLING, Mr. AKAKA, Mr. JOHNSON of South Dakota, Mr. PARKER, Mr. DE LUGO, Mr. INHOFE, Mr. BEVILL, Mr. APPLEGATE, Mr. TALLON, and Mr. KILDEE.

H. Con. Res. 79: Mr. DANNEMEYER, Mr. AKAKA, Mr. MANTON, Mr. SAXTON, Mr. LIPINSKI, Mr. OWENS of Utah, Mr. SKELTON, Mr. ANDREWS, Mr. PANETTA, Mr. WOLPE, Mrs. KENNELLY, Mr. ATKINS, Mr. SOLOMON, Mr. FUSTER, and Mr. DEFAZIO.

H. Con. Res. 113: Mr. ROHRABACHER.

H. Con. Res. 118: Mr. RAHALL, Mr. LIGHTFOOT, Mr. HUTTO, Mr. APPLEGATE, Mr. BUNNING, Mr. TRAFICANT, and Mr. SMITH of Mississippi.

H. Con. Res. 123: Mr. EVANS, Mr. MCNULTY, Mr. SKEEN, Mr. MRAZEK, Mr. CRAIG, Mrs. BENTLEY, Mrs. BOXER, Mrs. PATTERSON, and Mr. ROE.

H. Con. Res. 128: Mr. HUNTER, Mr. ROBINSON, Mr. BUSTAMANTE, Mr. BATES, Mrs. MEYERS of Kansas, Mr. MANTON, Mr. ATKINS, Mr. FORD of Michigan, Mr. PENNY, Mr. DYMALLY, Mr. STEARNS, and Mr. ROHRABACHER.

H. Con. Res. 134: Mr. MILLER of Ohio, Mr. GILMAN, Mr. EVANS, Mr. BAKER, Mr. CAMPBELL of Colorado, Mr. MCEWEN, Mr. BUSTAMANTE, and Mr. HYDE.

H. Con. Res. 135: Mr. ROHRABACHER, Mr. WELDON, Mr. MCEWEN, and Mr. NEAL of North Carolina.

H. Res. 41: Mr. STOKES and Mr. WISE.

H. Res. 120: Mr. CROCKETT, Mr. MCDERMOTT, Mr. AKAKA, Mr. STALLINGS, Mr. KASTENMEIER, Mrs. BOXER, and Mr. SPENCE.

H. Res. 134: Mr. LANCASTER.

H. Res. 144: Mr. ROHRABACHER.1

EXTENSIONS OF REMARKS

WHY I AM PROUD TO BE AN AMERICAN

HON. WILLIAM D. FORD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 13, 1989

Mr. FORD of Michigan. Mr. Speaker, I rise today to share with my colleagues five award winning essays by Christopher P. Chandler, Gretchen Spencer, Julie A. Yonts, Scott Lange, and Stephen Michon, sixth grade students at the Hale Creek Elementary School in Romulus, MI. Their teacher, Mrs. Gaye McGinnis, has sponsored this essay contest over the years and brings her class to Washington each year; and it is always an honor to present the winners with flags that have been flown over the Capitol in their name.

WHY I AM PROUD TO BE AN AMERICAN

(By Christopher P. Chandler)

I am proud to be an American because we have so many freedoms. My favorite is the freedom of speech. I think it is important to say what you feel. People should say what they mean and not lie.

In the U.S.S.R. there is no freedom of speech. The government controls the press. If a citizen speaks out against the government, they will go to prison.

Freedom means being able to buy what you want when you can afford it. America is very wealthy. People are starving in Ethiopia, while here in our country food is plentiful.

In America we have the right to choose the church in which we worship. Religious freedom is very personal, and the government has no place there.

In America we can get as much education as we wish and advance our knowledge as far as we choose. We work, live, and worship where we please.

The Constitution guarantees us these rights and freedoms. It can only be changed when the people approve an amendment to the Constitution.

Our freedoms are being threatened by illegal drugs. We must get drugs out of America. Tough laws must be enforced to bring this problem under control.

I owe my country my loyalty and support. If I must, I will fight to protect our freedom. I am proud to be an American.

THANKFUL FOR MY FREEDOM TO WORSHIP

(By Gretchen Spencer)

When Abraham Lincoln was asked what makes up our liberty and independence, he said, "It is not our frowning battlements, or bristling sea coasts, our army and navy . . ., our reliance is in the love of liberty which God has planted in us." [1]

Americans really *do* love liberty, and so America has been established around many different freedoms. Some of these freedoms are: the freedom to vote, freedom of the press, freedom of speech, and freedom of religion.

Even though I love all the freedoms, freedom of religion is the most important one to me. I feel this way because the church I belong to, The Church of Jesus Christ of Latter Day Saints, is more than just a church I go to on Sunday—it's a way of life. It teaches me where I came from, what's the meaning of life, and where I will go after this life on Earth. I wouldn't be able to choose my religion and practice it if American didn't have this freedom.

Many nations in the world began from wanting power,[2] but our nation began when some of the people in England wanted more freedom than they had. The main freedom they wanted was the freedom to worship as they believed.

I am very thankful that the Pilgrims loved freedom enough to go through all the hardships to come to America. I know that many children and adults suffered and died on the long journey.

This wasn't the end of America's fight for freedom. They still had many more battles to fight and much blood to shed. The war with England was long and hard, but did they give up? No! They had great courage and a love of freedom, but they had more than this. I believe they had the power of God within them. I agree with Benjamin Franklin when he said, "I have lived a long time, and the longer I live, the more convincing proofs I see of this truth: that God governs in the affairs of men. And if a sparrow cannot fall to the ground without his notice, is it probable that en empire can rise without his aid?" [3] With the help of God and their own courage and love of freedom, the early Americans made freedom of religion possible for me in two ways. First, because they established this country around freedom of religion, I can worship how I believe now. Second, the church I belong to was organized in 1830. It wouldn't have been able to begin here if this country didn't have religous liberty.

Many countries, such as China, the Soviet Union, and other communist countries, don't have this freedom, and my church could never have started in them.

I am thankful that I live in this wonderful country. It is a great country that was made by courageous people. I know that if I want this country to keep its freedom and independence, I will have to be patriotic, be involved in what goes on in my community and nationwide, and teach my children the same things.

I want to keep America the great country it is. I owe it to the people who started it, to myself, and to my children. I am truly thankful for America, Land of the Free!

WHAT THE AMERICAN FLAG MEANS TO ME

(By Julie A. Yonts)

After I wake up in the morning, I wonder, "What am I going to do today?" I always plan out my day very carefully.

Then I wonder about the people in the Soviet Union and in Nigeria. They are told what to say, what to do, and where to live. They are told everything, even what job to take!

I wonder how they can, well, "put up with" the way they are forced to live. "How many people live there because they want to? How many people live there because they have to?" I walk into school and greet people with a "Hi or Hello." Then one of my fellow students leads me and my classmates in the Pledge of Allegiance.

"With Liberty and Justice for all," is a phrase from the Pledge. All Americans have the right to choose their actions, they also have to pay the consequences for their choices and actions.

If a person committed murder, they might have to go to jail. If a person finds a lost puppy or wallet and returned it, they might be rewarded for it.

In America you must obey the laws. You are also innocent until proven guilty. After I say the Pledge I ask myself, "How many people are saying these important words with feelings and understanding?" Then I ask myself, "How many people are saying these important words just because they have to?"

When I say the Pledge I get a special feeling, like when you step outside on the first sign of spring, or when you're opening your presents on Christmas. That feeling is the way I feel when I say the Pledge of Allegiance.

"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."

These words are very special and important to me, and should be to the rest of the nation.

WHY I'M PROUD TO LIVE IN AMERICA

(By Scott Lange)

I am proud to live in America because for one, I have freedom that many other countries do not.

These freedoms are freedom of religion, freedom of the press, and freedom of speech.

The freedom of religion is the right to believe in and practice whatever faith a person chooses. This also includes the right of an individual to have no religious beliefs.

Religion has been discouraged or even forbidden in countries ruled by dictators. For example, the governments of China, Russia, and other communist nations have persecuted religion on a large scale.

Freedom of the press is the right to publish facts, ideas, and opinions without interference from the government or from private groups. This right applies to the printed media, including radio and television.

"If we in the United States didn't have freedom of the press I could not write this.

[1] "The Light of Liberty," by Paul H. Dunn.

[2] "Stand Fast by Our Constitution," J. Reuben Clark, Jr.

[3] "The Light of Liberty," by Paul H. Dunn.

Freedom of the press exists largely in the Western European countries, the English speaking nations, and Japan. It is present to a limited extent in some Latin American countries."

In Great Britain, for example, the press restricts itself on what it prints about the Pope. Australia and Ireland have strict obscenity laws. Norway and Sweden are not strict. Denmark dropped all its obscenity laws during the 1960's. (The World Book Encyclopedia, 1982)

Freedom of speech is the right to say publicly or privately what one believes. This covers all forms of expression, including books, newspapers, magazines, radio, television, and motion pictures. Many scholars consider freedom of speech a natural right. I like this best out of the ones I have named because I can say what I think or feel. It would be hard to express ideas or opinions. I don't know how it would feel. I have never lived in or ever been in a country that is not free.

All the information I have looked at or have received tells me that I am very lucky to be free and I feel sorry for those who are not free and don't have all the rights I have.

WHY I'M PROUD TO BE AN AMERICAN

(By Stephen Michon)

I am proud to be an American because of all the freedoms, rights, and laws that keep America safe and peaceful.

Religious freedom allows me to believe in anything that I want to believe in or if I choose, not to believe in anything. Other countries such as Russia, Poland, Yugoslavia, and Hungary don't have religious freedom which is guaranteed by the Constitution of the United States.

Freedom of the press lets me know what is going on everywhere. If something bad is happening within the government the press lets us know. Countries like Russia, Poland, Yugoslavia, China, Hungary and Czechoslovakia don't have freedom of the press. People only read good things from the government and they will be happy and satisfied and will stay happy.

Freedom of speech allows me to laugh, talk, yell, and speak a free mind. In Hungary in 1956 the people protested against the government and hundreds of citizens were killed and many were put in jail. If I protest against the government in America they will do nothing against me.

When we break the law our freedoms and rights are taken away. We can be assured of our rights and freedoms if we don't break the law.

America is not perfect but there is a system that provides ways of correcting mistakes. It is a privilege to live here.

A TRIBUTE TO LT. COL. LIONEL A. JACKSON

HON. RON de LUGO

OF THE VIRGIN ISLANDS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 13, 1989

Mr. DE LUGO. Mr. Speaker, I am proud to pay tribute today to Lt. Col. Lionel A. Jackson, a native of Frederiksted, St. Croix, in the U.S. Virgin Islands, who earned high military awards and was recently buried in Arlington National Cemetery with full military honors after his death on April 11.

Lieutenant Colonel Jackson entered the military in 1951 and established an exceptionally outstanding record in his 31-year career in the U.S. Army and Virgin Islands National Guard, as well as NASA. During two tours of duty in Vietnam, from 1966 to 1969, he served as commander of an armed helicopter unit that displayed great valor and courage conducting emergency medical evacuations and other missions under extremely tough combat conditions. He came out of the service with a host of honors, including more than 20 Air Medals for over 800 combat missions, the Purple Heart for injury in combat, and two Distinguished Flying Crosses for Valor, the Nation's second highest award.

Lieutenant Colonel Jackson exemplifies the very best that our country has to offer in courage and service in the Armed Forces. After growing up on Frederiksted, as one of 15 children of Ethel Challenger Jackson and Julius A. Jackson, he entered the U.S. Army just before his 18th birthday in 1951. He advanced through rigorous and demanding training—ranging from officer candidate school to airborne school, parachute training, and even engineering. During an unpopular war, he served with unswerving loyalty and honor. He did his duty to the very best of his ability and is an outstanding model for our country's young people.

Lieutenant Colonel Jackson's career also included periods as a deputy inspector general in the Army Forces in Okinawa, an assistant commander at the Yuma Proving Grounds in Yuma, AZ, a U.S. property and fiscal officer with the Virgin Islands National Guard, and a project officer with NASA, where he worked on Apollo flights II, III, and IV.

The entire Virgin Islands is proud of Lieutenant Colonel Jackson's record. In 1968, the Virgin Islands Legislature awarded him the Virgin Islands Medal of Honor for his achievements as a helicopter gunship commander. This is an extremely well-deserved honor. Now, sadly, at the time of his death, we again remember his service and his achievements. I am proud to express the admiration and respect that I and other Virgin Islanders feel for the life and career of Lt. Col. Lionel A. Jackson.

DEMOCRACY, LIBERTY AND JUSTICE IN THE PEOPLE'S REPUBLIC OF CHINA ACT OF 1989

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 13, 1989

Mr. GILMAN. Mr. Speaker, today I am introducing H.R. 2611, the Democracy, Liberty, and Justice in the People's Republic of China Act of 1989. The bill calls for trade sanctions and other actions against the People's Republic of China until human rights and democracy are on a firm footing.

No longer can we stand idly by watching what happened in Tibet repeat itself in the People's Republic of China. We must take firm action now to put the Congress and the American people on record as opposing totalitarian dictatorial regimes. We must respond to the leaders in Beijing as we do to the leaders in Panama or any where else where power hungry rules are determined to hang on, even if they don't have the mandate from the people to do so.

Prior to the savage butchering of thousands of unarmed Chinese students and their supporters in Tiananmen Square, the Chinese dissident Fang Lizhi made some suggestions on how the West can best help bring about greater democracy and human rights in the People's Republic of China. The astrophysicist, the People's Republic of China's most respected dissident, who now has taken refuge in our Embassy in Beijing, advocated certain economic actions against his country. This bill links credit, trade, and multilateral bank loans to democracy and human rights in Tibet and the People's Republic of China.

As the writer A.M. Rosenthal of the New York Times said today in his "On My Mind" column, "The students of Beijing showed in Tiananmen Square what kind of men and women they were. Now it is our turn." I believe H.R. 2611 is a step in that direction and I invite my colleagues to join in support of the bill:

H.R. 2611

A bill concerning democracy and human rights in the People's Republic of China and Tibet

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. TITLE.

This Act shall be known as the "Democracy, Liberty, and Justice in the People's Republic of China Act of 1989".

SEC. 2. FINDINGS.

The Congress finds that—

(1) the Government of the People's Republic of China is attempting to crush the democracy and reform movement in China through the use of wanton violence by the People's Liberation Army;

(2) the United States Congress condemns the brutal actions taken by the People's Republic of China against the Chinese people during peaceful, nonviolent demonstrations for democratic change;

(3) the Government of the People's Republic of China has used the People's Liberation Army to crush brutally the freedom movement in Tibet on several occasions;

(4) fundamental human, political, and economic rights are denied to the people of China and the people of Tibet by the Government of the People's Republic of China;

(5) the President of the United States has announced that the United States would immediately suspend all government-to-government sales and commercial exports of weapons, immediately suspend all visits between the United States and Chinese military officials, treat sympathetically requests by Chinese students in the United States to extend their stay, and offer humanitarian and medical assistance through the International Committee of the Red Cross to those injured during the assault on Beijing; and

(6) the President of the United States is to be commended for his forthright action.

SEC. 3. IMPOSITION OF UNITED STATES SANCTIONS WITH RESPECT TO THE PEOPLE'S REPUBLIC OF CHINA.

Sections 4, 5, 6, 7, 8, 9, 10, and 11 of this Act shall take effect 10 days after the date of enactment of this Act unless the President determines and submits a notification

to the Congress that following the June 4, 1989 massacre in Beijing, the Government of the People's Republic of China—

(1) has abandoned the campaign of violence against unarmed civilians;

(2) has lifted martial law; and

(3) has made significant progress in providing for democracy, liberty, and justice in Tibet and the People's Republic of China.

SEC. 4. SUSPENSION OF UNITED STATES ASSISTANCE.

(a) EXPORT-IMPORT BANK.—Notwithstanding any other provisions of law, no loan, credit, credit guarantee, or insurance may be extended to the People's Republic of China by any agency of the United States Government, including the Export-Import Bank of the United States and the Overseas Private Investment Corporation (OPIC).

(b) TRADE DEVELOPMENT PROGRAM.—Funds authorized to be appropriated or otherwise made available by the Congress may not be obligated or expended for activities of the Trade Development Program with respect to the People's Republic of China.

(c) MULTILATERAL ACTION.—The Congress urges the Secretary of State to encourage countries which are allies of the United States to suspend programs providing assistance comparable to that described in subsections (a) and (b) to the People's Republic of China.

SEC. 5. SUSPENSION OF TRADE BENEFITS AND COMMERCIAL RELATIONS.

(a) DENIAL OF NONDISCRIMINATORY TREATMENT.—Products of the People's Republic of China shall not receive nondiscriminatory treatment by the United States.

(b) INTERNATIONAL FINANCIAL INSTITUTIONS.—The Secretary of the Treasury shall instruct the United States Executive Directors to the International Bank for Reconstruction and Development, the International Development Association, the International Finance Corporation, and the Asian Development Bank to—

(1) oppose any loan, grant, or other form of economic or technical assistance to the People's Republic of China;

(2) propose and support a downgrading of the membership status of the People's Republic of China to that of an observer; and

(3) urge other democratic countries to support actions taken by the United States Executive Directors pursuant to this section.

(c) STATUS OF PEOPLE'S REPUBLIC OF CHINA AT GATT.—The United States Trade Representative shall instruct the United States Representatives to the General Agreement on Tariffs and Trade (GATT) to support the suspension of observer status for the People's Republic of China at GATT.

(d) TRADE AGREEMENT.—Funds authorized to be appropriated or otherwise made available by the Congress may not be obligated or expended to negotiate, conclude, or carry out any commercial agreement with the People's Republic of China.

(e) UNITED STATES-CHINA TRADE ORGANIZATIONS.—Funds authorized to be appropriated or otherwise made available by the Congress may not be obligated or expended for participation by the United States on the United States-China Joint Committee on Commerce and Trade or the United States-China Commission on Trade.

SEC. 6. SUSPENSION OF CERTAIN UNITED STATES EXPORTS TO THE PEOPLE'S REPUBLIC OF CHINA.

(a) LICENSES FOR EXPORT OF ITEMS ON THE MUNITIONS CONTROL LIST AND THE COMMERCIAL CONTROL LIST.—

(1) Licenses for export to the People's Republic of China of items on the United States Munitions Control List or on the Commercial Control List are suspended.

(2) Funds authorized to be appropriated or otherwise made available by the Congress may not be obligated or expended to process or issue any license for the export to the People's Republic of China of items on the United States Munitions Control List or items on the Commercial Control List.

(b) COCOM.—

(1) The Secretary of State shall instruct the United States Representative to the Coordinating Committee on Multilateral Export Controls (COCOM) to oppose the export to the People's Republic of China of any COCOM-controlled item by any country participating in COCOM.

(2) The Congress urges the Secretary of State to encourage the industrialized Western allies of the United States to join United States efforts to oppose the export of any COCOM controlled item to the People's Republic of China and suspend the export of other military items and advanced technology.

SEC. 7. LIMITATION ON IMPORTS FROM COUNTRIES WHICH TAKE COMMERCIAL ADVANTAGE OF UNITED STATES SANCTIONS.

The President is authorized to limit the importation into the United States of any product or service of a foreign country to the extent to which such foreign country benefits from, or otherwise takes commercial advantage of, any sanction, prohibition, or limitation imposed by or under this Act.

SEC. 8. SUSPENSION OF MILITARY COOPERATION.

No agency or entity of the United States may engage in any form of military cooperation, direct or indirect, with the People's Republic of China.

SEC. 9. SUSPENSION OF SCIENCE AND TECHNOLOGY COOPERATION.

Funds authorized to be appropriated or otherwise made available by the Congress may not be obligated or expended for United States participation under any United States-China agreement or protocol on scientific cooperation.

SEC. 10. CHINESE AND TIBETAN STUDENTS IN THE UNITED STATES.

The Attorney General shall treat sympathetically requests by students from Tibet and the People's Republic of China studying in the United States for Extended Voluntary Departure status.

SEC. 11. CONDITIONS UNDER WHICH SANCTIONS MAY BE LIFTED.

The provisions of this Act shall cease to have effect on the date on which the President determines and submits a notification to the Congress that the Government of the People's Republic of China—

(1) is no longer carrying out a sustained campaign of violence against unarmed civilians;

(2) has lifted martial law; and

(3) has made significant progress in providing for democracy, liberty, and justice in Tibet and the People's Republic of China.

IN RECOGNITION OF THE TUSTIN SIXTH GRADE "ODYSSEY OF THE MIND" TEAM

HON. BILL SCHUETTE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 13, 1989

Mr. SCHUETTE. Mr. Speaker, I rise today to honor the Tustin sixth graders who participated in the "Odyssey of the Mind" competition for the State of Michigan. They should be saluted for their first place finish in State competition. The first phase was a skit to sell a product, and the second phase was brainstorming. The creative talents that these students have shown will be displayed in Boulder, CO, at the World Odyssey of the Mind competition.

In this day of educational crisis these students should be applauded for their initiative and problem solving skills. As America enters the 21st century these skills are going to become increasingly important to our Nations future. The ability to assess a situation and creatively deal with the problem will become increasingly vital skills. Students that are excelling in these activities should be encouraged and congratulated for their efforts.

Mr. Speaker, I ask that you join me in saluting the Tustin sixth grader's Odyssey of the Mind team for their first place award in the Michigan competition. I also know that we wish each of them: Rylan Kahley, Kelly Anderson, Cindy Nix, Wendy Paramenter, Mike Pacola, Lisa Black, and Megan Anderson the best of luck in the World Odyssey of the Mind competition.

THE 1956 HUNGARIAN PREMIER REBURIED IN BUDAPEST

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 13, 1989

Mr. SOLOMON. Mr. Speaker, Dr. Sandor Balogh, chairman of the Foreign Affairs and Human Rights Committee of the National Federation of American Hungarians, is an academician who is well-versed in the events now taking place in Hungary. As a former resident of that country, he is also a specialist in its past.

Upon his return from a recent trip to Hungary, Dr. Balogh wrote the following article, reflecting his views on the planned reburial of former Premier Imre Nagy as it relates to current events in Hungary:

THE 1956 HUNGARIAN PREMIER REBURIED IN BUDAPEST

(By Dr. Sandor Balogh)

"The bones of Imre Nagy, the patriot who was executed three decades ago and dumped in a mass grave, will be reburied in honor on June 16 (1989, the 31st) anniversary of his execution. Some officials worry that this may trigger a new uprising," reports William Safire from Budapest.

Imre Nagy was prime minister of Hungary first in 1953, after Stalin's death, to be replaced in 1955 by the Stalinist Hegedus. In 1956, during the Uprising, Nagy was made

prime minister again, at the demand of the people.

After the Soviet attacked on Nov. 4, 1956, he escaped to the Yugoslavian Embassy. After promised free conduct, he left the Embassy in a bus together with several other Hungarian leaders. They were all arrested by the Soviet military police.

In spite of written guarantee by Janos Kadar then prime minister, he was tried and executed on June 16, 1958, provoking angry remarks from world leaders and the international media.

For 30 years his grave was not revealed even to this relatives, in spite of international protest.

As part of the recent democratization process, his remains have been exhumed in April of this year, and along with several other executed leaders of the Revolution of 1956 will be officially re-buried on the 31st anniversary of the execution, June 16, 1989.

The event is expected to be a milestone in the democratization process, with hundreds of thousands preparing to demonstrate in support of the trend toward democracy.

While Imre Nagy was a communist, he stands as a symbol of democracy and national self determination. Many of the current reforms are following his prescriptions. Nagy wrote in 1955, while ousted from power and fighting for his reinstatement the following about the Hungarian people: "They want a People's Democracy where working people are masters of their country and of their own fate, where human beings are respected, and where social and political life is conducted in the spirit of humanism. . . . The virtues that little by little are dying out in Party life and Communist conduct must be revived and developed. Such virtues include love and respect for the Hungarian people, close relations and unity with the people, loyalty to the people, and true service to their interest. . . ."

While premier in 1956, he requested that the Soviet troops leave Hungary, declared Hungary's neutrality, and introduced economic and political reforms that are still vital demands even today. After his capture, he refused to compromise even if it meant certain death and gave his life for his people. In the hearts of many this Communist leader has taken his place alone with the other great heroes of the thousand year old Hungarian history.

Therefore his reburial is a great national event, showing the nation's respect to a hero, and also a symbolic event that indicts the leadership of Janos Kadar, who, in reaction to the events of 1956 went back to the same old anti-Hungarian, internationalist and Stalinist methods that Nagy called "national nihilism." Finally, his re-burial is a message that his ideas should be followed by the current regime.

While Hungary was described some ten years ago as the economic miracle of the Soviet bloc, today she is in tremendous economic crisis: for a nation of just over 10 million people, the foreign indebtedness is about 20 billion dollars, the highest per capita indebtedness in the Soviet world. The national economy is also bankrupt, unable even to finance the interest on the loans.

Recognizing the hopelessness of the situation, the people pushed, and the party responded, at least with promises and a democratic rhetoric, toward more economic and political reforms.

Some of the progress is more symbolic, while others are basic. But the threat of returning to the old ways, as it has happened just recently in China, is a distinct threat. Also, one cannot rule out another Soviet intervention.

Some of the recent achievements:

1. Removal of the Iron Curtain and the hated barbed wire, along with much freer travel policies both into and out of Hungary;

2. Abolition of the State Office for Religious Control and permission to organize religious orders (although no effort has been made to provide financial aid to support private schools);

3. Acceptance of over 10,000 refugees from neighboring Communist Rumania, the first by a "socialist" country;

4. Promise of new constitution, free multi party elections, relaxed control over the media, already active Parliament where elected deputies, most of them members of the Party, are free to criticize the regime;

5. Promised re-examination of all political trials and rehabilitation of the innocent victims, along with the re-burial of Imre Nagy and companions, as well as talk of rehabilitation of Cardinal Mindszenty.

At the same time, other problems continue:

1. Refusal to request the removal of Soviet troops (and if necessary, quit the Warsaw Pact) and to declare, according to the overwhelming wishes of the people Austrian style neutrality in Hungary, even though a neutral Hungary (with a neutral Poland, erecting a buffer zone between the Soviet and Western Europe) would be a great step toward de-fusing the East-West conflict;

2. Refusal to account for the mismanaged funds and to effect meaningful economic reforms, so the country continues to sink deeper and deeper into the crisis;

3. Instead of cutting unnecessary expenses, ending Soviet exploitation of the Hungarian eocnomy, and refusing to contribute to the international aid program of the Soviet Union, they attempt to raise revenue by inflation and new taxes;

4. With many of the already promised reforms the regime still drags its feet in implementing them. Also, there is no indication that the perpetrators of the illegal trials and the instigators behind the illegal sentences and executions are going to be held responsible.

The National Federation of American Hungarians (NFAH) is the largest organization in the United States, having more than one hundred member organizations, representing tens of thousands of Americans of Hungarian ancestry. NFAH supports the reform movement in Hungary and hopes that with the support of the free world the movement will produce true independence and democracy in Hungary and in the entire Soviet sphere, including the Soviet Union itself, Poland, the Baltic Nations, and even in the countries where the wind of freedom has not started blowing yet.

At the same time, the Federation is saddened by the use of military force in China against students, and prays that the sacrifice of the Chinese students and workers will not be in vain. The peoples' need for justice and freedom cannot be oppressed forever!

MUSKIE ARCHIVES AT BATES COLLEGE

HON. OLYMPIA J. SNOWE

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 13, 1989

Ms. SNOWE. Mr. Speaker, today Representative JOSEPH BRENNAN and I have introduced a bill to authorize a $5 million endowment to fund the Edmund S. Muskie Archives at Bates College in Lewiston, ME.

The archives will serve to maintain and process the papers and documents of the distinguished former Senator Edmund S. Muskie. In addition to hundreds of thousands of documents, the archives contains over 1,000 audio and video tapes, films, photographs, and other political memorabilia.

The funds will also be used to operate an annual summer program, called the Maine Scholars Program, involving 30 to 40 high school students of various backgrounds to introduce them to the college experience. The Maine Scholars Program will help these students to feel comfortable in a college environment.

In addition, the center will organize public policy seminars and forums on the workings of government and important national and international concerns.

Mr. Speaker, I urge my colleagues to join us in support of this bill to provide funding for this valuable educational resource.

A BILL TO FUND THE MUSKIE ARCHIVES AT BATES COLLEGE

HON. JOSEPH E. BRENNAN

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 13, 1989

Mr. BRENNAN. Mr. Speaker, today Representative OLYMPIA SNOWE and I have introduced a bill to authorize a $5 million endowment to fund the Edmund S. Muskie Archives at Bates College in Lewiston, ME.

The archives will serve first and foremost as an archive holding the papers of one of Maine's and America's most distinguished statesmen, former Senator Edmund S. Muskie. Senator Muskie served not only as a U.S. Senator, but also as Governor of Maine and as Secretary of State of the United States. The Muskie Archives will contain thousands of documents, plus audio tapes, video tapes, films, and photographs documenting the career of this distinguished American public servant.

The Muskie Archives at Bates College will also provide a place for men and women to discuss and contemplate the issues of the day. As a resource for theoreticians and scholars on the one hand, and practitioners and public servants on the other hand, the archives will bridge gaps between the thinkers and the doers in the realm of public affairs.

Mr. Speaker, I urge my colleagues to join us in support of this bill to provide funding for this valuable and important educational resource.

TRIBUTE TO KIDD & CO., INC., EMPLOYEES

HON. JAMES H. BILBRAY

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 13, 1989

Mr. BILBRAY. Mr. Speaker, I rise today to recognize and honor an outstanding group of Nevadans who, having endured a life threatening disaster that put the community of southern Nevada in peril, have since rallied together in service and contribution to this great State.

We can well remember the explosion and destruction of the Pacific Engineering & Production Co. [PEPCON], rocket fuel plant in Henderson that killed 2 and left more than 350 injured on May 4, 1988. The concussion from the hellish blast, which measured 3.5 of the Richter scale, was felt throughout the Las Vegas Valley and literally paralyzed the society with fear. Perhaps the most conspicuous victim of the disaster was Kidd & Co., Inc., whose marshmallow candy factory 200 yards away, was engulfed by the devastating explosion and burned to its foundation.

Founded in 1895 in Chicago by family patriarch Albert E. Kidd, Kidd & Co., Inc., is today the second-largest producer of marshmallows in the United States. The blasts left all of the firm's 35 day-shift employees at the plant injured, with 2 spending more than a day in the hospital.

While the Kidd employees were kept on the payroll they organized a program of volunteer work for the city and county social services. John Kidd, the 29-year-old vice president and general manager of the facility had the great responsibility of guiding the "factory without a factory." He thought of the community service activities as a way to keep his employees active while the plant was being reconstructed. Determined to see the 90 local employees back making marshmallows in a new factory within about a year, the plant was rebuilt on the same site and resumed production on May 1989.

The Kidd & Co., Inc., employees have contributed more than 60,000 man hours to a wide variety of community service renewal and renovation projects for over 30 companies and organizations. They have completed a number of painting and restoration projects and simple carpentry repairs for such organizations as the Domestic Crisis Center, New Horizons Disabled Learning Center, Henderson Parks and Recreation and Boys and Girls Club, Clark County social services and school district, Spring Mountain Youth Camp, Goodwill Industries; in addition to bicycle repair for Child Haven, yard work for senior citizens and clerical duties for Clark County Museum, school district, and St. Judes Ranch. This is just an abbreviation of the numerous projects completed by the Kidd & Co., Inc., the list goes on and on.

I think John Kidd, who has guided the volunteer work program, speaks for all of southern Nevada when he says: "I hope my employees feel some gratitude for this because I sure do for them." We all share this gratitude for the unselfish generosity contributed by every employee at Kidd & Co., Inc., to southern Nevada.

It is with great pleasure and enthusiasm that I urge my colleagues to join me in recognizing each of the Kidd & Co., Inc., employees: Jojo Bashaw, Elizabeth Briggs, Adeline Dentice, Eleanor Fortmeyer, Yolanda Gonzales, Frances Goodhue, Lillian Goodman, Jeni Kushel, Doug Kyle, Bill Lawrence, Adam Llamas, Elvin Marshall, Norma Maranjo, Bill Nossem, Wesley Phillips, Norma Piggott, Bill Piper, Tom Preston, Jomarr Rose, Claudia Sanderson, Mike Schiller, Vicki Stock, Jenet Thacker, Helen Turner, John Ulibarri, Bernadetter Verraneault, Janice Watson, Phil Yoder, Gina Gentile, Eunuice Mays, Kathy Renstrom, Mike Bilbro, David McBride, Dave Peugh, Tony Cracchiola, Eric Ward, Jerry Hicks, Terry Allen, Arlene George, Pat Knight, Sharon Sorrie, Steven Holdaway, Pete Phillips, Vince Sanchez, Chuck Wright, Thelma Armstrong, Wally Cox, Everett White, John Kidd, and the late Steve Tiffany.

These special individuals serve as an inspiration for the entire community. They have earned plaudits from virtually all levels of government for their contributions to the southern Nevada community. Most recently they won the right to fly the red, white and blue C-Flag, which bears the slogan "We Can—We Care." This symbol of the President's Citation Program for Private Sector Initiatives recognizes the outstanding contributions to the American spirit of volunteerism and community action, as exemplified by Kidd & Co., Inc., of Henderson.

Mr. Speaker, I am proud to have this opportunity to pay tribute to these courageous, generous, and loyal citizens. I speak for all of southern Nevada when I say thank you for your extraordinary contributions and commitment to our communty and our State.

HONORING RABBI LIONEL KLASS ON THE OCCASION OF HIS BIRTHDAY

HON. CHARLES E. SCHUMER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 13, 1989

Mr. SCHUMER. Mr. Speaker, I call your attention to Rabbi Lionel Klass, an editor of the Jewish Press on the occasion of his birthday.

Rabbi Klass received his B.A. at Brooklyn College. From there he went on to earn a degree in library science at the acclaimed program at Pratt University. After finishing his education, Lionel Klass proved his mettle as one of the finest of our Nation's young men while serving in the U.S. Air Force for 3½ years.

Capping his ambitions and talents Rabbi Klass entered the field of journalism. As an editor of the Jewish Press for the past 30 years, he has brought undeniable success to the paper. Lionel's efforts have enabled the Jewish Press to gain an international reputation. In fact, the circulation of the paper now exceeds 500,000 copies around the world. Rabbi Klass has taken a publication that traditionally might be limited in its readership and transformed it into one which has been able to appeal to a much broader audience. Rabbi Klass has provided the Jewish community and the greater community at large an invaluable service.

Mr. Speaker, please join me in honoring Rabbi Lionel Klass on the occasion of this milestone and expressing our extreme gratitude for the service he has provided us. I am certain that his wife Blossom Klass, a community leader in her own right, shares our joy in wishing her husband a happy birthday.

U.N. INTERNATIONAL CONFERENCE ON INDOCHINESE REFUGEES—TIME FOR ACTION TO PREVENT HUMAN RIGHTS ABUSE AGAINST REFUGEES FROM VIETNAM

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 13, 1989

Mr. LANTOS. Mr. Speaker, when we consider the large number of monks, nuns, intellectuals, and ordinary citizens whom the Socialist Republic of Vietnam still holds in their infamous "reeducation" camps, we must conclude that recent expressions of interest by the Vietnamese Government in modernization and democracy should be treated with some caution. We must be especially concerned about the possible fate of refugees facing repatriation to Vietnam. With the continuing persecution of those who have remained in the country, for only the peaceful expression of their religious and other opinions, what can we expect for those who may return, having once escaped?

Mr. Speaker, as you know this month in Geneva, the United Nations will convene the International Conference on Indochinese Refugees. One important goal for this meeting is to provide arrangements for the future welfare of Vietnamese refugees. At the very least, those returning to Vietnam should enjoy thorough and ongoing supervision by United Nations representatives within Vietnam to assure their safety and just treatment.

Additionally, we in the United States should further consider the successful Canadian model in this area. Canada accepts any otherwise eligible refugee whose welfare, education, and adjustment is underwritten by a church or other group which meets certain qualifications. In this way, Canadian humanitarian concerns can be realized beyond the limits of governmental support.

Mr. Speaker, I hope that we have learned our lesson of the 1930's and 1940's, when our Government turned back so many refugees to their deaths. Our responsibility is more than just to refrain from persecution. It is also to recognize when our actions may permit persecution by others, and to prevent that harm before it can occur.

LEGISLATION TO HELP SMALL BANKS REMAIN ON CASH ACCOUNTING

HON. BYRON L. DORGAN

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 13, 1989

Mr. DORGAN of North Dakota. Mr. Speaker, today I am reintroducing a bill to clarify that small commercial banks may continue to use the cash method of accounting for income tax purposes, under section 448(c) of the Tax Reform Act of 1986. This bill is identical to the bill I introduced last Congress, H.R. 4515, which had 16 cosponsors.

Section 448(c) provided that any small business entity with up to $5 million of annual gross receipts may continue to use cash accounting for tax purposes. There was no indication in the statutory language or the legislative history of that section that Congress intended to exclude any entity that meets the under $5 million gross receipts test, and therefore small commercial banks should be able to rely upon that provision as a basis for using cash accounting.

A problem arose, however, because language in a subsequent part of the Tax Reform Act of 1986, in sections 1281 and 1282, requires that all banks accrue daily the income from stated interest on their short-term loans. If applied to small banks, that requirement makes it untenable to remain on the cash basis method of accounting because the bank would be accruing interest income on those loans prior to being able to offset interest expenses on the deposit funds used to make those loans. The resulting imbalance of income and expense is particularly serious for smaller banks, because a larger percentage of their assets is often composed of short-term loans that mature in 1 year or less.

The discrepancy created by Congress between section 448(c) and section 1281 and 1282 was, by all indications, inadvertent. In fact, the legislative history shows that the original provision dealing with accruals on short-term obligations, in the Deficit Reduction Act of 1984, was intended to require the daily accrual of the market discount on such short-term obligations as Treasury bills that mature in 1 year or less. The record indicates that Congress was concerned that taxpayers using the accrual method of accounting should be required to accrue this income due to the high interest rates at that time and the concern that taxpayers were making leveraged purchases of such discounted obligations at year-end to achieve tax deferral. The 1986 amendment of this provision, sections 1281 and 1282, broadened the provision to include interest on short-term obligations, regardless of whether the interest is stated or is in the form of acquisition discount or when the interest is paid. However, such loans made by banks, especially small banks in the ordinary course of their business are not the type of loans that create the abuses to which the special legislative provision was addressed. And under section 448, larger banks with average gross receipts of more than $5 million are required to use the accrual method.

Consequently, small banks under $5 million of gross receipts that are on cash accounting for tax purposes are caught in a catch-22 situation that truly appears to be due to an oversight in the law. Many small bankers have been presented by their accountants with an artificially high tax bill because of their inability to offset interest income with interest expense, when they follow a strict interpretation of sections 1281 and 1282.

I believe that Congress in section 448(c) of the Tax Reform Act of 1986 made a commitment to the small banks identical to the commitment to other small businesses under $5 million gross receipts that they may continue to use cash accounting. To honor that commitment, we should now make the technical change in the Tax Code so that the interest accrual provision will not apply to those small banks who are on cash accounting with respect to short-term loans that are made in the ordinary course of the bank's trade or business. That is what my bill is designed to do.

I hope that we can correct the situation now, so that we don't prolong the confusion for this group of small bankers. I urge you to cosponsor this legislation.

A CRISIS IN CHINA

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 13, 1989

Mr. MAZZOLI. Mr. Speaker, what we have before us today in the People's Republic of China is a crisis. A situation crying for resolution. A country and a people ready to explode.

A young intern in my office, Braxston Banks, a student at the University of Notre Dame, traveled in the People's Republic of China last summer. He looks at the drama unfolding in China both as an observer and as one who has been in Tiananmen Square. His counsel has been helpful to me in placing events in China in proper perspective.

I join citizens throughout the world in expressing my outrage over the indiscriminate killings, and the brutal suppression by Chinese authorities of a people's desire for democracy and freedom.

I join Chinese students attending school in Louisville and citizens of my district in their dismay and distress over the violence in Beijing. Many gathered recently at the University of Louisville and at Louisville City Hall to protect and to stand in solidarity with their friends and colleagues in Beijing.

Turning back the page of time, this is not the first time the People's Republic of China has been wrenched by revolt and violence. In the mid-sixties, under Mao Tse-tung, China underwent what is called today the Cultural Revolution. We cannot even calculate how many Chinese, specifically intellectuals, professors, and writers, were sent to reeducation camps where they were maltreated, even tortured, until they completely accepted the edicts of Chairman Mao.

We, as a great nation, cannot allow history to repeat itself.

We must make it clear to Chinese authorities that their conduct is not acceptable among civilized nations of the world and that stern sanctions will be invoked by the United States and its allies if conditions for the protesting people of China do not improve.

THE CHOICES FOR CHILDREN ACT OF 1989

HON. JAN MEYERS

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 13, 1989

Mrs. MEYERS of Kansas. Mr. Speaker, on May 4, I introduced H.R. 2244, the Choices for Children Act, that gives parents, providers, and local governments flexible child care choices. My legislation is a practical and comprehensive alternative to the bloated and costly ABC child care bill. I urge my colleagues to cosponsor this legislation.

Unlike the ABC bill, the country can afford the Choices for Children Act. Whereas the ABC bill costs $2.5 billion per year, my legislation authorizes $750 million in fiscal 1990 and $600 million in each of the following 2 fiscal years. More importantly, at a third of the cost of other child care bills, H.R. 2244 does more to expand child care care choices for parents and enhance the supply of child care than the ABC bill purports to do.

Because there is no one-way-for-all child care solution, H.R. 2244 consists of five major parts. They are:

Block grants: To help States respond to their particular child care concerns, $300 million is authorized annually in block grants for child care training, recruitment, voucher, referral, and other innovative programs. These programs are targeted to serve low income families. No Federal standards are imposed on providers.

School-based grants: Grants of $100 million per year are authorized to help school districts defray the cost of establishing, equipping, and staffing extended-day child care programs. The latch-key problem affects many families, and this program addresses it. With an infrastructure already in place, it makes sense to encourage schools to be an active partner in expanding child care options for parents. The program is not a mandate; participation is optional.

Business tax credits: A 25-percent tax credit, worth up to $400,000, is provided to for-profit and nonprofit organizations to help offset the costs associated with acquiring, constructing, or rehabilitating on-site or near-site child care facilities.

Liability insurance risk pools: A one-time authorization of $100 million is provided for the establishment and operation of child care liability insurance risk pools. Many prospective providers face insurmountable liability problems. The risk pools will encourage potential providers to enter the child care market.

Revolving loan fund: A one-time authorization of $50 million is provided to help unlicensed family providers meet State licensing requirements. Family providers may borrow from the revolving fund to help pay for costs associated with meeting State standards.

The Choices for Children Act is a middle-ground alternative to the ABC bill that goes a

long way toward expanding the market of quality and affordable child care.

A section-by-section analysis of the bill follows:

THE CHOICES FOR CHILDREN ACT OF 1989—SECTION-BY-SECTION ANALYSIS

SECTION 1

Short title and table of contents.

SECTION 2

Defines purposes of the bill to give parents choices in acquiring access to quality and affordable child care, among other things.

SECTION 3

Definitions for various terms used in the bill.

SECTION 4

Authorizes $300 million in each of fiscal years 1990, 1991, and 1992 for child care block grants to States. Of the funds allocated to each State, 80 percent are to be used for a variety of purposes designed to improve access to quality and affordable child care. The remaining 20 percent of the funds to be used for innovative child care demonstration programs.

Use of block grant funds include, but are not limited to:

(1) training of day care providers;

(2) establishing a child care voucher system to give choices to low-income families;

(3) establishing a child care information and referral system;

(4) partially funding innovative child care programs sponsored by businesses, nonprofit organizations, and community-based organizations;

(5) establishing after-school child care programs in elementary schools;

(6) expanding part-day child care programs into full-day ones;

(7) setting up recruiting programs to encourage individuals to become child care providers.

Programs funded under the bill are targeted to serve families with incomes below 200 percent of the poverty line.

When applying for funds, States must provide assurances that they have standards in effect that providers must meet to receive funds under the bill.

Funds are allocated to States based on the number of children under the age of 12 residing with families having incomes below 200 percent of the poverty line.

States are required to provide a 20 percent match to the federal funds.

SECTION 5

Authorizes $100 million in each of fiscal years 1990, 1991, and 1992 to States to provide grants to school districts for the establishment of extended-day child care programs. The State educational agency (SAE) awards grants to school districts. Grants are limited to $10,000.

Use of funds include, but not limited to:

(1) offsetting the start-up costs associated with the establishment of extended-day child care programs;

(2) equipping and staffing extended-day child care programs; and

(3) conducting studies to determine the feasibility of establishing extended-day child care programs.

Funds are allocated to States based on the number of children under age 12 residing with families having incomes below 200 percent of the poverty level.

States are required to provide a 20 percent match to the federal share.

SECTION 6

Authorizes a 25 percent tax credit, not to exceed $400,000 per taxable year, to offset costs associated with acquiring, constructing, or rehabilitating on-site or near-site child care facilities. Both for-profit and nonprofit organizations are eligible for the credit. The credit sunsets on December 31, 1992.

SECTION 7

Authorizes $100 million in fiscal 1990 for the establishment and operation of child care liability insurance risk pools to help child care providers obtain affordable liability insurance. Funds remain available through fiscal 1992. When applying for funds, States must specify how the risk pools will continue to be financed after fiscal 1992.

Funds are allocated to States based on the number of children under age 12 residing with families having incomes below 200 percent of the poverty level.

SECTION 8

Authorizes $50 million in fiscal 1990 for the establishment of a revolving loan fund to help family-based child care providers become licensed or accredited. States determine the maximum individual amount that can be borrowed from the revolving loan fund.

OUR WAR ON DRUGS: WHO'S IN CHARGE?

HON. THOMAS J. MANTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 13, 1989

Mr. MANTON. Mr. Speaker, I was dismayed upon reading an article in last Wednesday's Washington Post about our Nation's antidrug efforts. We in this House, and the other body, have worked diligently during the past two sessions of Congress to develop a strong, effective national program for fighting the war on drugs. We passed a strong drug bill last year and sent it to the administration for implementation. Instead of establishing a unified, coordinated force to fight the scourge of illegal drugs which are ripping apart the very fabric of our society, the Nation's antidrug efforts are virtually adrift in a morass of bureaucratic in fighting. Our Nation's law enforcement agencies seem more intent on fighting over who will take the lead or who will reap the reward of public opinion than on resolving the crisis at hand. This is the last thing we need in our war against the drug lords. We need law enforcement officials interested in protecting the public, rather than protecting turf or garnering headlines.

Mr. Speaker, we are losing the war on drugs. Valiant police officers and innocent citizens continue to be subjected to violent assaults resulting in serious injury and death. Yet, our efforts on the Federal level continue to be inadequate and sorely uncoordinated.

Mr. Speaker, I believe it is time to ask what our drug czar Mr. Bennett is doing. I also believe it is time to ask where is the leadership of the President. At a minimum they should be able to obtain greater cooperation between our law enforcement agencies so that we can rid our Nation of illicit drugs once and for all.

Mr. Speaker, I commend the Washington Post article to my colleagues.

[From the Washington Post, June 7, 1989]

ANTI-DRUG UNITS SPAR OVER WHO'S IN CHARGE—DEA, CUSTOMS CLASH ON PROBE POWERS

(By Michael Isikoff)

It was one of those red-faced moments when the federal drug war begins to look like a Marx Brothers comedy.

Last fall in Phoenix, undercover Drug Enforcement Administration agents, acting on an informant's tip, plotted what is known in the trade as a "buy-bust." They set up a meeting where they hoped to buy cocaine from a suspected drug dealer, then arrest him.

At the same time, U.S. Customs Service agents were helping local police arrange a "reverse sting." They would sell cocaine to suspected buyers, then arrest them.

Each group of agents loaded their handguns and proceeded to the designated rendezvous at a suburban shopping center—only to discover they were there to arrest each other.

"Whoa! We got a problem here. I recognize that guy," a DEA agent conducting a stakeout reportedly said.

Customs officials insist that such mishaps are the price of vigilant narcotics enforcement. But for outraged DEA officials, the Phoenix foul-up was one more example of a federal drug effort that sometimes swerves out of control because too many rival agencies are traipsing around on their territory.

"The question we have to ask ourselves is: Who is in charge?" complained Tom Cash, special agent in charge of DEA's Maimi office. "Currently, nobody is in charge in narcotics investigations—and nobody wants to follow anybody else's guidance."

The long-smoldering dispute has finally boiled over in recent months with blistering interagency memos and bureaucratic lobbying that has been taken all the way up to President Bush. At stake in this hard-fought turf war is the scope of Customs authority to conduct drug investigations and, perhaps more important, whether the agency can pocket the millions of dollars in assets it seizes from drug dealers or whether it must turn that booty over to the Justice Department's Asset Forfeiture Fund.

But the dispute also highlights what many officials say is a larger phenomenon: the growing number of federal agencies, from the U.S. Forest Service to the Civil Air Patrol, that have muscled their way into the war on drugs, much the chagrin of DEA officials, who once thought DEA had that job to itself.

According to the most recent figures, 337 Customs agents, 2,320 Border Patrol agents, six Bureau of Alcohol, Tobacco and Firearms agents, 22 Immigration and Naturalization Service agents and 134 Forest Service agents have been "cross-designated" by DEA to pursue specific federal drug cases. That means there are about as many federal drug agents in other agencies now—2,819—as there are agents in all of DEA.

"The problem," said one federal official who has been following the dispute, "is that everybody wants to be a narc."

DEA officials thought they had solved the problem with Customs last November when the Justice Department's Office of Legal Counsel issued an opinion stating unequivocally that Customs agents lacked the authority to seize assets from drug dealers

unless those agents were explicitly cross-designated by the DEA to work drug cases.

Customs still has unchallenged authority to seize drugs and pursue smugglers at the borders. But under the new guidelines, designed to put Customs agents on a shorter leash, any time Customs wants to investigate a drug trafficker within the country, it must seek DEA's permission, then follow DEA's permission, then follow DEA's instructions.

The restrictions infuriated Customs investigations, who believe they have busted major traffickers only because they have been free to pursue drug cases on their own. One of those agents personally appealed the matter to Bush during an April 25 briefing at Rancho Del Rio, Calif. According to Customs officials, the agent extracted a promise from the president to review the matter.

"It was an unfortunate opinion and without question, it did have a demoralizing effect on Customs personnel," Customs Commissioner William von Raab said in a recent interview.

"They've made no bones about the fact they're going to get this changed," said one DEA official. "They're saying it's outrageous."

Von Raab insists that he is trying to quietly work out a compromise. But internal memos suggest neither side is too happy with the way things are going.

In a March 14 memorandum, Von Raab took a broad view of "cross-designation," saying it means that DEA offices would exercise only "general oversight" over Customs drug investigations.

Then, in a May 9 memo to Attorney General Dick Thornburgh, DEA Administrator John C. Lawn cited what he called "continuing problems" and "uneven or sporadic implementation" by Customs.

According to an April "survey" of DEA offices attached to Lawn's memo, Von Raab had recommended "100 percent cross designation" for all Customs agents in some cities. In other cities, such as Detroit and Denver, DEA offices "have documented unilateral" Customs investigations of domestic drug cases "with no smuggling aspects," the survey said.

In one of those cases, the memo said, Customs agents "attempted to bypass DEA and deal with the FBI."

"We cannot allow an environment to develop that permits an agency of the federal government to 'shop' state, local or foreign policy officials," Lawn's memo said.

For Customs officials, however, DEA's hard-line position makes no sense, given the limited resources available to fight illegal drugs. "It's a shame," said one Customs official, "I see this as one more bureaucratic procedure that stymies our effort."

LET'S GET RID OF THE "SLIME-SLINGERS"

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 13, 1989

Mr. MILLER of California. Mr. Speaker, I am hopeful that all Members of the House share a strong sense of revulsion at the smear tactics of the Republican National Committee this past week. At a time when the Nation, and the Congress, were celebrating the accession of a distinguished and respected new Speaker, Lee Atwater and his band of a slime-slingers—in the words of Anthony Lewis—launched again their special brand of gutter politics, slandering the Speaker and denigrating the entire political process one more time.

Mr. Lewis, the distinguished New York Times columnist, properly assigns responsibility for this slander to the man at the top, noting "I do not know that we have ever had a major party chairman who raises viciousness and cowardice to as professional a level as does Lee Atwater cf the Republican National Committee."

Mr. Atwater has, throughout his political career, demonstrated an uncontrollable willingness to go for the jugular, and the facts be damned. He wields facts and political arguments with all the precision of a surgeon operating a chain saw, and with a comparable respect for human sensitivity. A candidate's personal reputation, his or her family, a lifelong career—all are suitable targets for the Atwater and the RNC slime-slingers.

Mr. Atwater, who strongly embraced the RNC smear sheet on Monday, by Tuesday claimed not to know anything about it. Either Mr. Atwater is letting the junior RNC staff run amok, which demonstrates his atrocious judgment and management style, or he is once again letting an underling take the fall for employing the RNC's well-developed style of rumor mongering. Mr. Atwater is very good at that style, and also at always finding someone else to blame, or at apologizing—after the fact, after the election, and after the reputation is sullied.

Those of us who live in the political arena have seen this reprehensible style before. As Anthony Lewis wrote in the Times on June 8:

The American people are fed up with gutter politics and with those who practice that degrading style. They demean our political system and our Nation. And perhaps what is most sad, commentator after commentator advises that mudslinging—however decried it may be—will continue because "it works."

The time has come for political leaders to repudiate the use of character assassination, innuendo, and lies as campaign and legislative tactics, and the best way to show sincerity is by getting rid of the purveyors of slime. President Bush, whose campaign benefited from Mr. Atwater's bombastic style, should demonstrate his commitment to upgrading politics in America by replacing Atwater with a skilled and respected party leader who will base campaigns and debate on the legitimate issues rather than on assaulting anyone's character or reputation.

[From the New York Times, June 8, 1989]

THE SLIME-SLINGER

(By Anthony Lewis)

This is not the only occasion on which Mr. Atwater has demonstrated such square-shooting candor in taking responsibility for what comes out of his shop and his school of politics. In last year's Presidential campaign there was Willie Horton.

Willie Horton was the black murderer who raped a white woman while on furlough from a Massachusetts prison. Last June, according to press reports, Mr. Atwater told a Republican group: "If I can make Willie Horton a household name, we'll win the election." This year he said he could not remember saying that.

He also reportedly told a Republican meeting in Atlanta, "There's a story about a fellow named Willie Horton for all I know may end up being Dukakis's running mate. He cannot remember that widely quoted remark either.

Last month Mr. Atwater said the use of Willie Horton in the campaign had nothing to do with race. "In retrospect," he told the Washingtonian magazine, "I'm sorry he was black. Now, looking back, we should have used a white guy."

In 1980 a Democratic candidate for Congress said Mr. Atwater had planted questions with reporters about the fact that he had had electric shock therapy as a teenager. Asked about that, Mr. Atwater said he would not answer charges by someone who had been "hooked up to jumper cables." This year he said he "feels terrible" about having said that and wishes "journalists would stop bringing it up."

While President Bush was endorsing a pay raise for members of Congress and Federal officials last winter, Mr. Atwater sent out a fund-raising letter attacking Democrats for the idea. When challenged, he said staff members had inserted the pay raise material.

He is plainly a man with the courage of his convictions. His conviction is that the way to win in politics is to smear—and then disavow responsibility. He does not even stop at what this country's history and present condition make the most dangerous demagoguery: the use of race.

The Atwater methods have Congress in a paralyzing state of fear and anger right now. No one knows who may be the next victim of innuendo.

That raises a question: Where is President Bush in all this? He says he wants bipartisanship, he invites Democrats to the White House—and he has Lee Atwater at the Republican National Committee. Does he want some governance in this country? Or does he want Atwaterism?

TOM JOYCE RETIRES

HON. WILLIAM D. FORD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 13, 1989

Mr. FORD of Michigan. Mr. Speaker, as chairman of the Committee on Post Office and Civil Service, I have been fortunate to have Tom Joyce on the staff as public information director and press secretary.

Tom is now retiring—the fitting end to an admirable career in journalism of covering stories and issues important to the people of Michigan and this country.

After graduating from Michigan State University, Tom began his career as a reporter for the Greenville Daily News in western Michigan. From there he moved to the Pontiac Daily Press and eventually to the Detroit Times. In 1956 Tom moved to the Washington, DC, Bureau of the Detroit News, where he covered the capital for nearly 14 years. Following his stint with the Detroit News, the country's largest afternoon newspaper, Tom joined the staff of Newsweek, and became their correspondent specializing in labor relations and organized labor. In 1977, Tom was asked to join the Carter administration in the role of assistant director of public affairs for the Council on Wage and Price Stability.

When Tom's White House duties ended in 1981, it was then that I asked him to join my committee and personal staff, where he served as an important and valued member until his retirement.

I ask my colleagues and staff members to join me in wishing Tom Joyce the best in his retirement. No doubt he'll still spend a lot of time with his first love, writing, but he'll also have time to enjoy his other favored pursuits, including sailing, woodworking, and hunting.

We will miss Tom Joyce, but I'm comforted by the fact that I can still count on him as a close friend and adviser.

WELL-EARNED PRAISE FOR MARIO WATLINGTON

HON. RON de LUGO

OF THE VIRGIN ISLANDS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 13, 1989

Mr. DE LUGO. Mr. Speaker, I am proud to make a statement today in praise of an outstanding Virgin Islander and longstanding friend of mine, Mario Watlington, who has just been elected to the National School Boards Association.

Mario has dedicated himself to improving education in the Virgin Islands and he has served his community very well. Now is it most fitting that he gain wider recognition through his election to the National School Boards Association, which sets policy for more than 15,000 school districts.

Mario has served on the Virgin Islands Board of Education since 1972 and says he is now in his last term. He will be sorely missed. He has always been a strong voice for better schools and better opportunities for our young people in the Virgin Islands. He has put his ideas into action during a distinguished career as teacher, department of education administrator, University of the Virgin Islands admissions director, and board of education member.

Mario also applied his boundless energy to other areas of public life. If he is not attending to board of education business, then he is on the tennis court, or is leading senior citizen activities, or is counseling aspiring young entrepreneurs in his capacity as a leader of the Service Corps of Retired Executives. In addition, he has served as a delegate to Virgin Islands Constitutional Conventions and adviser to many of our elected officials.

I, for one, have benefited from many years of friendship with he and his wife, Lydia, and from many insights into Virgin Islands public affairs that Mario has shared with me over the years.

Mario was profiled in the Virgin Islands Daily News on June 7, 1989. I want to reproduce that article here in the CONGRESSIONAL RECORD so my colleagues in Congress will know of Mario Watlington's outstanding contribution to education in the Virgin Islands.

The article follows:

EDUCATION'S BRILLIANT BEACON

(By Abu Bakr)

Mario Watlington last month became the first Virgin Islander to be elected to the National School Boards Association, the most influential body in its field in the United States. The board sets policy for more than 15,000 school districts.

Watlington's election, which he described as "a final contribution to the Virgin Islands before I retire," comes at the end of a distinguished career in education at all levels, and is the culmination of his 17 years of work on the V.I. school board.

NSBA President James Oglesby paid homage to Watlington after his election. Oglesby said, "Mario brings a lifetime of education and school-board experience to the board, as well as fresh perspectives. He has a background that epitomizes the ethnic and cultural diversity of our American democracy. His contribution will be significant to the cause of local school-board governance as we move into the future."

Watlington, chairman of the Joint School Boards of the Virgin Islands, was elected to what he calls his last term in that position. The four-year term began this year. His election to the national board is for one year, to fill an unexpired three-year term.

Watlington and his wife, Lydia, are the parents of well-known University of the Virgin Islands physics professor Roy Watlington, and of Audrey Watlington, a public schoolteacher in Los Angeles.

Watlington worked in the field of education all his life and produced children who followed in his footsteps. He said a career that started as a schoolteacher and led him to become deputy commissioner of education and director of admissions at the University of the Virgin Islands seemed almost destined.

"When I graduated from Charlotte Amalie High School, there was an opening for a commercial teacher, and since I was a graduate of the commercial department, I started as an evening schoolteacher. Since then, even though I worked with law firms in New York and with the New York City Housing Authority for many years, circumstances seem to have drawn me to education all my life," he said.

The St. Thomas native opened his own commercial school and worked in the courts before leaving to pursue his studies in New York. He recalls those days with delight.

Already married and a father, Watlington studied at Baruch School of Business Administration and was active in the Harlem West Indian movement that Geraldo Guirty described in his book on the era.

Guirty said Watlington was one of the Virgin Islanders who marched with the Rev. Martin Luther King and who worked to improve the lot of West Indians on the continent.

"We, the V.I. Public Affairs Council, used to meet at Guirty's house every Sunday to discuss what was happening in New York, in the Virgin Islands and in the rest of the world. We spoke with one voice and we were effective. Those were the days when J. Raymond Jones had power in Tammany Hall, and when we spoke, we would be heard," Watlington said.

That period in Watlington's life came to an end when V.I. Gov. Ralph Paiewonsky, who was putting together his administration, asked Watlington to return to the territory. Watlington became deputy commissioner for business affairs in the V.I. Department of Education.

Because Watlington then was what was called a "Donkey Democrat," his five-year career with the department fell victim in 1967 to the infighting that afflicted the Democratic Party in the territory.

He then worked for the University of the Virgin Islands until his retirement in 1982.

He has been on the school board since 1972 and has participated in the third and fourth constitutional conventions, so that he especially could push for the education agenda to which he always has been loyal. He is concerned about the quality and quantity of students' education.

"Students at risk constitute our main problem. We still have an unacceptably high dropout rate—about 30 percent—due to pregnancies, insufficient parental supervison and inadequate vocational education," he said.

He noted that a thorough infusion of the basics and a strengthening of V.I. students' motivation could boost their performance levels.

"Virgin Islands students do so well abroad that I don't see why they can't do better at home," he said. "Longer school days and at least 182 teaching days per year, and a combination of vocational education and work projects should be introduced if we are to see any major improvement."

Regarding the board's relationship with the Department of Education, he declared: "The three-part board system—two district boards and then a joint board—is going through its throes. Some members don't want it, but most of the Crucian members do. However, we are doing our best to make it work."

Education Commissioner Linda Creque, a distant relative of Watlington's, is trying within the limits she has inherited, Watlington said.

He would like to see the district superintendents report directly to the boards. He believes that the department should be concerned strictly with administrative matters.

Watlington foresees the remaining years as his final chance to help shape the education system in the territory. He says the board members are excellent and well qualified and that together they can succeed.

Watlington ran for lieutenant governor on the Dr. Aubrey Anduze ticket, but apart from that sortie into politics, he has resisted all invitations to transform his voter appeal in board elections into a senatorial seat. He is content to work in a field he knows and loves. At the end of his four-year term, he will retire from public life, he said.

A TRIBUTE TO CHIEN JEN CHEN

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 13, 1989

Mr. GILMAN. Mr. Speaker, it gives me pleasure to pay tribute to Chien Jen Chen, a highly respected diplomat for the Republic of China on Taiwan.

For more than 6 years Mr. Chen has served as deputy representative for the Coordination Council for North American Affairs [CCNAA] which is the unofficial embassy of the Republic of China on Taiwan in the United States. He has been a regular, active force in Washington for more than 18 years. Mr. Chen has been invaluable in encouraging mutual understanding of intricate and delicate issues facing our countries today and because of his service he has greatly improved this important dual relationship.

Recently promoted to Vice Minister of Foreign Affairs, Mr. Chen will be leaving Washing-

ton on June 15 and returning to his home country. The Government of the Republic of China on Taiwan could not be recognizing a more astute, intelligent man. Known throughout Washington as a skillful and productive leader, there is not doubt in my mind that Mr. Chen will continue to strengthen the longstanding relationship between his country and ours.

It is an understatement to say that C.J. Chen deserves an enormous amount of credit for working on and creating a plan of action to enable his government to help reduce the trade imbalance between our two countries. Without his help, we would not have made the improvements we have today. The trade deficit is a very serious consideration for our Government and Mr. Chen has been of great assistance in adopting a very positive approach in resolving this issue.

Mr. Chen will be sorely missed in Washington as an effective diplomat and leader and I am certain that he will do as well at his new position of responsibility as he has in Washington. The Government of the Republic of China on Taiwan could not be getting a better man as the Vice Minister of Foreign Affairs.

IN RECOGNITION OF FORMER MIDLAND FIRE CHIEF, ROBERT J. FISHER

HON. BILL SCHUETTE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 13, 1989

Mr. SCHUETTE. Mr. Speaker, I rise today to honor Robert J. Fisher who on February 23, 1989, retired as chief of the Midland City Fire Department. In the profession of fire protection Robert has consistently distinguished himself in his 43 years of public service. The accomplishments of the department during his 17 years as Midland City Fire Chief have been especially impressive. Among these are important modernizations to improve the efficiency of the fire department such as adding the first aerial ladder company, adding a third fire station in Midland, and constructing administrative offices.

Mr. Fisher's career began with the city of Lansing Fire Department on October 1, 1946. He served with their department until August 14, 1972, when he was appointed chief of the Midland Fire Department. Robert has always been active in using his expertise to assist the community. He has been a member of the Michigan Fire Chiefs Association, National Fire Protection Association, International Association of Fire Chiefs, Midland County Fire Chiefs Association, Southeastern Michigan Fire Chiefs Association, and a charter member of the local C.A.E.R. [Community, Action, Emergency, Response] Committee. He also served as president of the Michigan Fire Chiefs Association during 1979 and 1980.

Mr. Speaker, I ask that you join me in saluting Robert J. Fisher for his fine service in the efforts of fire prevention, and for his dedicated service with the Lansing Fire Department, and with the Midland Fire Department. I ask that we all take a moment to thank Robert for his community service. I know we all wish Robert and his wife Edna, along with their five children, Michael, Jeffrey, Mary Kay, Patrick, and Jane the best for the future.

BUSH GAINING STATURE AS A STATESMAN

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 13, 1989

Mr. SOLOMON. Mr. Speaker, as long as 2 years ago, when I was one of the first Republicans in this body to come out in support of George Bush for President, I pointed out that the then Vice President was the most qualified person ever to seek that office.

We are starting to see abundant justification of that confidence, most recently in President Bush's prudent response to events in China, under pressure from the left and the right, and in his successful European trip.

But William Randolph Hearst, Jr., expresses it better than anything I could say, Mr. Speaker, and I proudly place his recent column, published in the June 11, Albany (NY) Times-Union, in today's RECORD.

BUSH SCORES AGAIN WITH SOUND STATESMANSHIP

(By William Randolph Hearst, Jr.)

NEW YORK.—Three highly beneficial developments for our country this past week provided a little relief from the horrifying reports of the Chinese communist regime's barbaric terrorism against its own pro-democratic people.

First of all, President Bush's prudent response to the infamy that has brought China to the brink of civil war won glowing praise at home and abroad for his sound statesmanship. It followed quickly in the wake of his success in unifying NATO over arms talks with the Soviets and mollifying West Germany over the short-range nuclear missile issue.

We are fortunate to have a president who is proving so soon his qualities of world leadership.

Other good news was announcement of the conclusion of a historic agreement between the United States and the Soviet Union pledging the two superpowers never to use force against each other in responding to any accidental military contact or incident.

Adm. William J. Crowe, chairman of the Joint Chiefs of Staff, plans to sign the agreement shortly after his scheduled arrival in Moscow tomorrow, Monday, for an 11-day visit.

Negotiated over the past eight months in great secrecy by teams of U.S. and Soviet military officers and approved by President Bush and Soviet leader Mikhail Gorbachev, the unprecedented pact, called "The Prevention of Dangerous Military Activities," is intended to avert accidental military confrontations from escalating into a wider conflict—even nuclear war.

It provides that the two governments will "take measures to ensure expeditious termination and resolution, by peaceful means without resort to the threat or use of force, of any incident which may arise as a result of dangerous military activities."

It would apply to border or boundary incursions, use of range-finding lasers when forces meet, ship and troop movements in regions of high tension and interference with communications, command and control networks.

We can, I believe, have cautious confidence that President Gorbachev will respect this encouragingly peaceful pact, but we must remain mindful that he could be replaced by an aggressively anti-American tyrant. As long as the Soviet Union maintains offensive military superiority of any kind, we must retain appropriate defensive strength.

Among the good news in recent days was the election of Rep. Thomas S. Foley, D-Wash, as speaker of the House of Representatives. One of the most highly respected members of Congress who is known for his rationality and skill as a conciliator, the 25-year veteran of the House will be third in line for the presidency. He has praised President Bush for his handling of China and NATO and pledged that he will do his best to work cooperatively with the President when he believes it will serve the interests of the country.

His appeal to Republicans and Democrats to end the partisan rancor and divisiveness that marked the downfall of his predecessor, Rep. Jim Wright, D-Tex., was ignored by partisan zealots. Slimy, slanderous innuendoes against the new speaker, which President Bush denounced as "disgusting," forced the resignation of Republican National Committee communications director Mark Goodin, a political hatchetman for NRC Chairman Lee Atwater.

The future of China is now in grave internal danger as a result of the brutal suppression of the student-led revolt against communist corruption and incompetence. The slaughter of an estimated 3,000 people by illiterate Mongolian troops brought into Beijing to crush the courageous students and populace of China's capital who were demanding democratically-oriented political reforms created fears of a military split that could precipitate widespread civil war. However, by weekend's approach, the communist hardliners, originally led by Deng Xiaoping, age 84, and his equally hardline president, Yang Shangkung, appeared to have gained control of Beijing.

The 27th (Mongolian) army, which was brought into the capital to brutally crush the student rebellion against the communist regime, was moving out of the city, indiscriminatingly killing bystanders and spraying western compounds, including American residences and office buildings, with automatic-weapon fire as they went. The 27th army was being replaced by the 38th army, which is responsible for defense of Beijing and whose officers and troops refused to fire on the students when first ordered in to suppress the rebellion in Tiananmen Square. This army apparently remains loyal to the hardline military high command. Western military sources estimated up to 400,000 troops ring the capital.

Deng, who opened up Communist China to the West and launched an economic reform program, was vehemently opposed to political reform. He particularly hated students because, during the Cultural Revolution under Mao Zedong, radical students had badly beaten him and murdered some of his relatives.

President Bush, in limiting action against the communist regime to suspension of arms sales to China and in rejecting congressional demands for economic sanctions and a break in diplomatic relations, showed his wisdom and the benefit of his knowledge

about China learned when he was U.S. envoy there in 1975.

Severing ties with China and cutting off trade not only would have disheartened the incredibly courageous students who had raised a replica of the Statue of Liberty in Tiananmen Square and who, with millions of Chinese adults, looked to the United States for support. It would also have led the communist regime to turn to the Soviet Union for help. Moscow's price for aid would undoubtedly be removal, or confiscation, of the U.S. missile monitoring bases which the Chinese government allowed us to set up on the Sino-Soviet border after we were forced to remove them from Iran when the late shah left the country. Those bases are the main land source of our most effective electronic surveillance of Soviet missile launching. As the President so wisely said, we must take into account our long-term interests and the faith of the Chinese people, young and old, in America and its ideals.

The good sense of President Bush's handling of China's terrible tragedy won strong bipartisan support in Congress and widespread approval in Europe. As Bernard Kaplan, our foreign affairs writer, reported from Paris, the President "reinforced his recently enhanced status as a world leader by what foreign observers hailed as a skilled and measured response to the upheaval in China."

MEASURE TO HELP MAINE'S BORDER PATROL IN DRUG WAR

HON. OLYMPIA J. SNOWE

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 13, 1989

Ms. SNOWE. Mr. Speaker, today I am sponsoring legislation designed to help the U.S. Border Patrol in Maine fight the war against drugs. This measure takes a small, but nonetheless important, step in the right direction as we continue to mobilize our society's resources against the scourge of drugs in America.

The provisions of the legislation I have introduced would earmark $380,000 from the currently existing authorization for the U.S. Border Patrol's budget to provide for the salaries of an additional 10 agents in Maine over the next 2 fiscal years. Additionally, this measure would earmark $500,000 from the current Border Patrol budget authorization to purchase an extra 50 mobile, electronic devices in Maine for fiscal year 1990 and fiscal year 1991.

Mr. Speaker, last autumn I traveled to northern Aroostook County in Maine to witness firsthand the difficulties that our Federal law enforcement agencies are encountering in trying to protect our border with Canada. I visited with a family in Fort Fairfield, right on the northern border, who recounted for me the frequent number of illegal border crossings that they see in their apple orchard every year. Yet, most of these illegal crossings are not investigated by the Federal law enforcement community. At a potato farm located right on the border in Littleton, I was able to see exactly how easy it is for anyone who wants to smuggle illegal drugs across the border to do so, without being detected or properly detained.

During my visit, I also spoke with agents from the U.S. Border Patrol and other Federal agencies about their own experiences in trying to enforce our laws and protect our citizens. These agents have noticed that more and more frequently, smugglers are bringing illegal drugs, guns, or alcohol across the border for profit. Yet, in recent years, Maine's Border Patrol budget for personnel and equipment just has not kept pace with the increasing number of individuals engaged in illegal activities. It was clear that they needed help in order to adequately respond to this growing menace.

My legislation seeks to remedy this problem by focusing tightly limited Federal resources where the can be most helpful: Increased funds for more Border Patrol agents and mobile electronic sensors. Adding to the number of Border Patrol agents in Maine will allow them to investigate illegal border crossings in Fort Fairfield, Littleton or other Maine communities on the border. Increasing the number of mobile electronic sensor devices will also allow the Border Patrol to monitor a larger number of the roughly 120 unofficial border crossings in Maine that smugglers can use to bring their contraband into, or out of, the country.

By drafting the bill's provisions to fund these efforts out of the existing budget authorization levels, I recognize the concern we all share about the Federal budget deficit. My legislation is designed not to add to the existing budget shortfall, but rather to direct already existing budget resources to where they are needed, and can be used, on the Maine-Canada border.

Mr. Speaker, there are many ways in which the 101st Congress can help our Nation stem the flood of drugs invading our country. One such method is to direct our limited budgetary resources where they can be most effectively utilized. My legislation to add 10 additional Border Patrol agents and 50 mobile, electronic sensor devices in Maine seeks to do just that. I urge all of my colleagues in the House to join me in supporting this measure.

TRIBUTE TO THE LATE CHRIS KARAMANOS

HON. JAMES H. BILBRAY

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 13, 1989

Mr. BILBRAY. Mr. Speaker, I rise to honor Chris Karamanos a university regent and a truly great member of the Las Vegas community who passed away June 8 of this year.

Karamanos was one of the great givers of our community. He donated his money, he gave his time and incredible energy to anyone who asked. Now, in his passing, those great gifts live on in our memory of him.

Karamanos was a native of Ohio who served as a helicopter pilot during the Vietnam war. He went on to serve as a police officer in Newport Beach, CA. By the time he came to Las Vegas, Chris had hit his stride.

He was a vice president of the Las Vegas Hilton from 1969 to 1973. He also served as chairman of the employee management relations board before being appointed to the Nevada University Board of Regents.

In business it seemed that Chris was always ready to branch out into something new. He was a former owner of Jet-Avia a charter service that transported medical patients. His catering service fed most of the big social functions in Las Vegas and fed firefighters who battled blazes throughout the West.

His restaurant T.K. Christy's was always packed with downtown business leaders, politicians, and attorneys. He always had a kind word, quick to pass along a smile and a handshake. He always made you feel welcome, made you feel that he was truly anxious to see how you were doing.

He was a fierce supporter of the Rebels basketball team. So were a lot of people. But Chris cared about the rest of the college students too. He fought for more funds for the university and pushed the regents board to make credits at the community college transferable to university credits. He was always thinking of the little guy.

Las Vegas is full of stories of his kindness. Chris went out of his way to make people feel at ease. Its too easy to forget that not everyone can be home with their families during the holidays. Chris had a knack for thinking of workers who would be stuck at the job on Thanksgiving or Christmas and he'd send over a big turkey dinner. No notice, no one asked, no reminder. That's the kind of man he was. He did a lot of things for a lot of people. This world is a little colder, a little less caring today without him. He's gone to his rest. I'm going to miss him. He was a credit to Nevada and a good friend.

A TRIBUTE TO PHILIP KAPLAN

HON. CHARLES E. SCHUMER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 13, 1989

Mr. SCHUMER. Mr. Speaker, today I call your attention to Mr. Philip Kaplan who is retiring after 19 years of service as both a member and president of the community school board of district 15.

Mr. Kaplan was born on March 29, 1929, in Brooklyn where he has remained a lifelong resident throughout his career. For 27 years he has been a partner in the Manhattan based law firm of Levy, Gutman, Goldberg, & Kaplan. He brought to his law practice a broad-based education. He first earned a B.B.A. in accounting at Pace College in 1951. In 1957 he went to Brooklyn College where he received a LL.B. and 10 years later, in 1967, a J.D. in law.

The cause of the hiatus in his educational career was his service in the Korean war. Before receiving his law degrees, he helped defend American democratic values by serving during the Korean conflict in the U.S. Air Force. Following his discharge in July 1952, he continued his service by joining the Air National Guard of the State of New York until 1957, when he left with an honorable discharge.

Prior to embarking on his distinguished and uninterrupted 32-year law career, Mr. Kaplan

was a partner in a certified accounting firm, and controller to a listed corporation. His notable law career has taken him from the corridors of New York courts to Federal courts all the way to the Supreme Court.

Not only has Mr. Kaplan distinguished himself professionally, but he has also been an outstanding member of Brooklyn's community and the community at large. The trust he has gained from his neighbors is evidenced by the fact that he was elected to and made president of the community school board of district 15 in 1970. He has had the honor of holding these positions ever since. His commitment to education and the well-being of the young has led him to being a member of the Jewish Teachers Association and to frequently appearing as a guest lecturer at graduate schools like Brooklyn and City Colleges. He has also served as the president of the New York City School Boards Association, representing community school boards in New York.

Despite what seems to be a career which would leave little time or energy for community service, Phil has found the time to give back to those who are less fortunate than he has been. He has been a volunteer attorney for the New York Civil Liberties Union. He has served on the Maimonides Medical Center Community Mental Health Advisory Board. In addition to this, he is also a former member of the board of directors for the New York Multiple Sclerosis Society.

Mr. Speaker, please join me in saluting this man on the occasion of his retirement from his long life of serving and educating the community of Brooklyn. I am certain that his wife, Esna, his two children, Karen and David, his son-in-law Michael and his grandson Lee Jason share the pride I feel in honoring Philip Kaplan. His dedication to the education of our children will be missed.

VIETNAMESE PERSECUTION OF THE UNIFIED BUDDHIST CHURCH

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 13, 1989

Mr. LANTOS. Mr. Speaker, extensive human rights violations continue to occur in the Socialist Republic of Vietnam [SRV]. A delegation representing Thich Nhat Hanh, overseas representative of the suppressed Unified Buddhist Church of Vietnam, recently met with Members of Congress to remind us, and particularly the congressional Human Rights Caucus, that thousands of peaceful Vietnamese are still detained in the infamous reeducation camps or exiled to remote areas. I bring to the attention of the House today a short list of prominent monks, nuns, and writers. They represent countless more Vietnamese still persecuted for the peaceful expression of their religious or other beliefs.

As cochairman of the Human Rights Caucus I am very concerned about the fate of the two highest surviving leaders of the Unified Buddhist Church—Thich Quang Do and Thich Huyen Quang. Because they have protested religious policies of the SRV, the government holds them in internal exile. Their situation is similar to what Sakharov faced in the Soviet Union, except that these monks are not even allowed the basic necessities of life.

The treatment of other monks and nuns is also extremely serious. Thich Tri Thu, although he had accepted the position of president of the government-created Buddhist Church, died in 1984 following police interrogation. Several monks and nuns arrested with him were not brought to trial until 1988.

Among those sentenced at that trial were Thich Nguyen Giac (aka Ho Khac Dung), Le Dang Pha, Thich Chon Nguyen (aka Trung Tam Lac), Thich Duc Njuan (aka Dong Van Khoa), Hgo Van Bach, Hoang Van Cuong, Nguyen Thi Nghia, Huyng Van Phuong, Thai Ngoc Loi, and Do Huu Can. Two of the monks, Thich Tue Sy and Thich Tri Sieu, were at first condemned to death. After widespread international protest their sentences were commuted to 20 years. Amnesty International quite properly calls for the release of all of these monks and nuns and for the return from exile of Thich Quang Do and Thich Huyen Quang.

Mr. Speaker, there are also as many as 60 writers detained in Vietnam. These writers, along with other intellectuals who could be aiding the development of their country, are instead held in reeducation camps under inhuman conditions. Doan Quoc Sy and Hoang Hai Thuy, well-known and respected writers, should be immediately released, as should all intellectuals and ordinary citizens held without proper cause.

Mr. Speaker, these detentions demonstrate a continuation of the unacceptable repression of religion and free expression in the Socialist Republic of Vietnam. We in the U.S. Congress must continue to recognize this outrageous violation of human rights and support measures that will bring this to an end.

HELP THE GUMINTZSKY FAMILY GET OUT OF THE SOVIET UNION

HON. BYRON L. DORGAN

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 13, 1989

Mr. DORGAN of North Dakota. Mr. Speaker, I would like to take a moment to share with my colleagues the case of a Leningrad refusenik which the Minnesota-Dakotas Action Committee for Soviet Jewry has recently brought to my attention. Samuel Gumintzsky has been refused a visa for 10 years on the grounds of secrecy. Although there may be some basis for this as he was involved in the Soviet space program, he has not worked in that field for a while and the information he possesses is most likely outdated. Moreover, the United States and the Soviet Union have agreed that, in the spirit of perestroika, they will share information regarding space exploration. Thus, the secrecy deadline should be lifted and his family permitted to leave.

Samuel and his wife, Stella, agreed to divorce in the early 1980's as a means to facilitate emigration, but the family has not been able to obtain visas. Stella Verbitskaya is an English teacher in a Leningrad school. Stella's and Samuel's daughter, Inessa, is a student at Herzen Pedagogical Institute in Leningrad, studying English. All members of the family speak English very well. The anti-Semitic group Pamyat has been quite active at Herzen, including last September when a group appeared at the opening of school dressed in black Nazi-style dress and demanded that the Jewish question be solved.

Inessa has applied twice to work for Sputnik, the student travel agency that deals with foreign travelers, for the United States and elsewhere. She has been refused work both times even though she took a special tutorial to prepare for the exam and believed she had gotten all the answers correct. Later, she found out from a non-Jewish friend who happened to get into a conversation with a superior about the matter, that she was refused the job because she was of the "wrong nationality" and that a special test and evaluation procedure existed for such people.

Inessa has been granted permission to leave the Soviet Union on June 25 without her parents. Because of these and other incidents of anti-Semitism among prospective employers, she has decided to leave on her own. Understandably, the family's frustrations are high, and they are especially complicated by the visa situation in Rome. Any congressional support would help their case.

ENCOURAGING PROGRESS IN NORTHERN IRELAND

HON. MATTHEW F. McHUGH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 13, 1989

Mr. McHUGH. Mr. Speaker, for many years it has been conventional wisdom that nothing could be done to end the violence in Northern Ireland—that the Catholic and Protestant communities were incapable of ever resolving their differences peacefully.

Now, however, there is growing evidence that the conventional wisdom is wrong and that a new spirit of tolerance and reconciliation is taking hold in Northern Ireland. In 1985 the Governments of Great Britain and Ireland signed an accord in which they pledged to work together to address the many problems in that troubled land.

Recently, the Washington Post carried an editorial assessing progress under that accord. As that editorial suggests, some points of contention remain. Nonetheless, it is also clear that concrete accomplishments have resulted from the accord, some of which are detailed in the editorial. For the benefit of those who may not have seen it, I am inserting a copy of the Post editorial into the RECORD following my remarks.

I also want to share with our colleagues a report by Paul S. Quinn of the Committee for a New Ireland, a private organization of American citizens. Mr. Quinn recently returned from his sixth trip to Northern Ireland, and his comments on the situation there are encouraging.

In particular, Mr. Quinn calls attention to the important work being done by the International Fund for Ireland, to which the United States

has been a major contributor. His report suggests that jobs are being created and that our funds are being targeted to the most disadvantaged areas in Northern Ireland.

Mr. Speaker, it is my hope that the United States will continue to lend its strong support to those who are working to promote reconciliation between the two communities in Northern Ireland. As the attached materials suggest, progress is being made in this effort.

[From the Wasington Post, June 9, 1989]

PROGRESS REPORT ON ULSTER

On Nov. 15, 1985, the British and Irish governments signed an agreement establishing an intergovernmental conference to work together on mutual problems involving Ulster. A few hardliners in the Republic warned against any kind of agreement that conceded the legitimacy of current British rule in Northern Ireland. Their opposite numbers in the north threatened resistance against any plans even to consult with the Irish government in the sensitive areas of terrorism, administration of justice and individual rights. But the naysayers won no converts, and the two governments proceeded quietly to work toward easing tensions and creating a permanent mechanism for cooperation.

The terms of the agreement require a periodic review of the workings of the conference, and recently both governments released a report growing out of that assessment. Some points of contention remain. The Irish continue to press for reform of emergency criminal laws enacted in 1978 and the special judicial procedures used to try those accused under that law. The British "are not at present persuaded of the merits of this proposal." In other areas, there are no breakthroughs but a continuing effort to progress. Building public confidence in the security forces and the system of justice is a long-term task. Assuring citizens that their complaints involving individual rights will be heard and acted upon is an objective that takes time. Working together to combat terrorism will continue into the foreseeable future.

But there is also concrete accomplishment. Fair employment legislation aimed at the 10-point difference between Protestant and Catholic unemployment in Northern Ireland is now being considered in the British Parliament. Laws that restricted the display of certain flags and emblems, which so incensed the minority community, have been repealed. Voting rights of Irish citizens living in the north have been clarified. A new curriculum designed to promote understanding and mutual respect for the two traditions in Ulster is being prepared for the schools. Reforms involving prisons and reviews of the cases of certain prisoners have been undertaken. All this is an encouraging record of accomplishment in a short period of time.

It's important that both governments reaffirm their commitment to the agreement and both resolve to continue to work toward its goals. Terrorists on both sides, the intransigents and the haters, have failed to sabotage this effort. Instead, it now appears there is wide agreement on the principles expressed by both governments: "The agreement does not represent a threat to either tradition in Northern Ireland. On the contrary, it provides a framework that respects the essential interests of both sides of the community and their right to pursue their aspirations by peaceful means. It facilitates cooperation in the fight against terrorism and sets out to create the conditions in which the whole community can live together in peace."

NORTHERN IRELAND—MAY 1989

(By Paul S. Quinn)

I have just returned from Belfast and the border areas of Northern Ireland. It was my sixth trip in five years and, although serious social, economic and political problems continue there, I came away more hopeful than ever before that real progress is being made in turning Northern Ireland away from violence and toward peace and social and economic reconstruction. Violence and threats of violence from extremist elements in both the Nationalist and Unionist communities continue to impede the political process and discourage economic investment, but there is clear evidence of a constructive movement in several areas:

The local government elections held on May 17 produced decisive gains from the Social Democrat and Labour Party (SLLP), the voice of moderation and non-violence in the Nationalist community. It is now the second largest political party in Northern Ireland. The SDLP got twice as many votes in the local elections as Sinn Fein, the political wing of the IRA, and has 122 Council seats throughout the Country versus 43 for Sinn Fein. The official Unionist party substantially out-polled Paisley's Democratic Unionist party, further reflecting that voices of moderation in both traditions are gaining strength in Northern Ireland.

On May 24, the Conference of the Anglo-Irish Agreement produced a very favorable assessment of the first three years work of the agreement, pointing to substantial progress in the working relationship between the British and Irish governments regarding Northern Ireland, expressing increased confidence in the security forces and system of justice, including a new Code of Conduct adopted by the Royal Ulster Constabulatory (RUC), improvement in the Northern Ireland prison system, cross-border economic cooperation, and the establishment of a British-Irish interparliamentary body.

The International Fund for Ireland, created by the Anglo-Irish Agreement, has allocated $94 million to 850 specific projects in seven program areas throughout Northern Ireland and the border areas in less than two and one half years. These projects have created 4,500 permanent jobs and an additional 4,000 construction jobs. Of the $57 million allocated for projects within northern Ireland, 70 percent was in support of projects in the most disadvantaged areas, thus helping assure that the objectives of the Fund—to promote economic and social advance and to encourage contact, dialogue and reconciliation between Nationalists and Unionists throughout Ireland—is being achieved.

A particularly significant development flowing from the Agreement and the International Fund is cooperation between Northern Ireland and the Republic on joint tourism projects which, for the first time, link the North of Ireland with the Republic as a single tourist destination.

On May 25, the House of Commons passed significant legislation designed to eliminate employment discrimination in Northern Ireland. This legislation was substantially modified and improved as it moved through Parliament through the application of the Anglo-Irish Agreement's mechanism for cooperation between the Republic and the British Government on matters impacting on Northern Ireland. The legislation as finally adopted, while not perfect, embodies most of the specific recommendations of the SDLP and has its strong endorsement. It passed the House of Commons overwhelmingly with the opposition Labour Party joining in support of it.

Unfortunately, there has been little substantial progress toward the devolution of responsibility to govern Northern Ireland to elected representatives there. This is as a result of the intrangence of the two Unionist parties who have thus far refused to enter negotiations or even meaningful discussions with John Hume, the SDLP leader. However, the Conference of the Anglo-Irish Agreement specifically reiterated a commitment by the British and Irish governments to a process of devolution and last week both the Irish Prime Minister, Charles Haughey, and the British Secretary of State for Northern Ireland, Tom King, forcefully urged Unionists to enter a dialogue to bring this about.

The economic crisis which has confronted Northern Ireland for 20 years still causes unacceptably high levels of unemployment throughout the Country. Among Catholics, adult male unemployment is 28 percent. This is two and one-half times higher than their Protestant neighbors. This poses the most serious economic and social threat to further progress in Northern Ireland. Efforts to promote further investment in the Country, particularly in the context of a singular European market in 1992, should be the single most important objective of all who are concerned with the process of peace through nonviolence in Northern Ireland.

Recent Congressional testimony by the new Speaker, Tom Foley, in support of an additional $20 million for the International Fund for Ireland and his condemnation of violence in Northern Ireland, provided a major boost for supporters of the Fund and the Anglo-Irish Agreement in Northern Ireland, Great Britain and the Republic. Congressional action in support of the Speaker's request would be the best possible proof that the United States government stands behind efforts of the British and Irish governments in their commitment to help the overwhelming majority of the people of Northern Ireland who want to achieve self-determination and economic progress through peaceful means achieve that goal.

TRIBUTE TO HARVEY H. ROSEN

HON. HOWARD L. BERMAN

OF CALIFORNIA

HON. MEL LEVINE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 13, 1989

Mr. BERMAN. Mr. Speaker, it is with distinct pleasure that we rise today to honor a unique individual and a model citizen. Harvey H. Rosen is this year's recipient of the prestigious "Goodfellow" Award from the Boy's and Girl's Club of the San Fernando Valley. Harvey is being honored for his untiring efforts to improve and enhance the lives of underprivileged youth in our community. He has played a key role in implementing and expanding the club's mission—providing supervised guidance programs to head young

people in the direction of a productive, meaningful life.

Harvey gives generously of his time to many worthy organizations in our city. In addition to his charitable commitments Harvey is also a distinguished jurist. He is a founding partner and is now managing principal of Rosen, Wachtell & Gilbert and is a renowned expert in banking and corporate law.

Harvey has a broad and extensive background in banking. Prior to his present firm's formation, he had several years of distinguished service in the banking industry. He was vice president and general counsel for Imperial Bancorp, Imperial Bank, Imperial Thrift and Loan, and their affiliated subsidiaries.

Among his many accomplishments, Harvey has served as chairman of the Financial Institutions Committee of the State Bar of California. Additionally, he has chaired the Corporations and Business Law Section of the Beverly Hills Bar Association and continues to serve on its executive committee. He also lectures extensively on matters relating to financial institutions and corporate transactions.

Mr. Speaker, we ask our colleagues to join us in honoring Harvey H. Rosen, a man whose achievements and dedication are a credit to this country.

IN TRIBUTE TO THE HONORABLE CLAUDE PEPPER

HON. JIM BATES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 13, 1989

Mr. BATES. Mr. Speaker, my constituent, Carole J. LaSalle, knew Senator Claude Pepper for many years. What follows is Carole LaSalle's eloquent statement about Senator Pepper on behalf of all his many friends in the State of California.

IN TRIBUTE TO THE HONORABLE CLAUDE PEPPER

(By Carole J. LaSalle)

Claude Pepper—only two words—a name. But today that name echoes in the hearts of millions of Americans who truly are "from sea to shining sea". This man entered the Senate of the United States before many of us were born. In a primary campaign for reelection to the Senate, he experienced events that few of us would wish to face and was forced to return to private life.

A man of no privileged background, he had acquired the education to return to a very successful legal practice. This would have been enough for most ordinary people.

Claude Pepper had assured himself of a mark in the history books, but he was far from defeated. In 1960, he saw a need that was not being met and accepted a call to enter the United States House of Representatives. He was never defeated again; not even now, by death.

Claude Pepper wasn't a saint, wasn't a political genius, wasn't many things strangers might assume. He was a name of ultimate dedication. In returning to serve the citizens of Florida, he found a constituency across the nation. These were the elderly, the needy—the ignored. Remembering his role in the "New Deal", he said: "This shall not continue".

He rose to a position of power in the Congress which enabled him to keep his promise. What a champion he was! Many times, "ol' Claude", as he was unofficially known, accomplished the creation of laws to help those he served. Respected on both sides of the aisle, it was not unusual to hear someone say, "Ol' Claude won't buy that one". He could, and did, manage to prevent enactments that would hurt his people.

Those who had the privelege of knowing him closely were aware that this was a "gentleman of the old school". He would never embarrass a stranger who presumed first-name acquaintance or addressed him as "Congressman". Throughout his life he had a small vanity: the Senate was the highest elective office he ever held, and he was always addressed as "Senator" by those who knew and loved him.

Dear Friend, you have left us better for having had you. The time has come for you to lay the flag to rest, and those of us who knew you—who learned from you never to give up—always to stand and fight for the protection of others, will have to adopt your goal. It will take millions of us to do only a small portion of what you were able to give to your country. But we shall do this because we are also left with the consolation that when you approached the gates of Heaven, St. Peter greeted you: "Well done, Senator! The Lord and Mildred are waiting to welcome you home."

A TRIBUTE TO MS. ALLIE CASH MOSHER

HON. BILL SCHUETTE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 13, 1989

Mr. SCHUETTE. Mr. Speaker, it is with admiration and respect that I rise today to pay tribute to Ms. Allie Cash Mosher, of Marion, MI, who at the age of 92 on June 1, 1989, graduated from high school with the class of 1989 as a straight-A student.

When Allie left Marion High School in 1913, she had two more credits that she needed to complete graduation requirements. But those credits did not include a course in government, so she did not get a diploma.

Last fall, Allie asked Bob Hamilton, the adult education director at Marion High School, if it would be possible for her to graduate. Bob was able to locate her records from 1890 to 1913 and determined she needed a course in government. This year, she completed courses in government and geography. Allie did not "slip through." She completed all the tests and classwork. "I got awfully tired at times," she said of her two classes on Thursdays, "but * * * they made me keep digging."

Allie quit school when the normal school in Big Rapids closed. She had wanted to attend the normal school and become a teacher. In 1915, she married and spent her life as a farmer's wife, rearing three boys and a girl. She has 17 grandchildren and 10 great-great grandchildren. She says she does not have time to count the great-grandchildren.

Allie lives alone on a farm just outside of Marion. She still drives her car and plays the piano in a senior-citizen kitchen band.

Mr. Speaker and my colleagues in the House of Representatives, please join me in paying tribute to Allie Cash Mosher, who is indeed a very special lady.

BEIJING'S PRESENT COULD BE HONG KONG'S FUTURE

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 13, 1989

Mr. SOLOMON. Mr. Speaker, probably not even the brutal repression of prodemocratic students by the Chinese Communist regime can interrupt today's present euphoria over the alleged end of the cold war.

But at whatever risk, I feel obliged to turn the attention of this body to an op ed article by William V. Kennedy in the June 13 Washington Post, titled "What Now of Those 'Guarantees' for Hong Kong."

It should have been apparent since the savage June 4 massacre in Beijing that beneath the superficial liberalization of China lurked the entire repressive apparatus of totalitarian communism, ready to spring forth at any serious challenge to its power.

Now that we have had our eyes opened, we should turn our gaze at the future of over 5 million people in Hong Kong, who must have seen in the fate of the Chinese students a foretaste of their own treatment once their free, prosperous island is turned over to the murderous regime.

I place the article in today's RECORD, after which, Mr. Speaker, we should have no excuse for being surprised when darkness descends over Hong Kong.

WHAT NOW OF THOSE "GUARANTEES" FOR HONG KONG

(By William V. Kennedy)

The proudest boast of Ronald Reagan's presidency was that no country had "gone communist" on his "watch." Yet, all the while, Reagan's most treasured international friend, Margaret Thacher, was in the process of turning over to Communist China 5½ million people born or become free in the British crown colony of Hong Kong.

The United States has stood silent as, one by one, the supposed "guarantees" of a special status for Hong Kong after assimilation into China in 1997 disappeared.

What do we say now?

The Thatcher attitude towad Hong Kong has been blatantly racist all along. On the one hand she has insisted that there can be no change in the status of the six Irish counties still in British hands, of Gibraltar and the Falklands/Malvinas Islands so long as a majority in those places opts for union with Britain. Yet, no matter what, the British loyalists in all of those places retain the option of moving to Britain.

No such escape is open to the population of Hong Kong for one reason and one reason only: the Hong Kongese are brown. The others are white.

Despite mounting evidence of brutal suppression in Tibet the U.S. government has been able to assuage its conscience with the notion that there was some shadow of a chance that communism in China was drifting into some sort of social democracy. That any Communist Party, whether in China or

in Moscow, is thus going to quietly consign itself to that "dustbin of history" to which the communists have always sought to consign us was and always will be pure wishful thinking.

A new windrow of dead mocks us. What awaits the Hong Kongese and their notion of freedom has been spelled out on every television screen in the noncommunist world.

The shadow that is lengthening over Hong Kong falls on Taiwan, too, for the people who engineered the massacres of June 3 can no more tolerate a Taiwan moving steadily toward full democracy than they could the martyred students. Indeed, that shadow reaches all the way to Tokyo.

In short, freedom abandoned in Hong Kong is bound to send a shiver down every spine in Taiwan. If the United States will not use its influence to enforce the original "guarantees" of some measure of freedom for the Hong Kongese, what will it do when, inevitably, China under a desperate, paranoid regime swings its nuclear arsenal in the direction of Taipei?

Southern Japan is indefensible if Taiwan is under effective military and political control of a mainland power, in particular one armed with nuclear weapons.

Yet the United States and Japan retain enormous leverage. China cannot turn back from the path of economic modernization. It can progress on that path only with American and Japanese capital and technology. Our responsibility is crystal-clear: to make it known that such investment is at an end unless the special status promised Hong Kong is given substance by the grant of political and economic autonomy to Hong Kong, based on universal Hong Kongese suffrage translated into a local parliament and a constitution that guarantees basic human rights.

We did not permit British Commonwealth status to stay our hand in Grenada. The stakes in Hong Kong are infinitely higher in that they relate to the stability of the entire Pacific Basin and much of the Asian mainland. An undue and undeserved regard for Margaret Thatcher's feelings must not deter us now.

A TRIBUTE TO ANTHONY SCICCHITANO

HON. CHARLES E. SCHUMER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 13, 1989

Mr. SCHUMER. Mr. Speaker, today I call your attention to Mr. Anthony Scicchitano on the occasion of his being awarded an honorary high school diploma at the 102d commencement exercises of the Berkeley Carroll School in Brooklyn.

Nothing brings me more happiness than an immigrant's success story. Mr. Scicchitano's life embodies this story. He was born in Italy in 1922. At the tender age of 15, his family immigrated to the United States and settled in Pennsylvania. His father worked for over 35 years as a coal miner. Anthony helped support his family, first by working the coal mines and then by becoming a highly skilled automobile mechanic. He would later put this skill to use to serve his newly adopted country when he joined the U.S. Army Air Corps in World War II.

During the war, Mr. Scicchitano met Rae Fretta, who he married in 1947 and settled in New York. He then joined his wife's family business, the oldest Italian pork store in New York, located on Mott and Hester Streets on the Lower East Side. In the 1950's Anthony Scicchitano moved into business on his own, establishing the first A.S. Pork Store in Brooklyn. Since that time his business has grown prolifically, spreading throughout New York City. A longtime neighborhood businessman, who has persevered through good times and bad, Mr. Scicchitano's strong belief in Park Slope as a commercially viable area has indeed contributed to the community's revitalization.

Anthony Scicchitano's steadfast dedication to making a living for both himself and his family, has deprived him of the opportunity to finish high school and receive a high school diploma. Yet his strong belief in the importance of education is evidenced by the fact that all three of his daughters have completed college. He now looks forward to the day when his grandchildren complete their college years. Moreover, his concern transcends his own family, he has been a long time supporter of the Berkeley Carrol School, and a generous donor to other local charities.

Mr. Speaker, it is an extraordinary honor to be able to share with you the success story of Mr. Anthony Scicchitano as he is awarded the high school diploma he sacrificed in order that his family might achieve the American dream. I am certain his wife Rae, his daughters, Josephine, Rita, and Phyllis and his grandchildren, Terrence and Alexandra share my pride on this occasion.

REQUIRING DOUBLE HULLED TANKERS CHEAPER THAN ALTERNATIVE

HON. DEAN A. GALLO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 13, 1989

Mr. GALLO. Mr. Speaker, today I am introducing legislation on behalf of 27 of my colleagues requiring double hulls on all newly constructed tankers and other vessels carrying oil and hazardous materials in U.S. waters.

The recent devastating oilspill in Alaska has caused a tragic loss of wildlife and irreparable damage to pristine shore areas.

A spill of similar magnitude near populated areas along our coastline would cause equally mind-boggling destruction to the natural environment and put an end to use of our shoreline for recreational and other uses.

In my home State of New Jersey, we are proud of our 126 miles of shoreline. Tourism is now our No. 1 industry, with annual revenues of $3 billion, and our clean beaches are a major attraction for vacationers.

We also have refineries that receive 39 million metric tons of crude and refined petroleum products annually valued at $4.5 billion, most of it from vessels that travel in and out of New York and northern New Jersey deep ports.

The 1978 accident off the coast of France when the tanker *Cadiz* spilled 68 million gallons of oil would cost $200 million in today's dollars for cleanup. The cost of closed beaches would add untold losses over several years, based on the devastation caused by the spill on the French coastline.

When the *Torrey Canyon* spilled 36 million gallons of oil off the coast of the United Kingdom in 1967, the cost of cleanup in today's dollars was $26 million.

Similar potential for devastation exists along our entire U.S. coastline, including the Atlantic, the Pacific, and the gulf coasts as well as in waterways near densely populated areas such as our deep water coastal ports, along our major rivers, including the Mississippi, and in the Great Lakes.

Balanced against the cost of disastrous spills, the cost of requiring double hull tankers is both affordable and cost effective.

Double hulling tankers adds between 5 percent and 10 percent of the cost of tanker construction, according to industry estimates. Construction costs for the *Valdez* amounted to $125 million.

At a cost of $6 to $12 million, double hulling would be worth the money if it prevented one major spill.

The cost in natural and commercial destruction far outweighs the added investment in double hull vessels.

The issue of Federal requirements for double hulls has been hotly debated several times in the past and decisions were made not to require them. I believe that the Alaskan spill and its aftermath require us to fully consider this issue once again.

We must do everything possible to prevent spills of this type in the future.

Recognizing the potential for human error and the need to reassure the public that effective prevention measures are being taken to prevent future spills, it is in everyone's best interest to raise the standards of safe construction to the highest possible level.

My bill treats equally all companies wishing to use any port facility in the country, regardless of where the tanker was built, who owns it, or what flag it flies.

It deals with new construction after the date of enactment and gives all parties time to bring their fleets up to full standard before making the double hull requirement universal for all vessels using our ports.

In simple terms, a double hull provides a margin of safety between the outer skin of the vessel and the cargo. A double hulled tanker the size of the *Valdez* would have struck the reef in Prince William Sound at a point 6 feet below the compartments containing its cargo of oil.

Mr. Speaker, I urge my colleagues to support this effort and welcome cosponsors of this legislation.

THE ROLE OF ALTERNATIVE FUELS IN U.S. ENERGY AND ENVIRONMENTAL POLICY

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 13, 1989

Mr. RICHARDSON. Mr. Speaker, I would like to bring to the attention of my colleagues the following statement by Dixon Smith of Chevron U.S.A., Inc., before the Senate Subcommittee on Energy Research and Development of the Committee on Energy and Natural Resources on the role of alternative fuels in U.S. energy and environmental policy. While I strongly support the use of alternative fuels and alternatively fueled vehicles, they may not be a panacea as we atttempt to address the problem of air pollution. This is is a thoughtful commentary.

ORAL STATEMENT OF CHEVRON USA, INC., BY DIXON SMITH

Mr. Chairman, members of the subcommitte, my name is Dixon Smith. I'm the general manager of Strategic Planning and Business Evaluation for Chevron USA.

Chevron appreciates Senator Ford's invitation to speak to you today. My oral comments will summarize my written testimony. As the Senator requested, I will focus on the future role of alternative fuels in the context of U.S. energy and environmental policy, and on the role of the government in promoting utilization of alternative fuels.

Chevron U.S.A. is the largest supplier of transportation fuels in the United States. We are in the energy business in the broadest sense. We intend to continue supplying the transportation fuel needs of our customers for the long haul.

Interest in alternative transportation fuels stems primarily from two national goals: reducing dependence on imported energy, and reducing air pollution caused by motor vehicles.

In addressing alternative fuels, Congress should focus on these national goals. This will assure that the strategies selected are consistent with these goals and that proper priorities are established. Alternative fuels represent just one of several means of achieving these goals. And, alternative fuels vary widely in their potential to contribute. They are not a panacea in general.

Let me explain why I suggest a goal-oriented focus. I'll discuss each of the two goals in turn.

The first goal of reducing dependence on imported energy will require rational strategies involving energy conservation combined with greater use of domestic energy resources. These strategies may or may not involve use of alternative fuels.

For example, the U.S. has an immense amount of crude oil in the ground which is not economically recoverable at the current time. Improved techniques for enhanced oil recovery have great potential to reduce crude oil imports. This does not involve alternative fuels.

Much longer term, there are a variety of options for converting domestic coal into liquid transportation fuels.

Much of the current alternative fuels focus is on methanol. Methanol can be made from either natural gas or coal. Unfortunately, it can be made at a much lower cost from natural gas. Particularly in foreign countries which have more gas than they can use or economically ship to other countries. More than half of this surplus gas is in the Soviet Union. Excluding the USSR, over eighty percent of the remainder is in OPEC countries. Hence, use of methanol made from natural gas may contribute to energy *diversity*, but it is unlikely to reduce *dependence* on insecure sources of imported energy. And, of course, importing a finished fuel instead of crude oil as a raw material also adversely affects both energy security and the balance of payments.

Regarding the second national goal, alternative fuels can reduce air pollution caused by motor vehicles. Natural gas seems to have the greatest potential to reduce vehicle emissions in the near-term. However, customer acceptance problems concerning vehicle range, safety and refueling will limit widespread use. The potential for methanol vehicles is currently unresolved. Uncertainties surrounding methanol exhaust composition and the ability to adequately control emissions in actual use must be clarified through further research.

All fuels require tailoring of the engine and its emission control system to optimize emissions performance. No fuel is inherently clean in the absence of such optimization. Improved emission control for vehicles using conventional fuels may be more feasible and less expensive than converting to alternative fuels before they are economic.

The goal is to reduce vehicular emissons, and this should be done by setting emission standards. This will allow the creative scientists and engineers in the private sector the necessary flexibility to find the optimal combination of fuel, engine and emission control technology.

Nothing could be more imprudent than to choose now and totally rely on a single method, one tactic, as the way to reduce vehicular pollution over the next 20 years. The California South Coast Air Quality Management District recognized this when they adopted their new air quality management plan. The plan calls for "low-emitting technology" and "extremely low-emitting technology" vehicles and does not specify any one particular fuel.

The effort to develop low-emitting vehicles should encompass all promising fuels. Improved engine designs and emission control technologies should also be pursued. The best minds from industry, government and academia should be put to work and ample funds should be provided. Hard information would then be available to compare all fuel/vehicle systems and their effects on air quality.

Chevron and other major petroleum companies are prepared to fund and participate in a private-public sector cooperative effort to develop and demonstrate low-emitting fuel/vehicle technologies.

I've sketched out a positive program to reduce air pollution due to automobiles—an action agenda for progress and accomplishment. Before concluding, I must also address an unworkable concept. That is the concept of fuel mandates.

Alternative fuel mandates are almost certain to be inefficient and unworkable. The costs are likely to be massive and unacceptable to the public.

Petroleum companies have had active alternative fuels programs over many years. They have included exploration and acquisition of domestic coal and oil shale resources, as well as natural gas in remote locations around the globe. They have invested billions of dollars in research, development and demonstration projects to find more economic technologies to produce transportation fuels from these resources. These programs have been diverse because it's too early to foretell with certainty which alternative fuels might be economic in the 21st century. It would be foolish for any broad-based energy company, or the nation, to put all of its eggs in any one alternative energy basket. Yet, this is exactly what mandates would do.

Even with solid consumer acceptance, a mandate could backfire and be rescinded promptly if unknown or improperly investigated health and safety issues lead to excessive health risks or environmental impacts. The resulting failure of the massive investments made by industry to accommodate such a mandate would have a disastrous effect on future alternative fuels development.

If it can be determined that the use of alternative-fueled vehicles is cost-effective in reaching air quality goals, the use of market incentives to subsidize the purchase of higher cost alternative fuels would be preferred to mandates.

What is government's role?

As a first step, government should establish the vehicle emission standards required to achieve national air quality goals. This will allow vehicle manufacturers and fuel suppliers to develop cost-effective solutions which meet air quality needs consistent with consumer acceptance.

There is a clear need for consensus-building on the cost-effectiveness of alternative fuels in achieving clean air goals. This subcommittee and the Administration could help by encouraging the cooperative low-emitting fuel/vehicle development program I have outlined.

Secondly, government should assume a major role in well designed fleet demonstrations of low-emitting vehicle technologies. These demonstrations should include evaluations of emissions control system effectiveness and durability, fuel economy, maintenance and consumer acceptance. Government should also play an active role in initiating needed health effects and air quality impact studies.

To conclude, most petroleum companies have the potential to supply a wide variety of transportation fuels, including methanol.

Gasoline, methanol and other alternative-fueled low-emitting vehicles should be evaluated fully to resolve the major performance, economic, health, safety and environmental issues. Chevron and other companies are already working with government agencies and vehicle manufacturers to resolve some of these issues. These cooperative studies should be expanded.

Thank you. I will be glad to try to answer your questions.

CPL. DONALD PINNEY: DALLAS POLICE OFFICER OF THE MONTH

HON. JOHN BRYANT

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 13, 1989

Mr. BRYANT. Mr. Speaker, our local law enforcement agencies and their dedicated em-

ployees are our first line of defense against crime. It is always a great pleasure for me, as a member of the House Committee on the Judiciary and its Criminal Justice Subcommittee, as well as a Dallas resident, to join in paying tribute to some of our best local law enforcement officers.

Dallas Police Cpl. Donald Pinney has been recognized as May Officer of the Month, and I take pride in calling his achievements, described in the Dallas Police News to the attention of my colleagues and fellow citizens.

SE's Cpl. Pinney Receives May Honor

Southeast Cpl. Donald Pinney has been selected the May Officer of the Month by the Dallas Community Police Awards Committee. He will be honored today during a luncheon hosted by the Downtown Lions Club.

Cpl. Pinney joined the Dallas Police Department in September 1983 after completing 13 years of police service with the Phoenix Police Department and other area agencies. He was elected president of Recruit Class 181.

After graduation he was assigned to the Southeast Division where he has distinguished himself as an outstanding police officer. His professional attitude was tested when he was seriously injured in the line of duty on January 30, 1987. He was arresting a felony suspect on Grand Avenue when the suspect resisted. During the assault, the suspect fell on Cpl. Pinney's left leg, seriously injuring his knee. He underwent two major operations during the next nine months in an attempt to repair the extensive damage.

Cpl. Pinney is the recipient of a Marksmanship Award, a Five-Year Safe Driving Award, a Certificate of Merit for continuous outstanding job performance, the Police Shield for the serious injury he sustained in January 1987 and a Life Saving Bar for his actions on January 15, 1985 when he aided a cutting victim whose carotid artery and jugular vein had been lacerated. He applied direct pressure to the wound and worked with the paramedics to bring the bleeding under control.

The recipient of 17 commendations, Cpl. Pinney has participated in the Adopt-A-Block program designed to reduce crime one block at a time by addressing the root causes of crime. He volunteered to work foot patrol inside the Adopt-A-Block area.

In June 1988, he participated on a departmental task force formed to review the General Orders. The officers identified several sections that could be modified, added or deleted. Since July 1988 he has been an active member of the DPD's Police Officers Advisory Committee. The group provides the Chief with officers' feelings and attitudes regarding current or proposed programs, policies or equipment.

He has also worked with a committee of officers and supervisors to develop ways to reduce the high call load without creating a hardship on beat officers. After researching the issue and interviewing prosecutors and judges, Cpl. Pinney proposed that hundreds of man-hours could be saved if stores were able to file their own Class C Misdemeanor Shoplift cases. His proposal is currently under review.

IN HONOR OF MORRIS KATZ

HON. JAMES H. SCHEUER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 13, 1989

Mr. SCHEUER. Mr. Speaker, I am pleased to honor the world reknowned artist, Morris Katz, for his exemplary career.

A refugee of World War II and survivor of the concentration camp experience, Morris Katz came to America exactly 40 years ago. He was barely 17 years old. Unversed in American culture, he could not speak or write English. He came to our country bereft of assets, save one; a tremendous talent for creative art.

Mr. Katz's career as an artist actually began in Poland when he found a knife by a riverside. Picking it up, but not having any paints, he began dabbling with mud from the waters' edge. And so a career was born.

Studying at the Art Students League and benefiting from prior study abroad he slowly perfected his technique. At an early age, his study of colors led him to catalog and classify various tints and hues. His skill with a palette knife enabled him to develop his own technique, "instant art" giving him the skill to paint saleable art with incredible speed.

At present he is listed in the "Guiness Book of World Records" as the most prolific painter in history, having painted and sold over 180,000 paintings. He holds the world's record for speed of execution, having completed a picture under Guiness Book rules and supervision in a matter of seconds. In addition, he has authored a text, explaining and illustrating his method of painting.

In juxtaposition with his zest for painting, has been his love for his adopted home, the United States of America. He has performed before our troops in such places as Okinawa and painted every President of the United States. In doing so he has assembled the "Morris Katz Collection of American Presidents" adding to this collection with each Presidential election.

He has given of himself completely to such organizations as the Boys Scouts of America by engaging in marathon painting and giving all proceeds from the sales of these paintings to that worthy organization. Hundreds of charitable organizations have benefited from his largesse.

He has participated in telethons in order to raise moneys for worthy charities. He has traveled at his own expense throughout the country to participate in many of these events and by so doing has enriched the culture and artistic life of our country. He has brought art to city, town, and village in personal visits in a manner and volume never before seen and experienced, enabling thousands of our fellow citizens to own and enjoy an original piece of art.

Mr. Katz has traveled extensively, painting throughout the world. He has given exhibitions in such countries as England, Israel, Maylasia, Austrialia, and Nepal among others. He is also the host of his own TV show, 200 of which have appeared on public cable television.

When asked the secret of his success, Mr. Katz has stated, "America, the land I love. No other country could have given me the opportunities I have enjoyed in this blessed land."

Morris Katz, I salute you and your impressive array of works.

THE TAIWAN PERSPECTIVE ON THE MASSACRE IN BEIJING

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 13, 1989

Mr. SOLOMON. Mr. Speaker, the world continues to recoil in horror at the events in mainland China. And nowhere is this anguish felt with deeper pain and poignance than in Taiwan. The 20 million free Chinese people who live in Taiwan are shocked and saddened at the fate of their compatriots on the mainland in a way that words cannot adequately describe.

However inadequate words alone may be, they must be used. And I would like to share with my colleagues the brief remarks that were made by President Lee Teng-hui of the Republic of China on Taiwan. On the morning of June 4, when Tiananmen Square in Beijing was soaked with the blood of innocent people, President Lee spoke for Chinese people everywhere, on the mainland, in Taiwan, and throughout the world, when he denounced the massacre.

His brief, but eloquent, remarks convey that sense of shock and sorrow that all civilized people must now feel. President Lee's remarks also make clear that history is running on the side of freedom. It is the murderers in Beijing who are the true reactionaries.

I ask that President Lee's remarks appear at this point in the RECORD.

Statement on the Situation in Mainland China

(By Lee Teng-hui, President, Republic of China on Taiwan, June 4, 1989)

Ladies and Gentlemen: Early this morning, Chinese Communist troops finally used military force to attack the students and others demonstrating peacefully for democracy and freedom in Tienanmen Square in Peking, resulting in heavy casualties and loss of life. Although we anticipated this mad action of the Chinese Communists beforehand, it still has moved us to incomparable grief, indignation, and shock.

We believe that the existence of any political regime must be based on the will of the people. The Chinese Communists were able to usurp the Chinese mainland with violence and lies, but there have been constant internal struggles and suppression of the people over the past forty years. In the face of a universal awakening of our mainland countrymen, the inhumane actions of the Chinese Communists are sure to be judged by history, evoke even stronger opposition from our mainland countrymen, and hasten the demise of the Chinese Communists.

With a deeply grieved and heavy heart, I wish, on behalf of the government and people of the Republic of China, to summon all the peace-loving nations and people of the world who share a concern for human rights to sternly condemn the Chinese Communists; to demand them to put an immediate stop to this bloody massacre; and to demand them to offer their best care and

relief to the wounded and families of the dead.

I also summon all Chinese people at home and abroad to put their great love for their countrymen into practice, to closely unite and act as a backup for our mainland compatriots in their struggle for survival and freedom, to support and assist them in every way possible, and to make a complete break with the Chinese Communists.

At the same time, I also wish to remind the people on our bastion of national revival, military and civilian alike, to remain alert to the Chinese Communists' inclination towards the use of violence and military force, and to be prepared, on the eve of the collapse of the Chinese Communists, for any action that they might risk taking.

The Chinese Communist tyranny is the shame of all the Chinese people of the world. The government and people of the Republic of China must resolutely unite all anti-communist and patriotic forces and exert their utmost efforts to overthrow this tyranny. We pledge not to stop until we have achieved this goal.

ST. FRANCIS HOSPITAL, JERSEY CITY CELEBRATES 125TH ANNIVERSARY

HON. FRANK J. GUARINI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 13, 1989

Mr. GUARINI. Mr. Speaker, a dedicated medical facility in my district is celebrating its 125th year of service. Their record is one of outstanding accomplishment covering the years from a most dramatic portion of America's history, treating veterans and their families of the Civil War era to the present time.

St. Francis Hospital, Jersey City, and St. Mary Hospital, Hoboken, which is also in my district, are part of the Franciscan Health System of New Jersey, whose president is Thomas A. Schember, and have combined their goal of intensive caring here in the Garden State.

According to Joan Quigley, corporate vice president of planning and marketing at the facility, located in downtown Jersey City, just two blocks from the Hudson River, the following information is provided:

St. Francis Hospital celebrates its 125th anniversary this year. Some of the memorable events which have taken place here over two centuries are captured on newspaper clippings, now yellowed with age. Yet, perhaps our most cherished memories—the ones which seem most real to us—are those recalled by our senior employees.

"I remember how every inch of this hospital was covered with people. They were out the windows and on the front steps when we used to have them," says retired employee Brunhilde Rautenberg of that day in the 1960's when the late President John F. Kennedy and his wife passed by the hospital in a motorcade. "Children from a local school waved little American flags as we all cheered. I can picture it as if it happened yesterday."

St. Francis first opened its doors to help the poor and sick on April 5, 1864. The hospital has survived two World Wars and a Depression and grown from a two-story frame house into a thriving complex with 254 beds.

And we've cared for generations.

"During the war years, the nuns used to get big trays of food and give them out to the poor who came to the hospital hungry," says Paul Ross, a maintenance mechanic who has been with St. Francis for 40 years. "At that time, this place was run by Franciscan sisters. When Christmas came, they would give every employee a new calendar and a bag of candy."

Mother Francis Schervier, the founder of the Franciscan Sisters of the Poor, had already established two hospitals in the United States when she sent a small group of sisters to set up St. Francis, the first hospital in Jersey City.

With the help of Father Pierre Louis Dominique Senez, who was the pastor of St. Mary Church in Jersey City, the nuns were able to minister to the poor and sick from a house on the intersection of Fourth and Coles Streets. The hospital had 12 beds and a dormitory for homeless girls in the basement.

In 1871, the site for the hospital was moved to a three-story brick house located on Pavonia Avenue and East Hamilton Place, the hospital's current address. That same year, the administration gathered its first medical staff of four physicians and four surgeons. Today's medical staff includes over 268 physicians who have a variety of specialties. Dr. John Imhoff came to St. Francis in 1934. He recalls how he used to ride in the ambulances with his patients on the way to the hospital. Dr. Imhoff also made daily rounds in wards—large rooms filled with 10 to 12 patients.

"I think I've been here longer than any doctor still practicing. The changes I've seen have been breathtaking," says Dr. Imhoff from his office in the hospital.

"When I first became a doctor, we still used maggots to eat away the dead tissue of an ulcerated leg. That sounds like something right out of the dark ages. That's how far we've come."

Today, St. Francis is part of the Franciscan Health System of New Jersey. Our hospital consists of a six-story main building (1974), a 10-story Franciscan Pavilion (1930) and St. Francis School of Nursing (established 1930) is housed in Mother Tarsicia Hall (1960). A parking garage was also built in 1975.

Two years ago, the FHSNJ purchased the old grain mill on Tenth and Grove Streets. After renovations, it will become the administration headquarters for the hospital corporations.

Along with expanding in size, we've also grown to keep pace with advances in modern medicine. For example, in a joint effort with St. Mary, the hospital purchased a CAT-Scan three years ago. An arthroscope and advance C-Arm were also added to the emergency room.

"I remember when cataract patients had to be kept in a hospital for seven days after an operation because they couldn't be moved," says nurse Louise Fallon, the director of materials management who has worked at the hospital for 32 years. "We used to put sand bags on either side of their heads to keep them still. Now they are up, around, and out of here in a day."

The faces at our hospital have also changed. Sr. Loretta Kirby, a patient representative, is one of the few Franciscan Sisters who still works here on a daily basis. She was also here back in 1980 when Thomas A. Schember—the first lay president of the hospital—came to St. Francis.

"The Franciscan sisters have always worked very closely with lay people to care for the sick," said Sr. Loretta. "I didn't intend to be a nun when I first started working here while still in high school. But St. Francis enthralled me. And each day that I come here I am reminded of my vocation and our mission."

Truly, as part of the Franciscan Health Systems nationally, which is located in Brooklyn under the direction of Sister Joanne Schuster, S.F.P., president, St. Francis Hospital is continuing their tradition of caring for generations, working with all phases from handling acute illnesses to those needing long-term care. The parent body operates outstanding facilities such as the Frances Schervier Home for the Aged in Riverdale, NY.

Today, 364 men and women in need of long-term care reside in the home's geriatric unit. The elderly who are able to care for themselves live in a rent-stabilized project with 155 apartments. There is also a residence for nurses, a retirement center for priests, and the Schervier Gallery, which showcases the talents of local artists.

The Frances Schervier Home is the only member of the Franciscan Health System which is named after the founding Mother of the Franciscan Sisters of the Poor. Sister Rita Kerr is the president of the home.

Located in the Bronx, the home sits on 9 acres of land overlooking the Hudson River. The surrounding neighborhood combines both urban and suburban lifestyles. "Ten years ago, healthy seniors would have come here just to retire comfortably without having to deal with all the pressures of living independently," according to Chris Watson, public information officer of the facility. "Now we are getting a lot of seniors only when they are too sick to care for themselves."

In addition to providing medical services and shelter for the elderly, employees encourage the residents to participate in activities and to cultivate relationships in—and outside—the home.

Always on the alert for new ways to reach the public, St. Francis Hospital in Jersey City is heavily involved in providing community programs on health.

The Franciscan Health System of New Jersey takes to the air waves as it introduces residents of Jersey City to a new monthly cable television program entitled HouseCalls.

The show, which will deal with a variety of consumer health care issues, started in February on Jersey City Cablevision. All filming for the program will be done on location at St. Mary and St. Francis Hospitals.

"We are the only hospitals in the area at the present time to offer such a health care program to county residents," said Thomas Schember. "Instead of having a panel/discussion format, the program will be conducted in a documentary style which should make for interesting viewing."

Joan Quigley will host the show which is scheduled to air on Channel 3. Topics to be covered include: Same-day surgery, cardiology, ophthalmology, plastic surgery, infectious diseases, mental health, child abuse, substance abuse, breast cancer, allergies, dermatology, obstetrics and gynecology, and physical rehabilitation.

According to Thomas Schember, "Hopefully, once we get a couple of segments under

our belt we will be able to expand to the cable stations in Hoboken and Bayonne. We feel that this program will provide residents of Hudson County with useful information concerning health care."

St. Francis Hospital and the Franciscan Health Systems of New Jersey has scheduled various events to help celebrate the 125th anniversary of St. Francis Hospital. The most immediate functions they planned are:

An outdoor mass for all employees, medical staff, and board members in Hamilton Park on June 24 at 10:30 a.m. The event will be followed by a continental breakfast in the nursing school classroom;

A birthday party/ice cream social for employees and their children on June 24 from noon to 2:00 p.m. at Hamilton Park;

Two health fairs, both scheduled to take place in Jersey City, one will be at Midlantic Bank at Harborside II and the other is slated for the Hudson Mall.

I am sure that my colleagues here in the House of Representatives want to join me in this grand salute to an excellent medical facility which is providing first-class service to the people of New Jersey.

POLISH ELECTIONS SIGNAL BRIGHT FUTURE FOR DEMOCRACY

HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 13, 1989

Mr. LIPINSKI. Mr. Speaker, like so many other Polish Americans encouraged by the revolutionary reforms underway in Poland, I had anxiously looked forward to the June 4 elections in Poland. While April's Roundtable negotiations between the Communist government and the people's opposition were a monumental step toward democracy in Poland, the elections offered the first real test of the Polish Government's willingness to implement the far-reaching agreements.

The elections were an overwhelming success for Solidarity, and included a resounding disapproval of communism by the Polish people. Solidarity won 94 of 100 seats in the Senate, the upper House of the Parliament reestablished by the Roundtable accords. In their quota of 161 seats in the Sejm, Solidarity candidates earned 161 victories, even though the trade union opened these seats to free elections, unlike the Communists with their quota of 299 seats.

Just as apparent as the people's universal support of Solidarity was their disdain for the Communist candidates. This should be of little surprise. The Polish people have denied the Communist government a shred of legitimacy since tanks and troops rolled into their country in 1947. The gap between the cultural, moral, and political beliefs of the Polish people and the Warsaw government is larger than in any country in the world. It is little wonder that given their first opportunity, the Polish people voiced their complete disapproval of the Communist regime. Still, the extent of the Communist's failure was remarkable. Of the 35 principle party candidates who ran unopposed, not one managed to get the 50 percent rate of approval necessary for a Parliamentary seat. The remaining 264 seats guaranteed the regime will be decided in a runoff, as not one Communist-affiliated candidate won 50 percent of the vote.

Overall, the June 4 elections were the strongest sign yet that the international tide is turning toward democracy, and that communism is no longer a viable option. The students fighting for freedom in China, as well as Mikhail Gorbachev leading reforms in the Soviet Union, have made this clear. Democracy and participation is a requisite for successfully governing the people.

Solidarity's election success is an important sign of the future nature of the Polish Government. If the current government and the Solidarity opposition can cooperate enough to begin Poland down the road to economic recovery, Poland's political environment will remain stable until 1991, when elections will undoubtedly result in democratic rule by Solidarity forces. Solidarity always keeps this future goal in mind. Eventual democracy brought Solidarity to the bargaining table, and is the reason behind their cooperation with the Communists. The United States must also keep this ultimate goal of true democracy and a free Poland in mind as it addresses this curious period in Poland.

As witnessed by the 62 percent voter turnout in a country which normally draws 98 percent, many people were not satisfied by the partially democratic nature of the elections. In the United States, some politicians expressed dissatisfaction, claiming that we must immediately push for completely free and open elections. But we must remember that this system of gradual democratization was agreed upon by Solidarity and the government at the Roundtable negotiations. Looking toward 1991, the United States should use economic and diplomatic support to stabilize the progression toward a democratic and free Poland.

In some ways, Solidarity's curious opposition role is a blessing. Polish citizens desire immediate improvements in their standard of living. Even if the government and opposition quickly institute sufficient economic reforms, the economic hardships in Poland will get worse before improving. If Solidarity policy makers were held primarily responsible, its popularity could decrease before the next elections. Potentially, the opposition will get the best of both worlds: Because of their sweep of the Senate and popular support, they will have a significant role in creating policy; Yet the Communist regime will be held primarily responsible for the hardships reforms will necessarily bring.

Despite a Communist president and Communist control of the Sejm, Solidarity's election victory should translate into great power in creating policy, especially economic policy. Because the Senate has veto power, Communist policies will be subject to Solidarity approval. Solidarity should use this leverage to take the initiative in creating policy. In Poland, Solidarity's cooperation with the government is necessary for the country's economic recovery, but will also lead to greater influence.

Hopefully, this opposition role will not cause Solidarity to avoid making the tough decisions on economic reform. Continued stagnation will likely lead to economic collapse and chaos in Poland, which could easily undermine the greater steps toward democracy and freedom already underway in Poland. Using its huge electoral mandate to drive policy, the opposition can cooperate with the Communists to stabilize the reform process.

The remarkable election results are another monumental step towards democracy and freedom in Poland. America should work to ensure the reforms process remains stable. The Polish people have waited 40 years for democracy, and the next elections should bring true freedom and democracy to Poland. As Solidarity realizes, the goal is certainly worth the necessary cooperation and the short wait.

STATE UNIVERSITY AT PLATTSBURGH NOTES 100TH ANNIVERSARY

HON. DAVID O'B. MARTIN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 13, 1989

Mr. MARTIN of New York. Mr. Speaker, I want to take this opportunity to extend recognition to the State University of New York at Plattsburgh on the occasion of that educational institution's 100th anniversary. This week the college will commence a year-long celebration of its first 100 years of service to the people of the city of Plattsburgh, the Adirondack-Champlain Valley region, New York State, and the Nation.

The college has received national recognition as an institution dedicated to excellence and enters its second century committed fully to the ideals that inspired its beginnings 100 years ago; to provide the best possible educational experiences for students in an academic community that is rigorous, supporting, demanding, and caring.

The Plattsburgh tradition in higher education began in the spring of 1889, when assemblyman Stephen Moffitt, a resident of Plattsburgh, introduced a bill in the State legislature calling for establishment of, and funding for, "* * * a normal and training school at the village of Plattsburgh, in the County of Clinton." On June 15 of that year, Gov. David B. Hill signed into law the legislative act creating the normal school as a teacher-training institution. It opened in September 1890. The following year, three women—all of whom had been admitted with advanced standing—received diplomas during the school's first commencement exercises. One male student was among 26 graduates of the class of 1892.

Following brief terms by normal school principals Fox Holden and Dr. E.N. Jones, Dr. George K. Hawkins assumed that post in 1898. He would guide Plattsburgh Normal for the next 35 years. The school would grow during his tenure but it would also face its most serious crisis. On January 26, 1929, fire destroyed its only building. Pressure mounted to move the school. But, with solid backing from the greater Plattsburgh community, particularly its mayor, John McGaulley, Plattsburgh prevailed. In the meantime, classes

were held in city hall and in lodges and churches throughout the city. In September 1932 a new, $1 million normal school building opened on the site of the original structure. In 1955 the normal school building, which continues to serve the SUNY Plattsburgh campus today, was renamed Hawkins Hall.

Dr. Charles Ward was installed as principal in 1933. He guided the school from the end of the Great Depression through World War II and into the 1950's. In 1937, following 2 years of negotiations with education officials in Albany and Washington, the college was authorized to implement a 4-year curriculum in home economics education. Two years later, the school was granted permission to award the bachelor of science degree to students who completed a new, 4-year program in education. Normal school enrollment reached 700 students by 1940. The normal school became Plattsburgh State Teachers College in 1942. Six years later, the institution became one of the original units in the State University of New York system. University affiliation brought about another name change—the teachers college became the State University Teachers College at Plattsburgh. Dr. Ward foresaw the postwar enrollment boom and lobbied Albany for more buildings and for permission to enroll more students. He died in office in February 1952, about 6 months after the opening of Mcdonough Hall dormitory and college center—and before ground was broken for a new home economics and science building that, in 1955, would be dedicated to his memory. Ward was succeeded by the dean of the college, Dr. Edward E. Redcay. Professor of psychology, Redcay had been brought to the normal school by President Ward in 1936 to strengthen education in the liberal arts. He would serve as president in an acting capacity for 2 years. The college council and the faculty asked Dr. Redcay to accept the presidency permanently, but he declined it.

Dr. George W. Angell was appointed president in February 1954, and it became his responsibility to manage the phenomenal growth of the college from the mid-1950's through the mid-1970's—and its transition from a teacher-training institution to a multipurpose "State University of New York College of Arts and Science." During his administration, more than 35 new degree programs were designed, approved and added to existing curricula; the faculty and student body grew fourfold and eightfold, respectively; and the campus expanded from a few buildings to an academic and residential complex. Tuition, once free, then $20 in the 1930's, edged upward during the 1950's and 1960's as more and more of the costs of public higher education were passed on to students. President Angell, sensing that students in growing numbers would require financial assistance, and supported by many of the community's leading citizens, created the Plattsburgh College Foundation in 1963. It would exceed the fondest expectations of its founders: to the point where in less than three decades the foundation would award more than $400,000 in scholarships and grants in a single year.

Upon Dr. Angell's retirement in 1974, Dr. Joseph C. Burke, then vice president for academic affairs at the college, assumed the presidency. His appointment coincided with the beginning of a protracted period of budget crises, and it became his challenge to manage administrative and academic reform of staggering proportions. Physical growth came to a halt, but the college continued to expand in its diversity of programs in the arts and sciences, business and economics, and professional studies. The college had doubled in size every 5 years from 1955 to 1970—from 800 to 5,200 students—but in 1975—President Burke's second in office—it reached over 6,700, its highest ever. Campus beautification efforts, including the college's innovative museum-without-walls concept, enhanced the living-working environment; honors programs, freshmen seminars, and the Distinguished Visiting Professor Program enlivened the learning environment.

Programs in Canadian studies, in vitro-cell biology and biotechnology, and women's studies gained national reputations. SUNY Plattsburgh became a best buy in American higher education, according to Changing Times magazine. The college became a focal point for the arts on a national scale with a growing collection of world-class works, especially its Rockwell Kent collection and the Winkel Sculpture Court; the forensic and hockey teams won national championships; individual students won prestigious awards, published their research, went on to the Nation's leading graduate institutions, and began careers in public affairs, commerce, medicine and the sciences, the arts and education.

In 1987, following Dr. Burke's appointment as the university's provost, Dr. Charles O. Warren became SUNY Plattsburgh's eighth president. In the 2 years he has been in office, several initiatives have been introduced in response to this call for "* * * a renewed and more collectively conscious commitment to greater and deeper dimensions of quality." A progressive 5-year planning process has been launched; a supportive environment for campus living and learning, designed especially to help freshmen adjust to the collegiate world, has been strengthened; efforts to recruit minority students have intensified; and an improved general education curriculum has been implemented with serious emphasis on active learning, new scholarship on women and minorities, global awareness, interdisciplinary courses, and high standards. President Warren insists that the college remain excellent.

JOE HOOPER'S HOMAGE

HON. ROD CHANDLER

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 13, 1989

Mr. CHANDLER. Mr. Speaker, as a staff sergeant during the Vietnam war, Joe Hooper was awarded the Medal of Honor for rescuing wounded men in the face of heavy machine-gun fire, and neutralizing a North Vietnamese position single-handedly. He then refused medical care for serious wounds until all of his men were treated.

Tragically, Joe Hooper died 10 years later from a much more elusive and persistent enemy—alcoholism. Since then he has become a symbol of the Vietnam veteran's legacy of post traumatic stress disorder. Fearless in battle, yet struck down at home by forces more elusive and powerful than any he encountered in wartime.

Hooper has received many honors since his return from Vietnam, and since his death in 1979 as well. Last year, Karen Lucas of Butler, OH, wrote a song in his honor. I would like to include it here in the CONGRESSIONAL RECORD, along with this article from the Columbus Dispatch which tells her story, as well as his.

[From the Columbus Dispatch, Apr. 3, 1989]

SONG REMEMBERS FALLEN MAN WHO WAS ONCE BRAVE SOLDIER

(By Mike Harden)

There was a war, discounted by some
As just a part of the past to forget;
But men lived and died
You can still hear their cries
From the graves too many to neglect.

No one bothered to write a song about Joe Hooper until Karen Lucas came along.

Lucas, who lives in Butler, Ohio, close by Mohican State Forest, usually writes contemporary gospel music.

"I hadn't written any secular songs in a while," she admitted. But when she heard the story of Joe Hooper, she said, "I was just so moved by it and outraged by it."

To her, Joe Hooper was not merely a hero, a status conferred upon him by the Army and the country for which he fought. He was as well, she observed, a "folk hero."

Hooper is dead. Come May, it will be 10 years.

The North Vietnamese Army couldn't kill him, though it tried mightily. During the Tet offensive of 1968, according to one news story about Hooper, he killed 24 enemy soldiers, rescued a half-dozen of his comrades and was wounded seven times. Alone, he stormed seven enemy bunkers, destroying them with hand grenades. While attempting to rescue a wounded comrade pinned down by enemy fire, he was attacked by an NVA soldier. Hooper killed his adversary with his pistol.

Even after Hooper was evacuated and hospitalized, wrote journalist Nicholas Geranios for The Associated Press, he checked himself out of the hospital to rejoin his unit.

By the time the Vietnam War came to its ignoble, if welcome, end in 1975, Joe Hooper had spent 30 months in the thick of it, his bravery earning for him a Medal of Honor, two Silver Stars and 11 Purple Hearts.

The chestful of ribbons he won made him the second- or third-most decorated soldier of the Vietnam War.

Uneasy with civilian life back in his home state of Washington, Hooper re-enlisted in the Army. In 1974, he resigned the battlefield commission he had won in Vietnam and returned to the Yakima, Wash., area.

It is difficult to read the lines of Karen Lucas' song about Hooper without recalling a tragically similar balled Johnny Cash once sang about World War II hero Ira Hayes:

Call him drunken Ira Hayes
He won't answer anymore,
Not Whiskey-drinkin' Indian
Or the Marine who went to war.

Ira Hayes, a Pima Indian who helped raise the flag on Iwo Jima, turned to drink after the war and drowned face-down in a drainage ditch.

David Dworkin, a legislative assistant for U.S. Rep. Rod, Chandler, R-Wash., said of Hopper: "He suffered from acute post-traumatic stress disorder and chronic alcoholism. . . . Alcoholism is more devastating than the North Vietnamese Army."

On May 6, 1979, Hopper died after a fall in a motel room in Louisville, Ky. He was 40, but by then, Dworkin implied, most of the damage has been done.

Dworkin's boss, Chandler, recently introduced a bill that would rename the substance abuse unit at Seattle's VA hospital for Joe Hooper.

Dworkin acknowledged that naming the unit for Hooper does not necessarily require legislation. The Veterans Administration needs no congressional authorization to do it, and Chandler's office has even written the secretary-designate of the VA to inform him of as much.

"At this point," said Dworkin, "the problem is prodding the bureaucracy." He hopes that before the end of the year the hospital unit will carry Joe Hopper's name.

A hero's welcome is what he deserved,
To be honored in history books;
And all he received in his motherland's arms,
Were the memories of lives that were took.

Karen Lucas isn't sure just what to do with the song she wrote. It was just something that had to be said about a guy whose bravery vanquished every adversary he faced except his own.

JOE HOPPER'S HOMAGE

There was a war, now discounted by some
as just a part of the past to forget;
But men lived and died, you can still hear their cries,
from the graves to many to neglect.

Joe was a boy, who grew into a man
not the way that most young men do;
War has a way of stealing your soul,
and the boy that is left inside you.

(refrain:)
A hero's welcome, is what he deserved,
to be honored in history books;
And all he received in his motherland's arms,
were the memories of lives that were took.

Joe stormed the bunkers, braved enemy fire,
risked his life for his comrade's defense;
Wounded, pressed on, and he still fought the fight,
A soldier of soldiers, among men.

A medial of honor and two silver stars,
Purple hearts that number past ten;
Three dozens citations, prove valour and pride
of his country, but who's heard of him?

(refrain)

the most decorated vet of Vietnam
won his war, that he fought overseas;
But our hero came home, remaining unknown,
Just another 'Nam war casualty.

(refrain)

Onward Christian soldier,
marching on to war;
America, America,
God sheds His grace on thee.

Thanks, Joe. . . .

JOE FIORE: A GREAT MARINE, A GREAT AMERICAN, AND A GREAT FRIEND

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 13, 1989

Mr. SOLOMON. Mr. Speaker, on Tuesday, June 20, 1989, Joseph P. Fiore, veterans' service director of Warren County in upstate New York, will be honored at a retirement party.

Mr. Speaker, Joe Fiore has given nearly a half century of service to his country and his community. He was wounded twice while serving with the U.S. Marine Corps from 1942 to 1945 in Eniwetok Atoll, the Marshall Islands, Saipan, and the Marianas Islands.

But the end of the war didn't end Joe Fiore's service. I had the privilege of working with him on the Warren County Board of Supervisors, where he represented his hometown of Glens Falls from 1960 to 1963, and 1966 to 1974. A longtime leader in veterans' activities, he was a three-term commander of Glens Falls American Legion Post No. 233, commander of the Warren County American Legion in 1985, and service officer of Queensbury American Legion Post No. 6196. He was the first commandant of Memorial Detachment No. 2, Marine Corps League in Glens Falls from 1946 to 1947, and still serves that group as adjutant/paymaster. Joe occupied his post of veterans' service director for 10 years. He was fully involved in every Glens Falls Memorial Day Parade since 1946. In fact, Joe Fiore is synonymous with area veterans' activities.

Mr. Speaker, I don't think I've ever known a finer human being, or a man more willing to give of himself. I ask every Member of Congress to join me in saluting a great marine, a great American, and a great friend, Joe Fiore of Glens Falls, NY.

THE PORT IMPROVEMENT ACT OF 1989

HON. THOMAS M. FOGLIETTA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 13, 1989

Mr. FOGLIETTA. Mr. Speaker, I rise today to introduce the Port Improvement Act of 1989, legislation to address the critical need to modernize and improve the infrastructure facilities at our Nation's seaports.

The problem of America's failing infrastructure is one with which this Congress must cope in a creative, constructive manner. That is especially true for America's ports. To reasonably hope to compete as a world trading partner, we must ensure that our Nation's ports are physically able to maintain and improve our international trading position.

The Port Improvement Act of 1989 will create a Federal low-interest revolving loan fund for port infrastructure facilities, including the construction, repair, or purchase of any port structure, terminal building, equipment, transportation facility, or land. During its first 3 years, the fund will be financed by a small appropriation based on Customs revenues—an amount equal to 0.5 percent of revenue in the first year and 1.0 percent in the second and third years. The fund would then be perpetuated through interest payments on the loans.

The Maritime Administration will administer the fund. Loans will be awarded based on competitive criteria, such as the port agency's ability to repay the loan and complete the proposed improvement, and the impact of the project on the economy of the region, including the number of jobs created or retained. There is also a requirement in the bill to aid our Nation's smaller, but equally vital ports.

Whether on the east coast, the Gulf of Mexico, the Great Lakes, or the west coast, upgraded port facilities are essential to a strong U.S. trade position; 95 percent of all foreign trade comes through our ports. In fiscal year 1988, customs duties totaled over $16 billion. But there is only a minimal Federal investment in the ports which earn that revenue. In fact, while there has been a sharp increase in capital costs for deep-draft port facilities, developments at the Federal level have adversely affected Federal and local investment in our ports.

My own State of Pennsylvania has recognized the magnitude of this problem and is establishing its own revolving loan fund to upgrade facilities at the Port of Philadelphia. But the health of our ports is a national problem, affecting our national economy and demanding a national solution. This legislation will allow port agencies a final option for long-term financing of essential projects.

Mr. Speaker, public and private sector investment in modernized production methods, transportation systems, and high technology ships will be meaningless unless our port facilities are physically prepared to keep pace with the demands of today's international marketplace. I invite my colleagues to join me in supporting the Port Improvement Act of 1989 as a modest but important step forward in the reinvestment of our Nation's infrastructure.

The text of the bill follows:

H.R. 2606

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Maritime Act of 1981 (46 U.S.C. App. 1601 et seq.) is amended as follows:

(1) DESIGNATION OF EXISTING SECTIONS AS SEPARATE TITLE.—The following is inserted before that first section:

"TITLE I—TRANSFER OF MARITIME ADMINISTRATION"

(2) SHORT TITLE.—The first section is amended to read as follows:

"SECTION. 1. This title may be cited as the 'Maritime Act of 1981'.".

(3) CONFORMING AMENDMENTS.—The phrase "this Act" is struck each place it occurs in reference to such Act and "this title" is inserted in lieu thereof.

(4) ESTABLISHMENT OF LOAN PROGRAM.—The following is added at the end of such Act:

"TITLE II—PORT IMPROVEMENT LOAN PROGRAM

"SEC. 21. SHORT TITLE.

"This title may be cited as the 'Port Improvement Act of 1989'.

"SEC. 22. FINDINGS AND PURPOSE.

"(a) FINDINGS.—The Congress finds that—

"(1) the 189 deep-draft ports in the United States are vital to the economic competitiveness not only of the regions in which they are located but to the entire United States and its interstate and foreign commerce;

"(2) the United States' position in international trade depends on a healthy system of deep-draft ports, since more than 95 percent of foreign trade, by volume, passes through its ports;

"(3) a significant number of these ports are facing serious difficulties because their port facilities have become obsolete and have been overtaken by quickly changing technologies;

"(4) there has been a sharp increase in capital costs for deep-draft ports and port facilities, with the result that some ports are unable to finance necessary infrastructure improvements and others which have recently upgraded their facilities (or are in the process of upgrading) have done so at considerable expense;

"(5) while such expenses have traditionally been borne by local and State authorities, escalating costs, changes in tax laws, a diminished Federal role in funding harbor and channel projects, the limited ability of local and State authorities to finance such projects, and the importance of ports to national economic prosperity and competitiveness all suggest that the Federal Government should find new financing mechanisms to assist port agencies; and

"(6) both the Secretary of Transportation and the Secretary of Commerce should participate in activities which enhance the competitiveness of United States ports in interstate and foreign commerce.

"(b) PURPOSE.—The purpose of this title is to improve the ability of United States ports to facilitate trade and to improve the competitiveness of such ports in interstate and foreign commerce by developing a new method of financing major infrastructure improvements to the Nation's deep-draft ports and port facilities by creating a port improvement revolving loan program to make low interest loans to partially fund the cost of such improvements.

"SEC. 23. ESTABLISHMENT OF PROGRAM.

"The Secretaries shall jointly establish a program to make loans to port agencies for financing and refinancing improvements to port facilities at deep-draft ports.

"SEC. 24. LIMITATIONS ON LOANS.

"(a) MAXIMUM AMOUNT.—The maximum aggregate amount of loans under this title in a 5-fiscal-year period for financing improvements to any port shall be $30,000,000.

"(b) MAXIMUM PERCENTAGE OF COSTS.—The aggregate amounts of loans made under this title and other Federal assistance used for improvements to any port facility shall not exceed 50 percent of the costs of such improvements. Except as otherwise provided in this title, any costs of improvements to any port facility not covered by a loan made under this title may be paid for from any other funding source, except a source of Federal assistance.

"(c) NONWATER RESOURCE PROJECTS.—No loan may be made under this title for any activity which is eligible for assistance as a water resource project carried out by the Secretary of the Army, acting through the Chief of Engineers.

"SEC. 25. LOAN SELECTION PROCEDURE.

"(a) APPLICATIONS.—A loan under this title may only be made to a port agency which submits an application for such loan containing such information as the Secretaries may require by regulation. An application for a loan shall be approved or disapproved not later than 60 days after the date on which the application is received by the Secretaries.

"(b) CRITERIA FOR SELECTION OF LOAN RECIPIENTS.—The Secretaries shall evaluate applications for loans under this title and shall select port facility improvements to finance with loans under this title on the basis of the following criteria:

"(1) The applicant's ability to repay the loan.

"(2) The applicant's capability for undertaking the proposed port facility improvements.

"(3) The impact of the proposed improvements on the economy of the port region, including the number of jobs which will be created and retained as a direct or indirect result of such improvements.

"(4) The extent to which improvements will enhance the competitiveness of the port in interstate and foreign commerce.

"(5) The economic viability of the proposed improvements.

"(6) The relative need of the port agency for the proposed improvements, based on the port's economic and competitive status in interstate and foreign commerce.

"(c) SET-ASIDE FOR ASSISTANCE FOR SMALL DEEP-DRAFT PORTS.—

"(1) IN GENERAL.—The Secretaries shall use not less than 20 percent of the amounts appropriated from the Port Improvement Revolving Loan Fund each year for making loans under this title for financing improvements to port facilities at small deep-draft ports.

"(2) ISSUANCE OF REGULATIONS.—The Secretaries shall issue regulations describing requirements for qualification as a small deep-draft port for purposes of this subsection.

"SEC. 26. TERMS AND CONDITIONS OF LOANS.

"(a) MAXIMUM TERM OF LOAN.—The maximum term for any loan made under this title shall be 20 years.

"(b) INTEREST RATE.—Loans made under this title shall be repaid at an interest rate that—

"(1) will ensure that the amount of funds in the Port Improvement Revolving Loan Fund established by this title will increase, not counting future transfers, at approximately the rate of inflation as determined by the Secretaries; and

"(2) is less than market rates for such loans.

"(c) AUDITS.—Projects funded with loans made under this title shall be subject to such audits as the Secretaries determine are appropriate to carry out the objectives of this title. After reasonable notice, a recipient of a loan under this title shall make available to the Secretary for inspection such records as the Secretaries may require to carry out the objectives of this title.

"(d) ADDITIONAL TERMS AND CONDITIONS.—In addition to the terms and conditions otherwise set forth in this section, loans made under this title shall be subject to such other terms and conditions as the Secretaries determine are appropriate to carry out the objectives of this title.

"SEC. 27. PORT IMPROVEMENT REVOLVING LOAN FUND.

"(a) ESTABLISHMENT.—There is established in the Treasury of the United States a fund to be known as the Port Improvement Revolving Loan Fund, consisting of—

"(1) amounts transferred to the Fund under subsection (c);

"(2) amounts deposited into the Fund under subsection (d); and

"(3) amounts credited to the Fund under subsection (e).

"(b) AVAILABILITY.—Amounts in the Port Improvement Revolving Loan Fund shall be available for use by the Secretaries, subject to appropriations, for making loans to port agencies for financing and refinancing improvements to port facilities in accordance with the provisions of this title.

"(c) TRANSFERS TO FUND.—The Secretary of the Treasury shall transfer to the Port Improvement Revolving Loan Fund—

"(1) not later than October 1, 1990, an amount equal to not more than one half of one percent of the total revenues attributable to customs duties collected by the Federal Government during fiscal year 1989;

"(2) not later than October 1, 1991, an amount equal to not more than one percent of the total revenues attributable to customs duties collected by the Federal Government during fiscal year 1990; and

"(3) not later than October 1, 1992, an amount equal to not more than one percent of the total revenues attributable to customs duties collected by the Federal Government during fiscal year 1991.

"(d) REPAYMENT OF LOANS.—The Secretary of the Treasury shall deposit into the Port Improvement Revolving Loan Fund all amounts received by the United States in the form of repayments of loans made under this title, including interest on such loans.

"(e) INVESTMENT.—

"(1) IN GENERAL.—The Secretary of the Treasury shall invest amounts in the Port Improvement Revolving Loan Fund.

"(2) AUTHORIZED INVESTMENTS.—Investments under this subsection shall be made by the Secretary of the Treasury only in interest-bearing obligations of the United States acquired—

"(A) on original issue at the issue price, or

"(B) by purchase of outstanding obligations at the market price.

"(3) SALE OF OBLIGATIONS.—Any obligation acquired by the Port Improvement Revolving Loan Fund may be sold by the Secretary of the Treasury at the market price.

"(4) DEPOSIT OF INVESTMENT INTEREST AND PROCEEDS.—The interest on, and the proceeds from the sale or redemption of, any obligations held in the Port Improvement Revolving Loan Fund shall be credited to and be a part of the Fund.

"SEC. 28. ADVISORY BOARD.

"(a) ESTABLISHMENT AND DUTIES.—The Secretaries shall establish a permanent advisory board to advise the Secretaries in the development of regulations to carry out this title and to advise the Departments as necessary regarding—

"(1) matters relating to the Port Improvement Revolving Loan Fund;

"(2) improvements to port facilities undertaken with loans made under this title; and

"(3) requirements for qualification as a small deep-draft port under section 25(c).

"(b) MEMBERSHIP.—The advisory board established under this section shall be composed of 9 members as follows:

"(1) The Secretary of Transportation or his designee.

"(2) The Secretary of Commerce or his designee.

"(3) 1 member appointed by the majority leader of the House of Representatives.

"(4) 1 member appointed by the minority leader of the House of Representatives.

"(5) 1 member appointed by the majority leader of the Senate.

"(6) 1 member appointed by the minority leader of the Senate.

"(7) 3 other individuals specially qualified to serve on the board by virtue of their education, training, or experience in maritime matters elected by the members referred to in paragraphs (1) through (6).

"(c) PAY.—Members of the advisory board shall serve without pay; except that the members of the board elected under subsection (b)(7) shall while attending meetings of and attending hearings held by the board be entitled to travel or transportation expenses in accordance with section 5703 of title 5, United States Code.

"(d) QUORUM.—6 members of the advisory board shall constitute a quorum but a lesser number may hold hearings.

"(e) CHAIRMAN.—The Secretaries shall alternate each year in serving as chairman of the advisory board. The Secretary of Commerce shall serve as the first chairman of the advisory board.

"(f) MEETINGS.—The advisory board shall meet at the call of the Chairman or a majority of the members of the board.

"(g) POWERS.—

"(1) HEARINGS AND SESSIONS.—The advisory board may, for the purpose of carrying out its duties under this title, hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence, as the advisory board considers appropriate.

"(2) POWERS OF MEMBERS AND AGENTS.—Any member or agent of the advisory board may, if so authorized by the advisory board, take any action which the advisory board is authorized to take by this subsection.

"(3) OBTAINING OFFICIAL DATA.—The advisory board may obtain from the Departments information necessary to enable it to carry out its duties under this title. Upon request of the Chairman of the advisory board, the Secretaries shall furnish such information to the advisory board.

"SEC. 29. REGULATIONS.

"The Secretary shall issue such regulations as are necessary to carry out the objectives of this title.

"SEC. 30. ANNUAL REPORT.

"The Secretaries shall prepare and transmit to the Committee on Energy and Commerce, the Committee on Public Works and Transportation, and the Committee on Merchant Marine and Fisheries of the House of Representatives and to the Committee on Commerce, Science, and Transportation of the Senate an annual report on the loans made under this title, repayment of such loans, the status of port facility improvements funded with such loans, the current and projected financial condition of the Port Improvement Revolving Loan Fund, and an assessment of the effect that loans from such fund have had on the competitiveness of United States ports in interstate and foreign commerce.

"SEC. 31. DEFINITIONS.

"For purposes of this title—

"(1) DEEP-DRAFT PORT.—The term 'deep-draft port' means a port that has a depth of 20 feet or more in habor channels and at marine terminal facilities and that is used by seagoing vessels.

"(2) DEPARTMENTS.—The term "Departments' means the Department of Commerce and the Department of Transportation.

"(3) IMPROVEMENTS.—The term 'improvements' means—

"(A) construction, repair, or rehabilitation of any port facility and purchase of any port-related equipment; and

"(B) construction, repair, or rehabilitation of any other facility which handles waterborne cargo in the vicinity of a port facility.

"(4) PORT AGENCY.—The term 'port agency' means any agency established by one or more States or local governments which is authorized to make improvements to any port facility.

"(5) PORT FACILITY.—The term 'port facility' includes any port structure, terminal, building, transportation facilities, and land.

"(6) PORT IMPROVEMENT REVOLVING LOAN FUND.—The term 'Port Improvement Revolving Loan Fund' means such fund established by section 27.

"(7) SECRETARIES.—The term "Secretaries' means the Secretary of Commerce and the Secretary of Transportation acting through the Federal Maritime Administration.".

SUPPORT MAGAZANNIK FAMILY REQUEST TO EMIGRATE TO ISRAEL

HON. WALTER E. FAUNTROY

OF THE DISTRICT OF COLUMBIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 13, 1989

Mr. FAUNTROY. Mr. Speaker, as a member of the Congressional Vigil on Soviet Jewry, it is with great concern that I bring to the attention of my colleagues the case of Dr. Norbert Magazannik and family, a Soviet family seeking permission to emigrate to Israel. The family first applied to leave the U.S.S.R. in 1977; and Dr. Norbert Magazannik, a respected heart and lung specialist, had to leave his employment as a result of the application.

The Government's refusal is focused on Norbert's wife, Natalya, who worked in glass production but who has been out of the field for 15 years. The Soviet Government insists that Natalya's contact with an invention registration application in 1968 has made her privy to State secrets. Because of this, the Supreme Soviet is denying the Magazanniks permission to emigrate. Additionally, the Government refuses to declare when the secrecy status will be lifted.

Article 13 of the Universal Declaration of Human Rights, an agreement signed by the U.S.S.R., declares that "everyone has the right to leave any country, including his own, and to return to his country." The extent to which Mr. Gorbachev and the Soviet Government respect the rights of those, like the Magazannik family, who wish to emigrate is one of the criteria which we must use in determining our relations with the U.S.S.R. The Magazanniks must be permitted the fundamental human right of free emigration. Let my people go.

MARITIME: GET OUT OF GATT

HON. WALTER B. JONES

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 13, 1989

Mr. JONES of North Carolina. Mr. Speaker, today I, together with 102 of our colleagues on both sides of the aisle, am introducing a resolution that will help preserve U.S. national security by urging that maritime transportation services be excluded from the current General Agreement on Tariffs and Trade [GATT] round of talks on trade in services.

Since the founding of this Nation, U.S. maritime policy has been and remains an integral element of our national security and defense policy. The U.S.-flag merchant marine is and has always been our fourth arm of defense. No aspect of our national defense should ever be a subject for international economic bargaining.

Our longstanding NATO relationships and commitments, port security considerations, and strategic sealift requirements are factors which clearly prohibit inclusion of maritime transportation as an appropriate area for economic liberalization. The fundamental reliance that our Nation has on our merchant marine for national security and defense places it beyond any multilateral process of trade negotiations.

Inclusion of maritime transportation in the GATT discussions offers no prospect for benefiting our maritime transportation industry or international trade interests. The United States already has the most open international maritime trade; GATT negotiations could only result in trading away our present programs.

In the Omnibus Trade and Competitiveness Act of 1988, the 100th Congress strengthened the Federal Maritime Commission's authority to respond to unfair trade practices which adversely affect U.S.-flag ocean carriers. This action clearly and intentionally placed maritime transportation outside the parameters of trade negotiations, and it is totally inappropriate to permit curtailment or neutralization of the Federal Maritime Commission's authority through a trade agreement.

Mr. Speaker, the strong support for this resolution demonstrates its extreme importance. It sends the right message at the right time and I hope that many more of my colleagues will join me in cosponsoring it.

TRIBUTE TO BILL GREEN OF NEW YORK FOR HIS LEADERSHIP OF THE ENVIRONMENTAL AND ENERGY STUDY CONFERENCE

HON. ROBERT E. WISE, JR.

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 13, 1989

Mr. WISE. Mr. Speaker, as vice chairman of the Environmental and Energy Study Conference, I rise today on behalf of the conference to pay tribute to our colleague from New York's 15th Congressional District, BILL GREEN. BILL is stepping down as the study conference's chairman after 4 years of service. He was elected chairman for the 99th Congress and reelected to serve for the 100th Congress.

BILL's leadership and foresight have been critical to the conference as environmental issues have once again risen to the top of the Nation's policy priorities. With BILL's advice and encouragement, the conference has provided invaluable analytical and information services on environment, energy, and natural resource questions long before the headlines brought them to the attention of the entire world.

As a result, the House has been well-prepared to begin the policy debate and respond to constituent concerns on some of the most important questions facing the Earth in the coming years.

BILL has been vigorous in preserving the conference's independence from all groups and ideologies. As you know, that balance is at the heart of the conference's credibility and success. The study conference does not take political positions; its mandate is to provide Members of Congress with objective analysis of environmental, energy, and natural resource issues and a forum for discussion of those issues.

It goes without saying that BILL's leadership has been instrumental in maintaining the conference's superb reputation. It is no accident that the conference remains the largest legislative service organization in Congress. This year, more than 275 House Members and 90 Senators are members of the study conference. On behalf of the study conference, the executive committee, and the conference membership, I want to extend a sincere thank you to BILL for his hard work and strong guidance over the past 4 years.

A SALUTE TO JAMES R. MOFFETT, RECIPIENT OF 1989 B'NAI B'RITH GREAT AMERICAN TRADITIONS AWARD

HON. LINDY (MRS. HALE) BOGGS

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 13, 1989

Mrs. BOGGS. Mr. Speaker, tomorrow evening, James R. Moffett, an individual for whom I have the highest respect and admiration, will receive the B'nai B'rith's Great American Traditions Award which is given to individuals who have made special contributions to improve the nature of the civil life in their own communities.

Jim Bob, as he is know to friends, admirers, and just about everyone in the State of Louisiana, is such an individual. A successful geologist and business leader, Jim Bob is the chairman and chief executive officer of Freeport-McMoRan, Inc., a leading natural resources company and a member of the Fortune 500 which is located in New Orleans. He has guided the corporation since moving its headquarters to New Orleans several years ago.

Jim Bob exemplifies well the great American traditions symbolized by this award. I dare say there are few top executives of large corporations who have taken such an active interest in the well-being of the communities in which they live. Because of the downturn in the energy industry, the New Orleans' economy and local industry, including Freeport-McMoRan, have been affected. Jim Bob could sit back and worry about the problems of his industry, but he isn't that kind of individual. He knows there are problems in the community and he has stepped forward to take a leadership role in developing solutions.

For example, several years ago the city of New Orleans was faced with the first of a series of severe deficits. There weren't enough funds to keep the public libraries open. Rather than see the young people of our city denied this resource so essential to their education, Jim Bob, without hesitation, opened his check book and led a fundraising drive to keep the libraries open. He also helped formulate a stable source of revenues for the public library system.

As a leader in the Louisiana Council for Fiscal Reform, founder of the New Orleans Business Council, and president of the Chamber of Commerce for New Orleans and the River Region, he has aggressively sought to mobilize the business community and the general public to formulate and implement solutions to some of the severe economic and fiscal problems facing our region.

When local cultural organizations were confronted with severe shortages in their fundraising efforts, Jim Bob took the lead in organizing several major local corporations to contribute to an endowment, the Metropolitan Arts Fund, to ensure the continued survival of these essential community resources.

This is the type of man we know Jim Bob Moffett to be. I am proud to be his friend. I salute him for his leadership in the community and I salute the B'nai B'rith for continuing its 146-year tradition of concerns for education, culture, and service and its dedication to human dignity and interreligious understanding.

THE STEVENSON REGULAR DEMOCRATIC CLUB HONORS MAX SIEGEL

HON. GARY L. ACKERMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 13, 1989

Mr. ACKERMAN. Mr. Speaker, today I rise to pay tribute to an outstanding individual and good friend, Mr. Max Siegel, who is being recognized for his dedicated service to the people of Queens County, NY. On June 15, 1989, Max Siegel will be honored by the Stevenson Club at its 23d annual dinner dance, in Flushing, NY.

Max Siegel has been a dedicated member of the Stevenson Club for over 15 years. He has worked quietly and effectively as the journal chairman and a member of the board of directors. A successful businessman, Max and his lovely wife Barbara have three children. Their daughter Bonnie works for Queens Borough president Claire Shulman, while their sons Howard and Stephen also have successful careers. Howard works as a manager for a local business, and Stephen is an electrician. Max and Barbara are proud grandparents of two, wonderful grandchildren, Adam and Roni.

Max has worked at his Manhattan appliance store for over 35 years, putting in grueling 12-hour days. He still manages to find time to devote to the Stevenson Club. Even with such a hectic schedule, he makes a special effort to attend the club on a regualr basis. He also enthusiastically volunteers for many activities and events that are sponsored in his community.

Max has donated countless hours to past Stevenson Club dinner dances, and so it is especially fitting that the club has chosen to honor him at this year's event. His love for politics has been an important factor in making the Stevenson Club such a success. Described by friends as being generous to a fault, Max has always been more than willing to give a helping hand to the Democratic Party in Queens County, NY.

Mr. Speaker, I know that everyone associated with the Stevenson Club would like to express their utmost appreciation for all of the hard work Max Siegel has contributed to the community. I ask all of my colleagues in the U.S. House of Representatives to join me in congratulating Max Siegel for being honored by the Stevenson Club, and wish him continued success in the future.

IRA LEGISLATION

HON. ROBIN TALLON

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 13, 1989

Mr. TALLON. Mr. Speaker, It's no secret that for decades now, America has been on a consumption binge. Tax and other policies have been either deliberately or unwittingly skewed to penalize savings and encourage consumption. We've taxed both the income going into savings, and the returns resulting from savings.

We've abandoned the old maxim that a penny saved is a penny earned. We've encouraged instead an attitude that a dollar I can borrow is a dollar I can spend. The symbol of our age is the plastic credit card. For people, for business, for the Government.

For years we've complacently treated American economic leadership as a natural right, much like the hare felt when he started his race with the tortoise. We've told people, in effect, to forget about tomorrow—live for today.

As a result, America currently has the lowest personal savings rates in the industrial world. When other nations' savings rates are compared, they are three, four, and five times higher than ours. The savings rate in the United States was 4.2 percent in 1988—up from a historic low of 3.2 percent in 1987. By comparison in the 1980-87 period, the Japanese had a personal savings rate averaging 16.8 percent, and the West Germans, 12.3 percent.

And while our investment in a fiscally sound future is declining, our dependence on it is growing like never before. Congress and the Nation face serious problems. The savings and loan bailout, nuclear clean up, and the drug epidemic come immediately to mind. Yet none is more daunting than how to pay for practical needs which affect every citizen—maintaining our health, educating and housing our families, and providing for a lengthening retirement. The costs are soaring and Americans are not prepared to meet them and the resulting shortfalls on a government already burdened with large deficits.

Sooner or later we've got to answer some big questions about our future. How are we going to pay for it? Do we start paying now, and put time and compounding to work multiplying what we set aside? Or do we wait until

we no longer have any time or earnings to save, and then count on somebody else to cough up the money for us? Do we take control of our own destiny, or do we continue to "depend on the kindness of the strangers" who are buying up our land and assets?

The answer is obvious. Getting back on track will take recognizing three things. First, national wealth depends on productivity. Second, productivity depends on investment. Third, investment depends on the flow of savings.

It makes sense that countries with high rates of savings and investment enjoy the fastest rise in productivity, income, and standard of living. Simply put, a lack of savings is a formula for economic mediocrity.

Yet, the cost of capital in the United States is 25 percent to 80 percent higher than in other nations. And while our major competitors use their tax codes to encourage savings and investment, we penalize it.

Financing the needs of tomorrow is too big a task for government alone. What we need for government is not new programs of payment for all the services we will need, but new policies that both enable and encourage people to provide for themselves.

I believe the only way basic needs such as housing, education, and long-term care can be met—on a sound, sustainable, economically feasible basis—is through structured programs of private asset accumulation of the sort that can only work if they're not penalized by the tax system.

Money put into private savings vehicles doesn't just sit there. It finances the Nation's investment in plant and equipment. It creates jobs and income. It keeps America competitive. And it multiplies. It's the ultimate economic and social "two-fer." It provides both the economic benefit of adding to the savings pool, and the social benefit of giving the saver more control over the condition and quality of his life.

Wise tax policy aims at striking a balance: At raising the revenues needed to run the Government with the least possible cost to the productive system, with the greatest possible equity, and in ways that encourage responsible behavior.

With savings at a dangerously low level, we need to encourage savings. With health care costs escalating, we need to encourage more people to provide early for their own future health care costs. With more and better skills needed for a technologically advancing world economy, we need a better educated population to be able to compete. As a nation, we have to encourage home ownership as a national priority.

Today, I'm intoducing legislation to open up the IRA. My bill will allow people to make tax-free withdrawals for education expenses, for long-term health care, and for a down payment on a house—without having to split the interest earned on it with the IRS. I believe this will provide a powerful incentive to encourage people to save for the future, rather than spend for today.

My bill will cost the Treasury very little now and it will make the IRA a sweet deal for the saver, without making it a sour one for the Treasury. It will swell the savings stream even as we continue to cut the deficit. It will promote both growth and competitiveness in the long run, because those require more investment, which in turn require more savings.

This will encourage people to provide for their own futures. And by doing so, build the savings pool that will finance the investment to provide for the Nation's future.

We've got the resources. What we need is the will, the discipline, and the stimulus to look to the future, plan for the future, and save for the future.

TRIBUTE TO DIANE NELSON

HON. RAYMOND J. McGRATH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 13, 1989

Mr. McGRATH. Mr. Speaker, I would like to take this opportunity to pay homage to a distinguished resident of the Fifth Congressional District, Diane Nelson. Diane is retiring from the Lawrence Board of Education after 19 years of dedicated service in the education of her community's children. Although her energy and commitment will be sorely missed, the example she has set will continue in the work of the school board.

The early 1970's was a time of great upheaval in American lifestyle and the education field was no exception. Change was the operative word of that era and local education leaders sought to usher in new educational techniques and programs. Diane Nelson brought capable leadership and a can-do approach to her job to meet the challenges. During those turbulent times, Diane's primary concern was restoration of common sense and order in the educational process. She led efforts to increase electives to appeal to a broader range of student interests.

When the winds of change once again swept the Nation in the early 1980's, schools sought a return to the basics of reading, writing, and arithmetic. The new technological era in American history which we continue to be part of has also increased our need to concentrate on the sciences and computer training. Throughout this continual change in policies, Diane was able to recognize the need for adaptation in her community schools. Today, the Lawrence School District serves as a superb example of success in American education.

Diane's legacy to the Lawrence School Board and the community is immense. Under her tenure a model, all-day kindergarten, a 4-year high school and a middle school were created. Her contributions also include major roles in instituting a learning disabilities program and an extensive health program to inform children about the dangers of drug and alcohol abuse, AIDS, and other serious health risks.

While we are all saddened at Diane's retirement from the school board, we are fortunate to have had her support, guidance, and talents. She will long be remembered for her accomplishments and has earned the lasting respect and gratitude of her community.

INTRODUCTION OF THE HEALTH CARE RESEARCH AND POLICY ACT OF 1989, H.R. 2601

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 13, 1989

Mr. WAXMAN. Mr. Speaker, I am pleased to introduce H.R. 2601, the Health Care Research and Policy Act of 1989.

This bill recognizes the need for a major new initiative by the Federal Government to conduct and support the research needed for making informed health policy decisions. This is research that is critical for enhancing the quality of care and for improving access to care. It will have direct application to improving both clinical practice and the organization, financing and delivery of health care services.

Mr. Speaker, the need for this bill is evident when we consider the truly meager Federal investment in health care research, in comparison with spending on health care services. Although national health expenditures are over $500 billion, the Federal Government spends barely one ten-thousandth as much, some $50 million, on health services research to learn how to assure the quality and improve the efficiency of delivering health care. Similarly, the amounts we spend for technology assessment and for evaluative research on patient outcomes are a pittance of that needed to promote effectiveness and appropriateness in the use of our vast, and rapidly growing, medical armamentarium.

It is unrealistic to expect the private sector to meet this need. Expanded Federal resources, managed by an invigorated new agency, are needed. Not only is the total current investment grossly inadequate to the task, but the little that is being spent is currently without the kind of leadership and organization that could assure the most bang for the bucks. The level of funding must increase, and the work must be conducted and supported by an agency with greatly enhanced stature. Such an agency should be comparable to the other agencies of the Public Health Service. It should strive to achieve the level of scientific prominence that the National Institutes of Health have accomplished in biomedical research.

A significant portion of this research would be devoted to the evaluation of the various services and procedures used to diagnose and treat specific patient conditions. This is currently carried out under the rubric of "patient outcomes" research. This bill would build on the provisions we inserted into the 1986 reconciliation bill, but would greatly expand and enhance the current fledging program.

In addition to its clinical and applied research mission, the new agency would be responsible for promoting the practical applications of such research. In particular, the bill would create a new entity, called the Forum for Quality and Effectiveness in Health Care. The Forum's principal responsibility would be arranging for the development of practice guidelines.

Practice guidelines represent an effort to translate the fruits of health care research into

clinically relevant information for physicians and patients. Mr. Speaker, we are well aware that this task is anything but simple.

For such guidelines to be credible and useful to physicians and patients, they must be developed by persons of recognized stature, using a process of consensus development, and based on the best available information and research, as well as sound judgment.

The Forum would seek to meet these objectives by convening panels of experts, including practicing physicians and consumers, from outside the Federal Government. These panels would be responsible for developing the guidelines, with staff support from the Forum. It would not be the role of the Department of Health and Human Services to review, amend, approve, or disapprove such guidelines. The guidelines would be the product of the panels, not the Department. The Department would not be responsible for disseminating the guidelines or assuring their use, but the Forum could assist private grops who wished to disseminate them and urge their constituents to use them.

Mr. Speaker, I have been interested in this issue for a long time. I have discussed it with many interested parties and the Subcommittee on Health and the Environment has held several hearings on this subject. I believe this represents a balanced process for developing medical practice guidelines. The role of the Government would be to support the activity and to make sure it is done properly, but the actual content of the guidelines would be the responsibility of the private sector. The success or failure of this project would ride on the involvement and cooperation of the physician community. I have tried to structure this in a way that makes it acceptable and challenging to the medical profession, while assuring an appropriate role for Government.

Mr. Speaker, I would note a word of caution. Even though health care research and the development of practice guidelines may have some future application to funding decisions, I would emphasize that we must not expect too much too soon. While it appears that the time is ripe now for spurring this activity along, it is clearly a complex issue. We must have realistic expectations and not look to research results and practice guidelines as overnight solutions for all the problems in health care, particularly not the problem of ever-increasing costs.

This effort can and will help, but only if we are willing now to invest adequately in the research base needed for developing guidelines, and for all the other work needed to enhance quality and improve efficiency.

Mr. Speaker, the time for this investment has long passed, but it is not too late. We must take this challenge seriously. I call on all Members to join with us in support of the Health Care Research and Policy Act of 1989.

AMBASSADORS OF GOOD WILL

HON. J. DENNIS HASTERT

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 13, 1989

Mr. HASTERT. Mr. Speaker, on Monday, I had the opportunity to meet with a group of high school students from my congressional district in Illinois who will be serving as United States ambassadors to the Soviet Union for the next several weeks.

These students are taking part in the "People to People" exchange program that dates back to the era of former President Eisenhower. Over the years it has been very successful in exposing Americans and Russians to our differing cultures and gives them an opportunity to live briefly with host families.

In the spirit of glasnost, these exchange visits become even more important today to both nations. I believe this experience will instill in these students a deep appreciation for the freedoms and liberties that we too often take for granted. It will also give them the opportunity to establish international friendships that can last a lifetime.

To finance the trip, the communities in my congressional district raised an estimated $50,000 and I especially want to acknowledge a contribution of $15,000 from the Loyal Order of the Moose.

Lastly, I especially want to commend George Dyche, who will accompany the youths. He is a former teaching and coaching colleague.

The students who are a part of this trip include: Darrell Hammond, Keith Browning, Thandeka Chapman, Tracey Grometer, Megan Healy, Michael Kennedy, Laura Lauzen, Christopher Madden, Ana Maria Menendez, Eric Pietrusiak, Stephanie Reilly, Sarah Riddle, Marnie Rudigier, Maurice Thomas, and Jennifer Towers.

SALUTE TO DONNELLY CORP.

HON. FREDERICK S. UPTON

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 13, 1989

Mr. UPTON. Mr. Speaker, I rise today to honor Donnelly Corp., of Holland, MI, recipient of the Presidential "E" Award from the Department of Commerce. An E Award is given to industries and manufacturers that have significantly promoted and increased exports from the United States over a substantial period. I am proud that this fine company, founded and based in western Michigan, has been officially recognized as one of the top exporting firms in the entire United States.

The E Award symbolizes a number of business accomplishments. Interestingly, each of these starts with the letter "E":

First. The first E stands for export. A company must increase their exports by a substantial volume over at least a 4-year period. Under the expert direction of chairman of the board J. Dwane Baumgardner, Donnelly Corp. has developed an innovative product line which has made Donnelly glass in demand throughout the world. From Europe to the Far East, Donnelly products are now generating over $20 million in exports annually, an amount expected to double during the next 5 years.

Second. The second E stands for excellence. Donnelly was founded in 1905. Twenty-five years ago, Donnelly was still a relatively small producer of mirrored glass, primarily for the automotive industry. With the development of a technologically advanced line of undercoated glass, Donnelly is respected around the world for the quality of its products.

Third. The third E is for expansion, and expand Donnelly has. From a small handful of employees in 1977, Donnelly has grown to over 200 direct and indirect employees in 1988. Plans are currently underway to add one-third more production capacity and 20 to 50 more production employees.

Fourth. The last E is for effort. I would not be here today to honor Donnelly with this award if it were not for the tremendous effort by each and every Donnelly employee. Excessive overtime has been volunteered with a true team spirit by many of the employees. Whether in the design, production, or marketing of Donnelly products, the employees have done an outstanding job.

Once again, I want to congratulate Dwane Baumgartner and all of Donnelly Corp. for receiving this award. I am sure I speak for all Holland residents, as well as residents from throughout southwestern Michigan in saying how very proud we are of you.

INTRODUCTION OF LEGISLATION TO EXTEND THE FERC LICENSE FOR THE SOUTH FORK AMERICAN RIVER PROJECT

HON. NORMAN D. SHUMWAY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 13, 1989

Mr. SHUMWAY. Mr. Speaker, today I am introducing legislation to extend for 2 years the Federal Energy Regulatory Commission [FERC] license for the South Fork American River Project in El Dorado County, CA.

The El Dorado Irrigation District [EID] and El Dorado County Water Agency have invested more than $4 million for the planning and development of the SOFAR multipurpose water project. The project is an integral part of El Dorado County's plan to meet its water and power demands and to accommodate the increased population projected for this part of California. The proposed SOFAR project would furnish the county with a significant long-term water supply and provide needed energy, as well as recreational and fish and wildlife benefits.

Mr. Speaker, the need for this 2-year extension for the FERC license results from a change in the economic conditions on which the project was originally based. While at the time of the original licensing, high oil prices made the hydroelectric portion of the SOFAR project economically feasible, a reduction in oil prices since then has made non-Federal financing for this project increasingly difficult.

Nevertheless, the El Dorado Irrigation District and El Dorado County Water Agency have been diligent in efforts to move this project forward, and continue to believe that it is extremely vital to meeting future resource demands.

This FERC license extension is a reasonable proposition for those residents of El Dorado County who are counting on this project. Such extensions have precedent in previous congressional action, and it is my hope that the Congress can move this noncontroversial bill forward expeditiously before the July 24, 1989, deadline for the original license.

DEVELOPMENTS IN CHINA

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 13, 1989

Mr. CONTE. Mr. Speaker, day by day, the Chinese Government moves farther from decency. On June 12, in a move that recalls the worst moments of Stalinism and the cultural revolution, it published a list of 21 leaders of the student democrary, and urged Chinese citizens to turn them in for arrest.

On the list are some of China's brightest hopes for the future: lovers of democracy like Wang Dan, Chai Ling, and Wu'er Kaixi. That is not a list of traitors—it is a roll of Chinese patriots. The Chinese Government's attack on them does not surprise me—but it shows one more time how little respect that Government has for its own people.

The United States is not all-powerful, but we can take some measures to protect China's students and dissidents in this dangerous time. I specifically endorse the decision of the U.S. Embassy in Beijing to shelter Fang Lizhi and his wife, Li Shuxian. That is a courageous act. I urge the administration to stick to it, and to continue to give them sanctuary until the danger is past. And I hope we will respond generously to requests for political asylum from Chinese students and residents in the United States.

In closing, I want to commend the work of two institutions we too often take for granted—the American Foreign Service and the American media. Our Embassy has performed brilliantly in protecting and assisting American citizens in China. And American journalists have taken great personal risk—some suffering beatings and arrests—to tell the world about the democracy movement, the assault on Tiananmen Square, and the subsequent repression. They have done a service to friends of democracy, friends of China, and the Chinese people.

IN MEMORY OF THE JUNE 1964 MURDERS OF THREE MISSISSIPPI CIVIL RIGHTS WORKERS

HON. TED WEISS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 13, 1989

Mr. WEISS. Mr. Speaker, 25 years ago this month, civil rights activists James Chaney, Andrew Goodman, and Michael Schwerner were brutally murdered in Mississippi. The deaths of these three idealistic, committed young men have come to serve both as a vital reminder of the savagery and ugliness inherent in racial hatred, and as a symbol of the courage of the American civil rights movement.

In 1964, the three activists were working together in Mississippi on an interracial voter registration campaign. Chaney, a young Mississippian, was a dedicated CORE staff member working at the community center that had been set up in Meridian, MS, with the help of Shwerner, a social worker from New York who also worked for CORE. Goodman, a 20-year-old West Sider from Queens College, had volunteered to spend the summer in the South but spent only 1 night alive there.

The three young men disappeared after being arrested and jailed in Mississippi for a traffic violation. Released in the dark of night, they were followed and shot to death on a lonely country road in Neshoba County, MS. Forty-four days later, their bodies were found buried in an earthen dam. No murder charges were ever filed in their deaths, but eight people—including the sheriff—were later convicted of violating two civil rights statutes which made it a crime to interfere with the exercise of constitutional rights.

We must remember the sacrifice made by James Chaney, Andrew Goodman, and Michael Schwerner in the cause of furthering the ideals of justice and the right to vote. For history, once forgotten, tends to repeat itself. The recent election of former Ku Klux Klan leader David Duke to the Louisiana State Legislature, for example, is a chilling reminder that racial discrimination has not yet been eradicated in this country, despite the claims of some that prejudice and its impact on minorities in this country no longer exists.

Last September, the families, representatives and supporters of these civil rights workers met for the first time in my district office to begin forming what is now the Chaney Goodman Schwerner Memorial Coalition. The coalition will commemorate the 25th anniversary of their deaths and enlist the support of all Americans to continue to work for the values, aspirations and accomplishments of the civil rights movement.

The goals of the memorial coalition include the registration of 50,000 voters in New York City, promotion of civil rights and interracial cooperation, and support of lectures and humanitarian awards. The coalition has also organized a commemorative "Freedom Caravan" from Philadelphia, MS to New York City. On Wednesday, June 21, busloads of students, parents, business and labor leaders, public officials and clergy will begin this historic ride after a day of commemorative events that ends with a torch-lighting ceremony at the Meridian grave site of James Chaney. The Caravan will stop in Washington, DC for activities including a congressional breakfast and a rally on the steps of the Capitol, and will culminate in New York City, with a major public program of tribute at the Cathedral of St. John the Divine.

Mississippi and other parts of the country have taken great strides in improving human relations and providing opportunities for minorities since 1964. Yet racial, ethnic, and religious intolerance continue to be a serious threat to the stability of our society. The efforts and dedication of men and women of all colors and all religions to the civil rights movement is as important now as it was in 1964. The memorial coalition will remind, inform, and instruct us of the past so that we can be better prepared to continue the fight against prejudice and racial hatred into the future.

TRIBUTE TO TRUMAN E. NICKELL

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 13, 1989

Mr. SKELTON. Mr. Speaker, today I pay tribute to an outstanding Missourian who risked his life to save another. Because of his great feat of heroism, Truman E. Nickell received the Carnegie Medal on behalf of the Carnegie Hero Fund Commission. I ask that we take a moment to recognize the courageous act of this exceptional individual. I would like to read to you the following description given by the Carnegie Hero Fund Commission detailing Mr. Nickell's brave deed:

Truman E. Nickell, Lebanon, Missouri, saved Lela D. Harper from drowning, Galveston, Texas, July 14, 1988. Lela, 11, and another girl were wading in the Gulf of Mexico when a strong current pulled them away from shore. They yelled for help. From a nearby point in the water, Nickell, 58, retired, waded to the other girl, who was his granddaughter, and took her to shore. Seeing that Lela had been carried much farther out, Nickell waded and swam about 375 feet to her. When he reached her, they struggled, submerging and re-surfacing twice. With difficulty, Nickell swam back toward shore as Lela clung to him. As they approached, Nickell pushed Lela ahead, then swam to her and pushed her again, repeating the process until they were in wadable water. On the beach, Lela was tired but uninjured. Nickell was exhausted, and he recovered.

In closing, I wish to extend my congratulations to Mr. Nickell. His valor is to be applauded. His dauntless act will be forever commemorated through the Carnegie Medal.

THE B-2 FLY-BEFORE-YOU-BUY ACT

HON. MIKE SYNAR

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 13, 1989

Mr. SYNAR. Mr. Speaker, today I am introducing legislation which would prohibit further obligation of funds for procurement of production aircraft under the B-2 Advanced Technology Bomber Program until the Secretary of Defense certifies to Congress that flight testing of the B-2 has been successfully accomplished. The bill also requires the Comptroller General of the United States to review the Secretary's certification and submit his findings in a report to Congress. I plan to offer this bill as an amendment when the Armed Services takes up the Defense authorization bill later this month.

It has long been a generally accepted principle that any aeronautical system should be thoroughly tested, including extensive flight testing, to assure that the system will accomplish its stated mission objectives, before a commitment to procurement of the system is made. Deviations from this fly-before-you-buy principle have usually resulted in serious problems and excessive cost overruns.

Unfortunately, there has been an increasing tendency at the Defense Department toward concurrency, where a commitment is made to procurement and production actually begins before engineering development and prototype testing are completed. While concurrency is undertaken in the hope of saving money, recent experiences show that this practice is more harmful than helpful. In both the B1-B and C-5B programs, concurrency led to serious problems despite the accrued benefits of several years of experience with the B1-A and C-5A predecessor aircraft.

Obviously, the more revolutionary a proposed aircraft design is from a technological standpoint, the more extensive the testing which will be necessary before committing to procurement and production. The B-2 is a radically different aircraft, and is therefore a high-risk program for concurrency from the standpoint of aerodynamics, stability, and control.

In light of the increasing delay in the B-2's scheduled first flight test and the many questions concerning the program's status, I believe that we need to ensure that concurrency and its attendant risks are taken out of the B-2 before it is too late. The cost of the B-2 has increased several times since the plane was unveiled in 1981. Air Force sources recently estimated that the program cost has increased from $68 billion to $72 billion. The B-2 Fly-Before-You-Buy Act will limit further cost increases in the program by ensuring that future funds are spent only if the plane can perform its mission.

TRIBUTE TO UPPER DARBY HIGH SCHOOL AND SPRINGFIELD HIGH SCHOOL

HON. CURT WELDON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 13, 1989

Mr. WELDON. Mr. Speaker, I rise today to salute and recognize Upper Darby High School and Springfield High School, two schools in Pennsylvania's seventh district recently selected for recognition by the U.S. Department of Education as outstanding secondary schools.

Of all the secondary schools in the United States, both public and private, only 218 were selected to receive this honor. The competition was fierce. Each school first had to be nominated by the board of education in its respective State. Of the 629 schools nominated nationally, only approximately one-third were selected by a panel of judges from the Department of Education to receive an onsite visit, and fewer still were then selected to receive this honor.

Upper Darby High School and Springfield High School were given recognition as two of the outstanding secondary schools of America based on their track record in addressing the needs of their students. Each school is judged solely on its own merits. The criteria used are student achievement, teaching environment, learning environment, parent and community involvement, institutional vitality, and leadership. This year a special focus was placed on cultural reform and geography.

The honored schools receive a specially designed ceremonial flag and plaque, and representatives from each school attend a special ceremony here in Washington.

As a former school teacher, I fully recognize the necessity of excellence in our secondary schools. It is a pleasure and an honor to represent two schools who have succeeded in giving their students the best possible education, and I salute their perseverance and dedication.

IN RECOGNITION OF SIMEON BOOKER: A LIFE-TIME OF EXEMPLARY JOURNALISM

HON. KWEISI MFUME

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 13, 1989

Mr. MFUME. Mr. Speaker, I rise today to honor a journalist whose work in our Nation's Capital for the past 37 years has been nothing less than exemplary. Simeon Booker began his career here in Washington in 1952 at the Washington Post. He later opened the Washington bureau for Johnson Publishing Co., publishers of Ebony and Jet, where he has labored continuously since 1955. The names of these periodicals are but sign posts of a long career that represents the highest ideals of personal and journalistic honesty and integrity.

Doubts of the wisdom of a career in journalism worried Simeon's father, a Baptist minister, who hardly considered journalism a worthy career for Simeon. But when his first byline appeared over a well-written article, Simeon's father demanded that his son use a junior following his name and the elder Rev. Simeon Booker added a senior to the end of his name as a further safeguard against any confusion.

Simeon is a graduate of Virginia Union University, where he worked his way through by handling the publicity for the football and basketball teams. Upon graduation he worked for the Baltimore Afro-American, one of America's greatest black newspapers. There he covered the crime beat at the police station and in criminal court that included his presence as journalist witness at many executions by hanging at the Maryland State Penitentiary. He later joined the Cleveland Call-Post where he was awarded two national awards for his series on housing and education.

Upon leaving the Cleveland Call-Post, Mr. Booker was faced with two desirable choices in his career advancement: the first was to be a correspondent for a black newspaper on the Korean war and the other was to attend Harvard on the prestigious Nieman Fellowship. He accepted the fellowship.

Completing his year at Harvard he made himself a promise to work on a daily newspaper. Sent his writings to 50 editors, he was finally promised a desk upon the next vacancy by Phillip Graham of the Washington Post, which came only 6 months later in 1952. By accepting the position he also accepted the distinction of being the Jackie Robinson of journalism by being the first full-time journalist at that paper. Simeon struggled hard at the Post to achieve a high quality of journalism in the face of rampant racism. He struggled so hard friends often thought he was dying for he was chronically exhausted.

After almost 2 years of being faced with the horrific prejudice of the Capital he gave up his position when he met John H. Johnson, the publisher of Ebony and Jet magazines. The meeting was a match made in heaven. Simeon decided to join ranks with Johnson and together they would fight segregation head on. Through his writings Simeon chronicled the horror and the heroism of the struggle for civil rights. He volunteered for any and every assignment. He hid out in funeral homes, bars, and barns, disguised in overalls or as a minister, he traveled day and night, from one end of this country to another, to the watershed events of the civil rights movement that would one day compose so integrally the history of United States in the 20th century. And to the little events of the movement when the strength and integrity of the ordinary individual faced the ravages of racism with dignity and courage.

When Johnson decided to open a Washington bureau this was the opportunity Simeon had awaited to show Washington that he could not be beaten. Simeon Booker has been at the Washington bureau of Johnson Publishing Co. since 1955. The quality of his writing and the integrity of the person are widely recognized and appreciated.

Mr. Booker is recipient of the prestigious Fourth Estate Award of his lifetime achievement in journalism. He is the publisher of Ebony, Jet, Ebony, Jr., and Black Stars. He is the former commentator for the Westinghouse

Broadcasting Co. a position he held from 1969 to 1978. Simeon is also the author of Black Man's America, a reporter's view of the civil rights movement, and Susie King Taylor: Civil War Nurse, a biography for children.

We are all very grateful to Simeon for his courage and dedication in covering the civil rights movement. Many of us were raised on his writings as the words of a man who was there and who could tell us of how our brothers and sisters were struggling against forces of such hatred and ignorance that we could at once be horrified and hopeful. Horrified at the extent that some would go to prevent the civil rights movement from changing the face of America to the hope that we felt when we saw the victories begin to pile up and barriers to equality start coming down. There is, of course, much work that continues to be done. But we can take heart that we, who enjoy the rights and privileges of American society, stand on the shoulders of such men as Simeon Booker. Mr. Speaker, I am proud and honored to recognize the contributions of Simeon Booker, journalist and giant.

GUILFORD COLLEGE—NAIA CHAMPIONS

HON. HOWARD COBLE

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 13, 1989

Mr. COBLE. Mr. Speaker, I am a graduate of Guilford College in Greensboro, NC. The school is located in my district, so I have two reasons to be proud of this fine institution. Actually, I now have three reasons why I can proudly boast about Guilford College. On May 26, 1989, Guilford College captured the 1989 National Association of Intercollegiate Athletics [NAIA] golf championship. This was the first national title for the Quaker golf team and the third NAIA championship in the school's proud history.

Guilford finished six shots ahead of four-time defending champion Huntingdon (AL) College. The Quakers had finished second to Huntingdon in three of those championship years, so the victory at Bay Valley Resort in Saginaw, MI, was even sweeter. They had finally overcome a determined and talented foe despite 25-mile-per-hour wind that gusted to more than 40 mph during the final round.

As I said, this was the third national championship in Guilford College athletic history. The first was the NAIA basketball championship won in 1973. The man who coached the basketball team to victory in 1973 is the same man who led the golf team to its title in 1989. That man is my good friend Jack Jensen. Jensen, who was named the NAIA coach of the year, told Helen Ross of the Greensboro News & Record that the victory was a team effort—"with T-E-A-M in capital letters," Jensen said. "This is not indescribable, but it's close," he added. "To have one national title is nice, but two are really special. Basketball was great, but not any greater than this. For us to win like we did is really special. I can't believe it."

Mr. Speaker, I can believe it. I have known Jack Jensen for many years, and I know he is truly one of the outstanding coaches in this country. He has now proven himself in two different sports by capturing two national titles. But as he said, he did not accomplish this remarkable feat alone. Our congratulations go to every member of the Guilford College golf team for their part in helping to bring a national championship to Greensboro.

To Jack Jensen and the entire Guilford College golf team we offer our congratulations on a job well done. Coach Jensen has proven to the entire Nation what we have known in our area for quite some time: Guilford College has an outstanding golf program led by a remarkable and talented coach.

PRESIDENT SHOULD SIGN FSX BILL

HON. TOM BEVILL

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 13, 1989

Mr. BEVILL. Mr. Speaker, I rise today to make a few comments about our recent vote to place restrictions on a deal between the United States and Japan to build a new fighter plane called the FSX, in Japan, using American technology.

I am completely opposed to this deal altogether. If we give the Japanese the technology to build the world's most sophisticated airplanes, it won't be long before we are completely out of the aerospace industry.

The Japanese have a way of taking over technology to the point that no one else can compete with them. Look what happened to the television manufacturing industry. We showed them how to make televisions and the next thing we knew, they had taken over the market.

Japan has continually exploited its relationship with the United States. We have paid for much of their defense since the end of World War II. Japan is a very rich nation, yet it only pays 1 percent of its gross national product for defense. By contrast, we pay 5 percent on defense.

And, we have lost American jobs due to unfair trading practices by the Japanese Government. I would like to see an honest effort to cut the $50 billion United States trade deficit with Japan. We don't want to lose any more American jobs. And, we certainly do not want to give away the American aerospace industry.

I also don't completely trust the Japanese not to sell our technology to our enemies. It wasn't very long ago that Congress initiated efforts against the Toshiba Corp. of Japan for selling restricted technology to the Soviet Union.

Because of this illegal sale, the Soviets were able to produce better submarine propellers, making it far more difficult for the United States to track Soviet subs.

The Toshiba incident is one of the main reasons that Congress voted to place restrictions on the FSX deal. Unfortunately, we did not have enough votes to kill the deal outright. However, both the House and the Senate have now passed restrictions on the production of the airplane which would prohibit the transfer of critical engine technologies to Japan.

Japan would also be barred from selling or transferring to third countries major FSX components developed or produced through United States technology.

We know that the President does not want these restrictions placed on the FSX deal and that he has threatened to veto this legislation. I certainly hope that the President will sign the bill, rather than veto it.

I think it is time for the United States to send a message to the Japanese. We value our friendship with them. But we will not let them steamroll over us economically. I hope the administration will get tough in protecting our interests.

TRIBUTE TO NEIGHBORHOOD IMPROVEMENT PROGRAM, INC.

HON. STEPHEN J. SOLARZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 13, 1989

Mr. SOLARZ. Mr. Speaker, the district I represent includes Brighton Beach, a colorful ethnic neighborhood comprising homeowners, apartment dwellers, merchants, and beachfront areas.

The Neighborhood Improvement Program, Inc., of Brighton Beach has proven itself invaluable in the assistance it has given to the residents, merchants, and law enforcement agencies in the area.

They have operated civilian patrols with volunteers driving from 8 p.m. to 2 a.m. Brighton Beach has a large elderly population, and the presence of a youth patrol on foot and on bicycles has helped to make the shopping areas and boardwalk more secure for the elderly.

This organization has helped register valuable property with the police and has participated in changing locks in accordance with the police department's lock program.

The members of the Neighborhood Improvement Program have patrolled the beaches, concerned not only with the safety of the Brighton Beach area but also with dangerous material dumped into the ocean and upon the beaches.

I pay tribute to the members of the Neighborhood Improvement Program, Inc., of Brighton Beach and thank them for a valiant effort on behalf of all the residents of Brighton Beach.

LAST HONORS FOR "U.S.S. EDSON"

HON. GEORGE J. HOCHBRUECKNER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 13, 1989

Mr. HOCHBRUECKNER. Mr. Speaker, I rise today to call my colleagues' attention to a bill I recently introduced, H.R. 2282. This bill will allow the obsolete destroyer U.S.S. *Edson* to be transferred to the Intrepid Sea-Air-Space

Museum by waiving the 60-day congressional review period.

The U.S.S. *Edson* has served the U.S. Navy for over 30 years. It was the last all-gun destroyer in active service and provided essential naval support during the Vietnam conflict. Its last assignment has been as a school ship for the Navy Reserves.

Since the Chief of Naval Operations has certified that the *Edson* is now obsolete and no longer essential for the U.S. defense, it seems fitting that it should be given the honor of serving as a museum for the interest of the American people.

The Intrepid Sea-Air-Space Museum of New York is an organization that certainly deserves such a fine ship. The *Edson* will join the ex-*Growler,* an obsolete submarine whose transfer I supported last year in H.R. 4665. The museum, a nonprofit organization, has agreed to incur all expenses in the transfer and will refurbish the destroyer for display.

The purpose of this bill is to waive the 60-day review period for this transfer. The museum would like to have the *Edson* ready to open on July 4, 1989, to allow the greatest summer exposure. Since the museum will need time to haul the *Edson* from its home port of Long Beach, CA, and time to prepare the exhibit, the 60-day review period will cause the museum great difficulty.

Mr. Speaker, I urge my colleagues to aid the Intrepid Sea-Air-Space Museum in this task. The museum will be a fine resting place for a U.S. destroyer that has served so faithfully. Please support H.R. 2282 and waive the 60-day review period.